

NEIMAN-ROSS ASSOCIATES, INC.
Appraisal Consultants to America's Businesses

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Metropolitan Government of Nashville/Davidson County
C/O Mr. Steve Berry, Director of Public Property
730 2nd. Avenue South
Nashville, TN 37219

November 20, 2017

RE: Restricted Use Appraisal Report of .295 Acres or 12,854 Square Feet DTC Downtown Code District property improved with an urban park-scape named Church Street Park addressed as 600 Church Street Nashville, Davidson County, Tennessee 37219, Davidson County Assessor's Map 093-6, Group 1, Parcel 015.00

Dear Mr. Berry,

At your request and authorization, I have personally inspected and appraised the above referenced property. The purpose of the appraisal is to estimate the current market value of the fee simple interest in the property in it's as-is condition as of November 8, 2017, the date of my inspection and the effective date of value. It is my understanding that the appraisal report will be used to assist you in the possible disposal in exchange of the subject property.

As agreed, this is a **Restricted Use Report**, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2, sec (b) of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. This format provides for property identification, appraisal statement and value conclusion(s). Pertinent facts and data applicable to the subject property are stated in the report. However, this report is not recommended for litigation purposes. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's work file.

I relied on the Sales Comparison Approach to determine a final value for the subject property, wherein the land parcel's value is determined by comparison of similar land parcels within the market of the subject which have recently transacted in the marketplace. The value conclusion stated herein is subject to the assumptions and limiting conditions stated in this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

The person signing this report has the knowledge and experience necessary to complete the assignment competently and is duly licensed by the appropriate state to perform this level of appraisal under certificate number CG-736.

Based on my investigation, it is my opinion that the current market value of the fee simple interest in the subject property as of November 8, 2017 is:

THREE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

(\$3,650,000.00)

Respectfully Submitted,



William J. Neiman, ASA
State Certified General
Real Estate Appraiser – CG-736

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

CATEGORIES	DESCRIPTION/COMMENTS
PROPERTY INFORMATION	Church Street Park
Address:	600 Church Street, Nashville, Davidson County, TN 37219
Map/ Group/Parcel(s):	093.06-1-015.00
Deed Reference(s):	11031-610 (7/21/1998)
Owner(s) of Record:	Metropolitan Government of Nashville/Davidson County
SITE CHARACTERISTICS	
Land Area:	12,162.0+/- Square Feet (SF) or .28 +/- Acres <u>692.1</u> +/- Square Feet (SF) or .0159+/- Acre Public Alley 12,854.1+/- Square Feet (SF) or .295+/- Acres Total
Zoning:	DTC, Downtown Code District MDHA- Capitol Mall Development OV-ADE- Adult Entertainment Overlay OV-UZO- Urban Zoning Overlay
Flood Zone Information:	FEMA Map 47037C0241H – April 5, 2017 Zone code X – Minimal Flood Risk
Corner/Interior:	Three sided block end parcel, between 6 th Avenue and Anne Dallas Dudley Blvd.
Primary Access	Urban, two lane city center roadways, Church Street and 6 th Avenue, N.
HIGHEST & BEST USE	
As Vacant:	Development as Commercial Use consistent with neighbor uses.
As Improved:	Commercial Use
HYPOTHETICAL CONDITIONS	None
EXTRAORDINARY ASSUMPTIONS	This appraisal assumes that the 5’ wide pedestrian alley will be vacated and the area will be included in the exchange transaction.
APPRAISAL SUMMARY	
Report Type	Restricted Use Report
Client	Metropolitan Government of Nashville/Davidson County
Purpose	Estimate Fair Market Value
Intended Use	Disposal in a Like Kind Exchange
Intender User(s)	Metropolitan Government of Nashville/Davidson County and its assigns
Interest Appraised	Fee Simple
Date of Inspection	November 8, 2017
Effective Date of Value	November 8, 2017
Date of Report	November 20, 2017
VALUE SUMMARY	
Sales Comparison Approach	\$3,650,000.00
Income Approach	Not applicable
Cost Approach	Not applicable
FINAL VALUE OPINION	\$ 3,650,000.00
MARKETING EXPOSURE TIME	Twelve months

SCOPE OF WORK

In preparing this appraisal, the Appraiser performed the following steps in the analysis:

1. Identified the subject property and gathered pertinent data with regard to the property to be appraised. Sources of information include but are not limited to the multiple listing services (MLS), Courthouse Retrieval System, the property tax assessor and register of deeds offices for Davidson County.
2. A physical inspection of the property was conducted by William J. Neiman on November 8, 2017. The subject's lot size has been taken from the Davidson County Assessor's records. An Exhibit Map, by Barge, Waggoner, Sumner & Cannon, Inc. dated 10/12/2017 was provided to the appraisers.
3. Reviewed the overall market for similar classes of property to determine the overall market characteristics. Gathered information pertaining to the demographics, geography, and other data relevant to the subject and its location, neighborhood, economic and geographical information for Nashville in the County of Davidson.
4. Gathered information and analyzed data on comparable sales and listings and verified this information where possible with the buyer, seller or their representatives and/or secondary sources. This included an analysis of all pertinent and relevant physical factors that may be perceived to affect value.
5. All approaches deemed necessary to develop a credible market value for the subject property were considered. I relied on the Cost Approach to determine a final value for the subject as an improved equipment and materials storage yard.
6. Analyzed and reviewed all data and decided upon final value opinion.

EXTRAORDINARY ASSUMPTION OF THE APPRAISAL

An extraordinary assumption as defined in the Dictionary of Real Estate Appraisal, 5th Edition (2010), as published by the Appraisal Institute is as follows:

“An assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property.”

In the provided Exhibit Map prepared by Barge, Waggoner, Sumner & Cannon, Inc., dated 10/12/2017 there is a five foot wide public alley running the length of the northern property line. It is herein assumed that this alley will be vacated by Metropolitan Public Works Department and will be incorporated into the area of the Church Street Park to be included in this property exchange. The inclusion of this additional area has added \$210,000 to the value of the Park's overall value.

IDENTIFICATION OF THE PROPERTY

The subject property is a Downtown Code District (DTC) zoned, public park offering a green space in an otherwise urban center canyon of commercial and office buildings. The Church Street Park totaling .278 acres or 12,110+/- SF is located on the north side of Church Street which connects the near west side of Nashville with the city's central business district. At this point Church Street is a narrow two lane urban roadway without curb parking, or turn lanes. The neighborhood is in the city's center, three blocks south of the Tennessee State Capitol Building. The area's primary access from the west is Church Street and from the north and south by 8th. Avenue, N. The parcel shown on the following tax map is rectangular shape.

The property is improved with a central water fountain surrounded by pine trees, shrubs and grass lawns. There are paved sidewalks crossing the park diagonally from point to point drawing the pedestrian to the centralized fountain. The park is situated across the street from the central public library and accents its 1930's architecture. There are perimeter pedestrian sidewalks on three sides while the north property line abuts the wall of a neighboring building which has been faux painted the visually expand the feeling of open space.

No survey was provided to the appraiser on the subject site, however I was provided an Exhibit Map prepared by Barge, Waggoner, Sumner & Cannon, Inc. a reputable engineering firm. The size of the subject property parcel has been

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obtained from this document and verified by the current tax assessor's record. A copy of the tax map for the subject properties is provided below:

	
<p>Frontal view from Church Street</p>	<p>View NW Corner into park</p>
	
<p>Long view from west side into park</p>	<p>View from SW corner looking NE</p>
	
<p>View from SE corner looking NW</p>	<p>Sidewalk along Church Street, park on right</p>

Tax Map 093-06-1-015.00



LEGAL DESCRIPTION

The subject property as referenced by the Davidson County Tax Assessor’s office is included in the Register of Deeds for Davidson County warranty deed number 11031-610. This Warranty Deed describes the subject parcel. No survey was provided to the appraiser on the subject site, however I was provided an Exhibit Map prepared by Barge, Waggoner, Sumner & Cannon, Inc. a reputable engineering firm. The size of the subject property parcel has been obtained from this document and verified by the current tax assessor’s record.

OWNERSHIP HISTORY

The official records of the Davidson County Register of Deeds' office indicate that the subject property transferred from Metropolitan Development and Housing Agency (MDHA) to the current owner, Metropolitan Government of Nashville/Davidson County on July 21, 1998 in Warranty Deed 11031-610 for a consideration of \$391,500.00. MDHA acquired the property by Warranty Deed from Edwin B. Raskin, Trustee, on November 27, 1996 for a recorded consideration of \$391,500.00, Warranty Deed 10273-933.

MARKET AREA TRENDS

The Nashville MSA economy and the regional economy in Middle Tennessee are strong and diverse. The area benefits from a growing population, increasing personal income, stable investment and expansion. Employment growth in the area is buoyed by stable industry and population growth.

Unemployment in the Nashville MSA remains below the state and national level and is improving as the economy improves. Davidson County should continue to develop and is appealing to companies relocating in the Southeast region of the US. This drives growth in the sales-tax revenue base with potential for more growth based on an increase in population and/or an improving economy. With more new jobs on the horizon, the unemployment rate in the Nashville MSA should maintain a level at or below the state and national averages with continued long term growth potential going forward.

In general, population and job growth bodes well for all segments of the real estate market. Job growth is bringing in more population and powering the Nashville housing market higher. Overall, the outlook for the subject market area is positive, with an expectation of strong steady growth over the near term.

NEIGHBORHOOD DATA

Location: City Center - Nashville, Davidson County, Tennessee

This is an Original Town of Nashville Plan property established in the early stages of the organization of Nashville as a collective community. The area has developed over the years to be a vibrant central business center having changed with the concepts of urbanization as they morphed from pioneer to colonial, agricultural to industrial, technological to today's current economic endeavors. This is the oldest continuing economic center of the city and its capability in meeting modern demands for space, traffic flow, environmental health, and convenience are being tested.

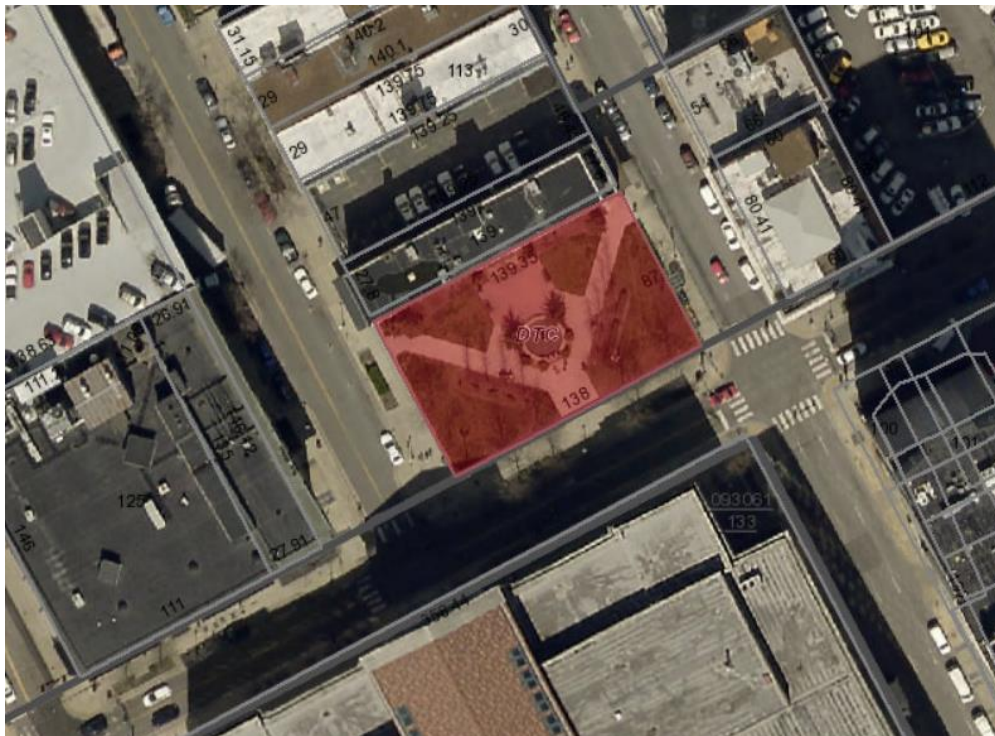
Nashville is presented as the "It City" having a multi-industry economic base offering an ability to attract major corporate interests to the area and thus offering employment opportunities for a diverse population willing to relocate to Nashville. There are also natural incentives for establishing a new homestead here where rivers and rolling hills come together in a natural setting and offering outdoor recreational opportunities within easy reach.

Within the immediate area of the subject, the character of the properties are primarily high rise office, high rise hospitality, entertainment and sports venues, with inter-mixed older retail, commercial structures exhibiting the progression in the character of the economy since its original conception. The area is appropriate for high rise residential development but primarily for high rise commercial development.

Boundaries: The subject neighborhood is generally bounded north by Charlotte Avenue, west by the CSX railroad lines, east by the Cumberland River and south by Broadway.

Access and Linkages: The market area, being central commercial in character is experiencing extensive high rise commercial, residential and municipal venue developments. It has a network of roadways making the locale accessible. The primary roadway servicing the subject is Church Street which runs east and west through the neighborhood. There is I-40 Interstate highway accesses to Church Street. The primary north/south access is 8th Avenue.

Immediate Area Land Usage



Adjacent Land Use:

- South – Nashville Main Library
- West – Retail Department Store converted to Office
- North – Office 2-4 Story
- East – Older Commercial Retail 1-2 Story

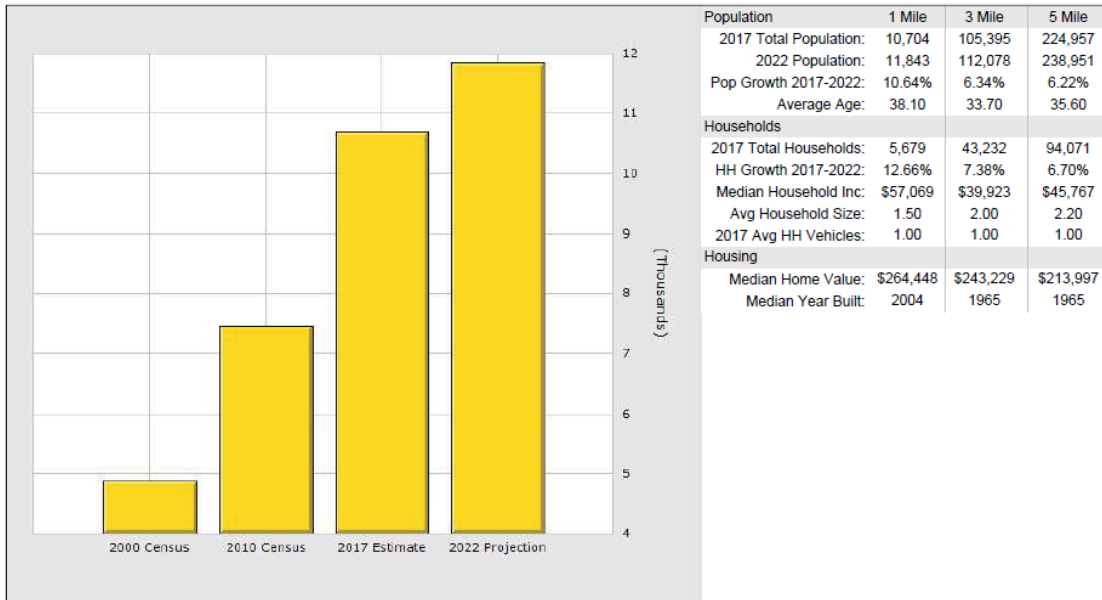
Demographics

2017 population within the immediate one mile radius of the subject is 10,704. Population is expected to grow 10.6% in the next five years to 11,843 in 2022. According to Costar, there are 5,679 households within this radius with an average size of 1.5 persons and a median household income of \$57,069. This is higher when compared to the Nashville MSA. A demographic summary is presented below:

Population within a One, Three and Five-Mile Radius of the Subject Property

Population for 1 Mile Radius

500 Church St, Nashville, TN 37219



Vacant DTC Land Sales in the Subject Market Area

An analysis of land sales (Parking Lot) for vacant Downtown Code District land tracts (.10 to .60 acres) in the subject market area, between 1/1/2015 and 11/8/2017, reflects 6 sales ranging in size from .11 acres to .44 acres with an average tract size of .257 acres with sales prices from \$880,000 to \$6,000,000. The sales found had a median sales price of \$1,475,000 and median sales price per acre of \$6,401,515. Based on my research, demand for vacant (Parking Lot) developable land has been increasing at a 2.2% monthly rate over the time span of the data collected.

Summary: The subject property is in a high density commercial neighborhood with access to the interstate and to major thoroughfares. The neighborhood is in the stabilized phase of the economic cycle, with older properties being repurposed and demolished to make way for new edifices depicting the improvements in architecture and construction techniques. Absent in the revitalization of the central business core neighborhood is an emphasis on improving transportation and traffic corridors to accommodate the population growth.

SITE DATA

Land Area: 12,854+/-SF or .295 acres +/-

Site dimensions: 138.42' North, 92.00' East, 139.77' South and 92.00' West. The east & west lines include the 5 foot added depth of the public alley which I assume will be included.

Shape: Rectangular

Topography: The parcel is level with a slight decline to the southern line.

Zoning: DTC Downtown Code District.

Flood Hazard: The subject property is in an area of minimal flood hazard, zone X.

Utilities: Water, sewer, electric, and communications are available at the street.

Site Improvements: Public park landscaping, sidewalks and a central water fountain

Location: 600 Church Street, Nashville, TN

Street Type/Lanes: Fronts on Church Street, a narrow two lane paved urban roadway.

Frontage: 139,77' on the north side of Church Street

Ingress/Egress: No vehicular access or egress. This is a pedestrian park.

Access: Good /No limiting factors noted.

Visibility: Good /No limiting factors noted

Subsoil Conditions/Drainage: Unknown. This appraisal is assuming NO contamination.

Environmental: No adverse site conditions or external factors were apparent.

Hazardous Substances: None noted.

Easements/Encroachments: There are no known encroachments or easements.

Note: An accurate survey is recommended to determine exact measurements and easements.

Subject Topographical Map



As shown on the topo map, Church Street is at 502' above sea level, the rear of the parcel is at 504' with a central high point running east to west. The distance from the street to the highest points is approximately 87', the indicated grade is an 3.5% grade.

TAX ASSESSMENT DATA

Map 093-06, Group 1, Parcel 015.00	As of 2017	
Land:	\$3,001,500.00	
Improvements:	\$00.00	
Assessment Ratio:	X .40	
Assessed Value:	\$1,200,600.00	
Tax Rate:	X 0.03155	
Total 2017 Taxes:	\$37,878.93	

This property is Metro owned and is not taxed. However, if the property were owned by a bonafide taxable entity the taxes as calculated would be assessed for taxable year 2017.

HIGHEST AND BEST USE

As Vacant – Development as Commercial Services Use: The subject site is located on Church Street which is the east/west access to Nashville’s business center with a multitude of hospitality and high rise office properties. The service traffic along this road can be overpowering at times due to it being the most convenient entry to the interstate I-40. This location is in a DTC designated district and is therefore legally adaptable to this commercial services use.

Economically, the property is less desirable for residential development due to its location amongst the highly commercial neighbors and the complications which go along with being so located.

As Improved – Continued Use as a Public Park/Green Space Use: Given the existing improvements, current location and population utilization, it is apparent there is a demand for the facility as it is configured and located. While the determination of the economic practicality of the enterprise is not a consideration of this appraisal, the current demand for more open space implies that the community is supportive of the undertaking.

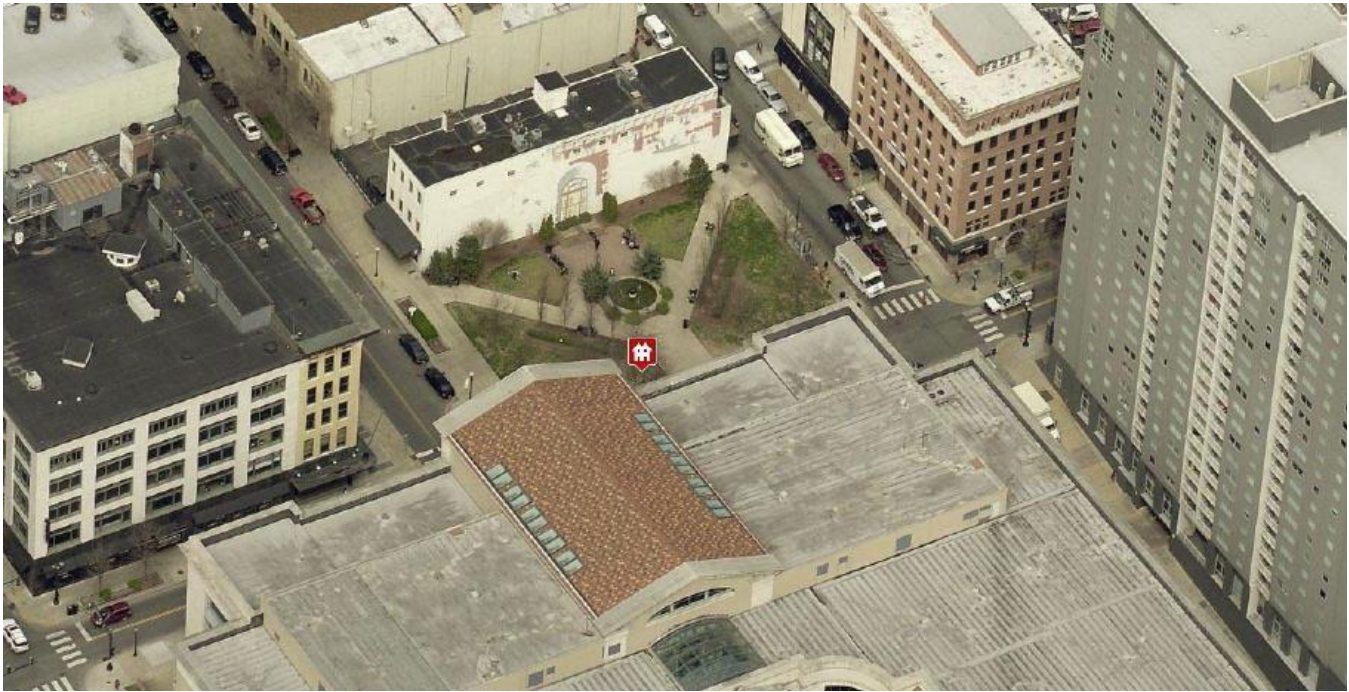
In considering the property as if improved with the existing improvements, the highest and best use takes on a different analysis. With the subject being appraised as improved with the park amenities, the highest and best use analysis will consider these improvements.

When analyzing improved property such as the subject, demand for this usage must be considered. However, other support pertaining to highest and best use must also be considered such as the contribution to the community, wealth maximization for property owners, the most probable use, and the most profitable use.

Determining a value of the subject’s contribution to the community as a public park is an esoteric problem having a number of interpretations based upon the perspective of the analysis. Without a comparative value, there is no basis for determining the prevailing “best use” from a monetary standard of comparison. However, aesthetically, environmentally and intellectually we know there is value in a public park.

Given prevailing land use patterns in the area, and recognizing the principle of conformity, I considered development as commercial use to be the highest and best use for the valuation purpose of the subject site “as is”. However, the existence and operations of the improvements can’t be overlooked in concluding the overall value of the subject property and will be recognized. For this reason it is my opinion that the highest and best use for the subject property is **Commercial Services Use**.

SUBJECT AERIAL PHOTOGRAPH



Source: Assessor's Pictometry Map (3/16/2017)

SITE VALUE

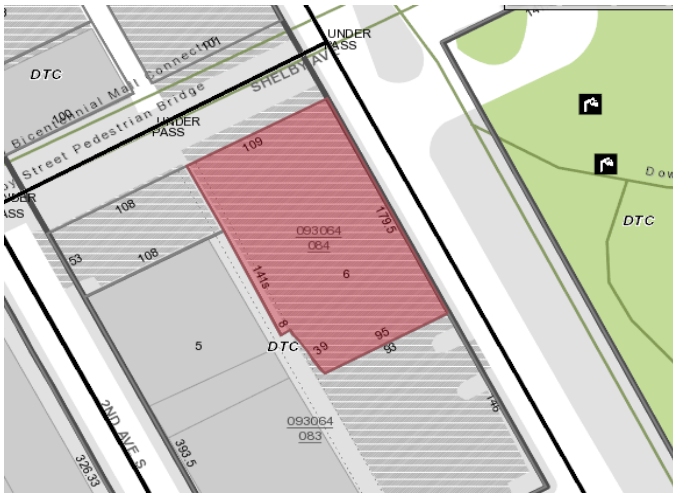
In the valuation of the land parcel upon which the subject property improvements are located, the appraisal process looks to the site as though it were vacant land available for development. This affords the analysis by the other approaches a benchmark dollar amount for adjusting differences that exist between the subject's land characteristics and those of the other properties considered comparable.

In estimating the prospective market value of the subject's land parcel, as though vacant, the most effective approach is to utilize the Market Comparative Approach (Sales Comparison Approach). In this approach I sought data on Downtown Code District (DTC) vacant or Parking Lot property sales within the January 1, 2015 to November 8, 2017 time period, with .10 to .70 acres of area that have similar characteristics found in the subject's land parcel.

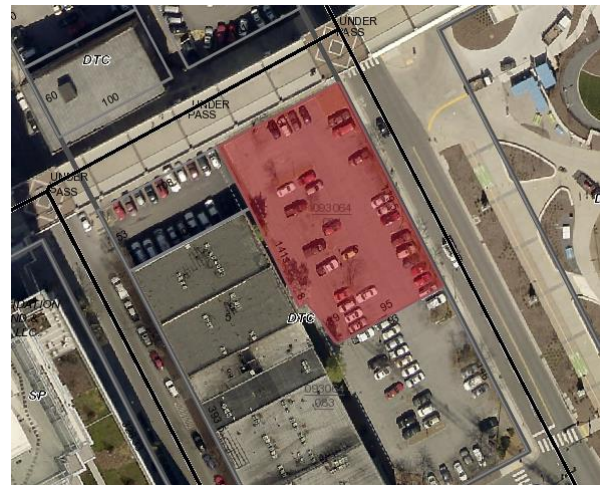
After analysis, four properties were chosen that incorporated the characteristics of the subject. The sites selected ranged in size from .29 to .62 acres with an assessor's Central Business District (CBID) location designation. All of the comparable properties were in downtown Nashville. The comparisons were based on a price per square foot of land area and the average size of the four comparable sales is 17,968.25 square feet. Sale prices per square foot of land varied from \$160.70/SF to \$313.05/sf. The comparison per square foot gave an indication of what a potential buyer/developer might pay for a developable tract of land similarly situated as the subject.

Following is a description and comparison of those sales found to be similar to the subject:

COMPARABLE SALE #1



Assessor's Zoning Tax Map



Assessor's Aerial View Map

Location:

151 1ST Avenue, S. Nashville, TN 37201

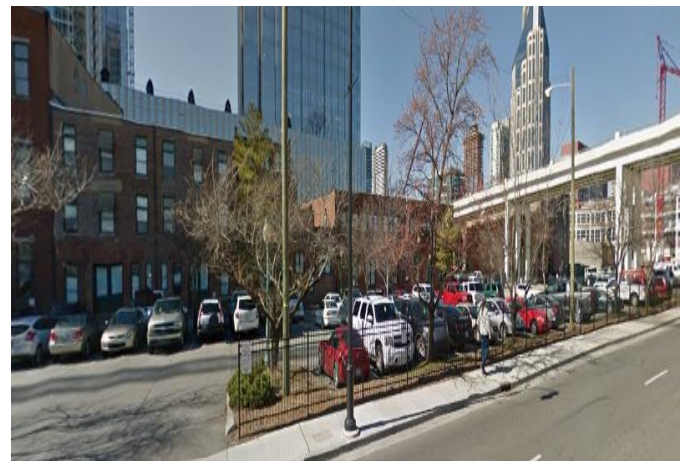
Grantor:	H G Lipscomb Realty, LLC
Grantee:	Jacob May
Sale Date:	August 21, 2015
Consideration:	\$6,000,000
Land Area:	.44 Acres, 19,166+/- SF
Shape of Tract:	Rectangular
Topography:	Gently sloping from rear to street
Zoning Classification:	DTC – Downtown Code District
Deed Reference:	DB-201508240-085132
Map/Parcel:	093-06-4-084.00
Verified By:	Register of Deeds – Davidson County

Units of Comparison

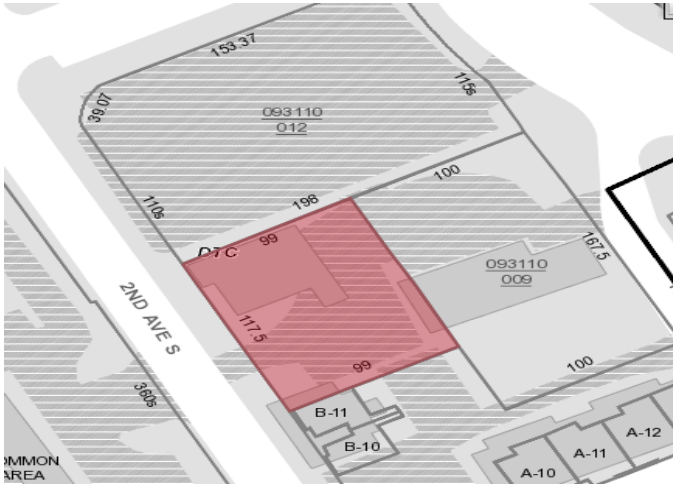
Selling Price per Sq. Ft. \$313.05/SF

The property is located at the western bridgehead of the Shelby Street Pedestrian Bridge over the Cumberland River. It is a parking lot on the west side of 1st Ave. sharing the block with the Market Street Apartments. Across the street is the Ascent open-air amphitheater, a Metro developed music and stage entertainment venue.

The subject is a paved parking lot with space for approximately 63 automobiles. The neighborhood which is primarily commercial and urban residential in character is undergoing revitalization by rehabilitation of older industrial properties which surrounded the Thermal Transfer facility which previously occupied the amphitheater's location. The photograph to the right is a current picture from the street of the comparable property.



COMPARABLE SALE #2



Assessor's Zoning Tax Map



Assessor's Aerial View Map

Location:

418 2nd Ave. S & 423 1st Ave. S, Nashville, TN

Grantor:	Paul W. Herman
Grantee:	Frank C. May
Sale Date:	November 20, 2015
Consideration:	\$6,000,000
Land Area:	.62 Acres, 27,007+/- SF
Shape of Tract:	Rectangular
Topography:	Gently sloping from south to north
Zoning Classification:	DTC – Downtown Code District
Deed Reference:	DB-201511200-118174
Map/Parcel:	093-11-0-009.00
Verified By:	Register of Deeds – Davidson County

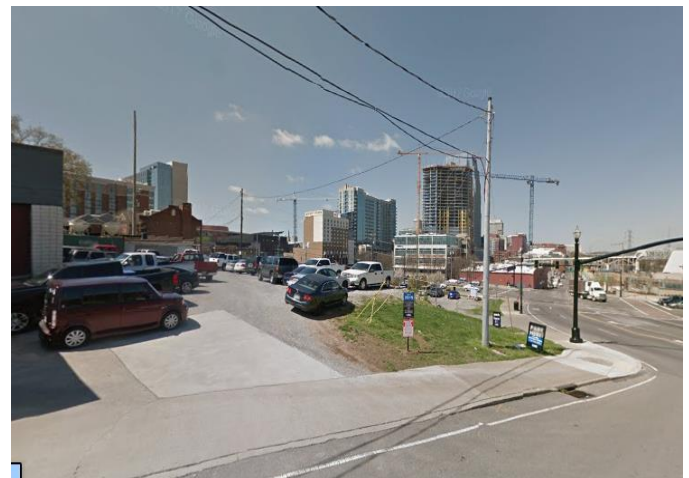
Units of Comparison

Selling Price per Sq. Ft.

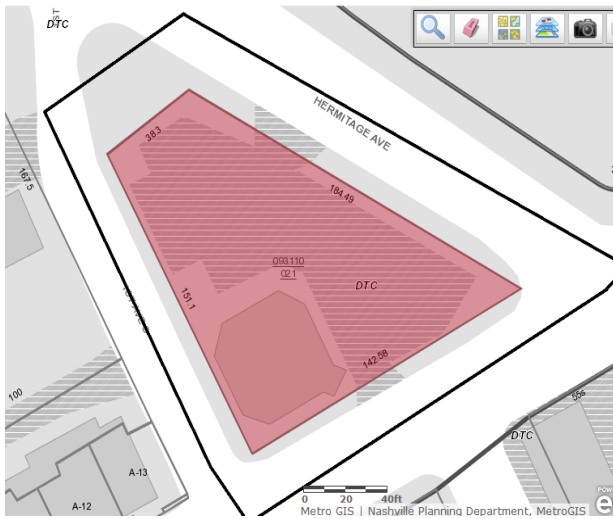
\$222.16/SF

The property is located between 1st and 2nd Avenues in the Rutledge Hills neighborhood. An adjoining parcel fronts the Korean War Veterans Blvd. at the western bridgehead of the Korean War Veteran's Memorial Bridge over the Cumberland River. This is a synergistic acquisition by the neighbor property holder who owns the parking lot on Korean War Veterans Blvd. There are improvements on the property, a small office and a small shop building, however, the assessor has placed very little value to these structures, telling me that they will be removed to make way for added parking spaces.

The photograph to the right is a current picture from the street of the comparable property.



COMPARABLE SALE #3



Assessor's Zoning Tax Map



Assessor's Aerial View Map

Location:

94 Peabody Street, Nashville, TN 37210

Grantor:
 Grantee:
 Sale Date:
 Consideration:
 Land Area:
 Shape of Tract:
 Topography:

Robb Properties, LLC
 Peabody, LLC
 April 8, 2014
 \$2,100,000
 .30 Acres, 13,068+/- SF
 Irregular Rectangular
 Sloping from rear (south) to Hermitage Ave., (north)

Zoning Classification:
 Deed Reference:
 Map/Parcel:
 Verified By:

DTC – Downtown Code District
 DB-20141000-30010
 093-11-0-021.00
 Register of Deeds – Davidson County

Units of Comparison

Selling Price per Sq. Ft.

\$160.70/SF

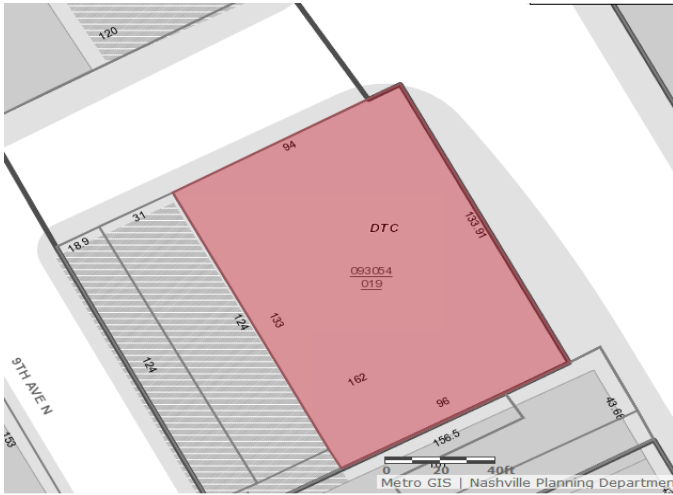
The property is located at the junction of Hermitage Avenue with the Korean War Veterans Blvd. The neighborhood is known as the Rutledge Hills and is included in a MHDA development overlay.

At the time of inspection the improvements were being demolished either to add more parking spaces or for development. The permit records were unclear on this point. The Davidson County assessor's office has placed no value on the improvements indicating that this demolition was expected.

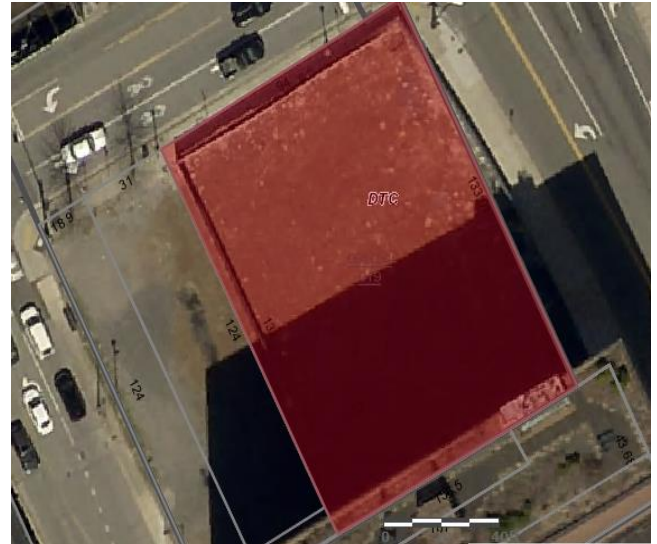
The photograph to the right is a current picture from the street of the comparable property.



COMPARABLE SALE #4



Assessor's Zoning Tax Map



Assessor's Aerial View Map

Location:

801 Church Street, Nashville, TN 37203

Grantor:
 Grantee:
 Sale Date:
 Consideration:
 Land Area:
 Shape of Tract:
 Topography:
 Zoning Classification:
 Deed Reference:
 Map/Parcel:
 Verified By:

Yellow Jacket Parking, LLC
 Hollyvale Church Holdings, LLC
 April 26, 2017
 \$2,500,000
 .29 Acres, 12,632+/- SF
 Rectangular
 Level with streets
 DTC – Downtown Code District
 DB-201705030-043564
 093-05-4-019.00
 Register of Deeds – Davidson County

Units of Comparison

Selling Price per Sq. Ft.

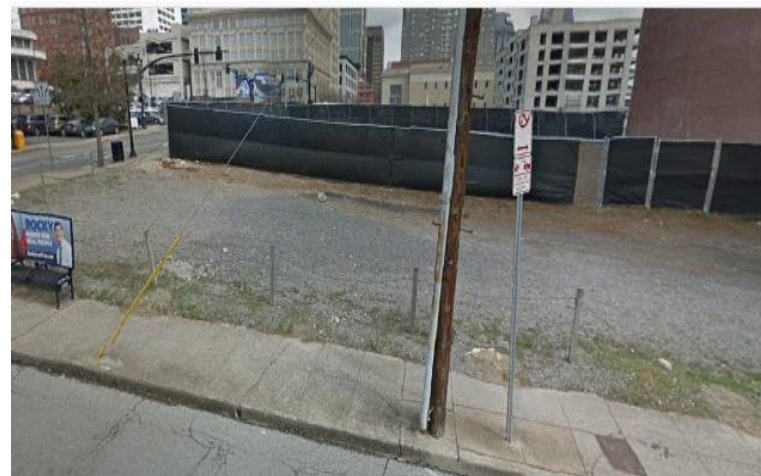
\$197.90/SF

The property is located at the intersection of 8th Avenue (Rosa L. Parks), with Church Street. This intersection also incorporated the termination of the western end of James Robertson Parkway after it traverses the State Capitol building.

The property has long been a parking structure which was demolished in 2015 and surface parking lot improvements were permitted in 2017.

The neighborhood which is primarily commercial and urban residential in character is undergoing revitalization by rehabilitation of older commercial properties such as the multi-tenant 6 story office building across the street the owner of which is the grantee of this transaction.

The photograph to the right is a current picture from the street of the comparable property.



Market Data Grid

Name: 600 Church Street		Comparables Properties: Land Parcels				
City: NASHVILLE, TN		Subject	#1	#2	#3	#4
Sale Date			8/21/2015	11/20/2015	4/8/2014	5/2/2017
Land Use	Public Park	Parking Lot	Office & Warehouse	Vacant Comm'l	Vacant Comm'l	
Address	600 Church Str,	151 1st. Ave. S.	414 2nd. Ave. S.	94 Peabody Str.	801 Church Str.	
		Nashville, TN	Nashville, TN	Nashville, TN	Nashville, TN	
Map/Parcel	093-06-1-015.00	093-06-4-084.00	093-11-0-004.00	093-11-0-021.00	093-05-4-019.00	
			093-11-0-009.00			
Sale Price		\$6,000,000	\$6,000,000	\$2,100,000	\$2,500,000	
Prop Rights Convyd		\$0	\$0	\$0	\$0	
Adjusted Price.....		\$6,000,000	\$6,000,000	\$2,100,000	\$2,500,000	
Land Area /Square Feet	0.295	0.44	0.62	0.30	0.29	
LandArea /Sq. Ft.	12,854	19,166	27,007	13,068	12,632	
Sales Price per Sq Ft		\$313.05	\$222.16	\$160.70	\$197.90	
Financing Terms	Cash	\$0.00	\$0.00	\$0.00	\$0.00	
Condition of Sale	Market	\$0.00	\$0.00	\$0.00	\$0.00	
Adjusted Sales Price per Sq. Ft.		\$313.05	\$222.16	\$160.70	\$197.90	
Market Conditions	Current	\$115.22	\$115.22	\$151.85	\$27.12	
Location	CBID	CBID	CBID	CBID	CBID	
Improvements:	Ldscking & founth	Paving & Lighting	6246sf Structures	None	None	
Market Value	\$20,000.00	\$18,400.00	\$60,000.00	0	0	
Adjustment for Improvements		0.08	(1.48)	1.53	1.58	
Total Adjustments per Sq. Ft.		\$115.30	\$113.74	\$153.38	\$28.71	
Adjusted Sales Price per Sq. Ft.		\$428.35	\$335.90	\$314.07	\$226.61	
Weighting		10%	10%	30%	50%	
Weighted Contribution to Sales Price		\$42.84	\$33.59	\$94.22	\$113.30	
Total Of Weighted Contribution	\$283.95					
Indicated Value of Subject	\$3,650,000.00					

ANALYSIS OF COMPARABLE SALES

The four (4) properties chosen as being the best representation of the conditions and character of the subject property are located in areas of downtown Nashville which are seeing robust development potential and a dwindling supply of available land sites and have the DTC zoning designation. The comparable sale transactions are for parking lot properties as this usage is the most profitable application for the property while being held for some future use.

Adjustments for Market Escalation on Past Transaction

Market Conditions: Although the current market environment and market demand is evident. The comparable transactions were dated and since their original acquisition dates the market has continued to escalate. While these parcels were acquired for potential development, the time required to accomplish bring the improved property to market is a long process. During this time the market continues to experience appreciation as the demand is leading the availability of supply in almost all areas of the Nashville marketplace.

In identifying the appreciation over this time period, I studied the development land sales transactions in Metropolitan Nashville/Davidson County from January 2012 until the last entry date in the Court House Retrival system (CRS), of June 5, 2015. Since the beginning of 2012 to June 5, 2015 the average of all commercial land sales has increased by 63.3% or 2.20% per month. Using this monthly escalation I adjusted the sales accordingly. The following table describes the adjustment for appreciation as it was applied to the comparable sales transactions:

Effective Date of Appraisal		11/8/2017					Amount of Appreciation
Date	Sale \$ per SF	Month from Date of transaction	Monthly Appreciation	% of Total Appreciation			
Comp #1	8/21/2015	\$313.05	27	2.20%	58.43%	\$182.90	
Comp #2	11/20/2015	\$222.16	24	2.20%	51.86%	\$115.22	
Comp #3	4/8/2014	\$160.70	43	2.20%	94.49%	\$151.85	
Comp #4	5/2/2017	\$197.90	6	2.20%	13.70%	\$27.12	

Adjustment for Improvements

In recognizing the presence of the park’s improvements, my analysis valued the landscaping, sidewalks and fountain at their replacement cost and depreciated this amount by the passage of time in place and observed condition. The resulting depreciated value is the expected market value of the improvements, were they to be extracted from the sales price of the transacted property.

As shown on the MDG, the subject improvements are estimated to have a remaining value equivalent to \$20,000 in market value, while Comparable #1’s remaining value is equivalent to \$18,400 and Comparable #2’s remaining value is equivalent to \$60,000. Comparable #3 and #4 are without remaining value in their improvements.

Weighting of the Comparable Sale Property

It is understood that not all of the sales property’s will have the same influence on the concluded value for the subject based upon elements of comparison that are not able to be measured. In this appraisal I have weighted the individual concluded value of each comparable property to indicate my opinion of its contribution to the value of the subject property.

Comparable #4 (50%) is the most relevant contributor to the subject’s value based on its proximity to the subject, area size similarity and not encumbered by improvements. Comparable #3 (30%) has similar characteristic except for the proximity factor. Both Comparable #1 and #2 (each 10%) are lacking similarity and are also encumbered with improvements

CONCLUSION OF VALUE

It is my opinion that the comparable sales method has resulted in a reasonable value for the subject property's land parcel in its current market. All of the sales are representative of the market conditions for such properties in the Nashville/Davidson County area and that the similarities between the subject and the sale comparable properties are definitive of the subject's market capability as of the date of the appraisal.

Based on the analysis shown in the MDG, a current market value is concluded for the subject property "as-is" by the Sales Comparison Approach to value, as of November 8, 2017 at:

THREE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

(\$3,650,000.00)

CERTIFICATION OF THE APPRAISERS

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

1. We have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. The statements of fact contained in this report are true and correct.
3. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial and unbiased professional analyses, opinions, and conclusions.
4. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
5. The Appraisers have performed no other services, as appraiser or in any other capacity, regarding the property that is the subject of this report within the last twelve months immediately preceding acceptance of this assignment.
6. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
7. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
8. Our 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 the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
9. This analysis assignment was not based on a requested minimum conclusion, a specific conclusion or the approval of a determined conclusion.
10. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
11. This analysis report has been prepared by the Certification signatory. No other supporting appraisal personnel have contributed to the preparation of the information presented therein.
12. No change of any item in the analysis report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.
13. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.

Date: November 20, 2017



William J. Neiman, ASA
State Certified General
Real Estate Appraiser – CG-736

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

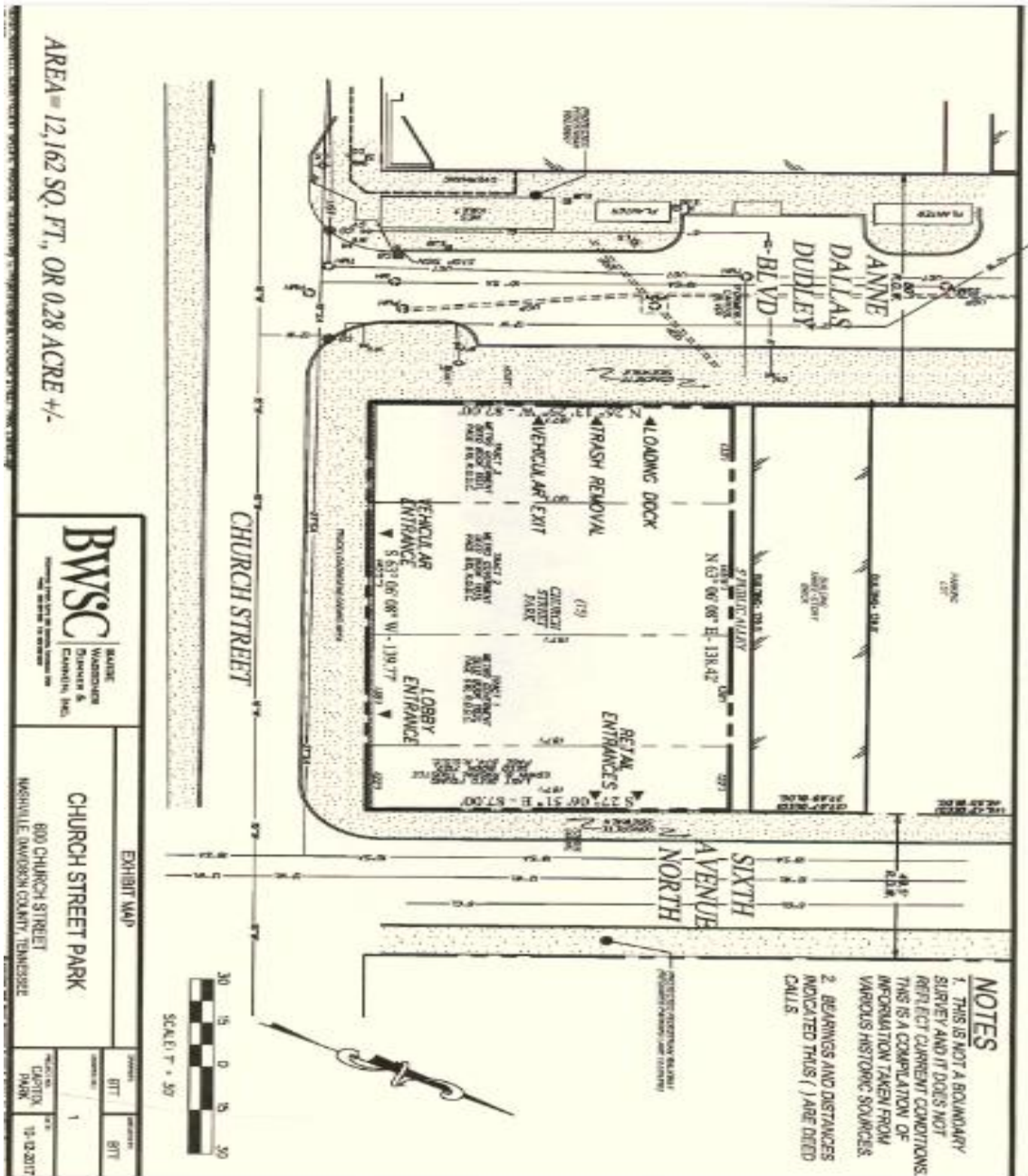
This appraisal and resulting estimate of value is subject to the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. It should be noted no survey or title report has been provided the appraisers. Ownership and size has been estimated based on available public records. Title to the property is assumed to be good and marketable and in Fee Simple Interest, unless otherwise stated in the report.
2. 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.
3. This report incorporates information assembled from a wide range of sources, all of which are believed to be reliable. However, the accuracy of this report cannot be guaranteed, and no responsibility is assumed for errors or omissions in the data furnished by others or for undisclosed information which might have otherwise affected the results of the analysis.
4. The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal and report. No responsibility is assumed for economic or physical factors occurring at some later date which may affect the opinions herein stated.
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 has not made a survey of the property, and no responsibility is assumed in connection with such matters.
6. If improvements are included, the physical condition of the improvements described herein was based on observed conditions, generally from the street. 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. All mechanical, plumbing and electrical equipment are assumed to be in working order at the time of inspection. However, we have not been provided with any statements from mechanical or electrical contractors, plumbers or structural engineers concerning the condition of these items. We assume no responsibility for hidden or latent conditions which may become apparent at some time in the future.
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 non-conformity 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) contained 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 report.
11. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in connection with any other appraisal and are invalid if so used.
12. 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.
13. The appraiser 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.
14. Unless otherwise stated in this appraisal 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 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 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.

15. 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.
16. The appraiser 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 assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. The appraiser recommends that the client obtain an opinion from a competent engineering firm. 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.
17. The appraiser 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. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the appraiser is affiliated.
19. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower, if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the appraiser.
20. 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 detailed analysis of the requirements of the ADA 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.

CHURCH STREET PARK EXHIBIT MAP

Barge, Waggoner, Sumner & Cannon, Inc.



SUBJECT PROPERTY'S MOST RECENT RECORDED DEED

SPECIAL WARRANTY DEED

ADDRESS NEW OWNER(S)	SEND TAX BILLS TO:	MAP/PARCEL NOS.
Metropolitan Government of Nashville and Davidson County 222 3rd Ave. N., Suite 650 Nashville, TN 37201	Exempt	Map - 93-6-1 Parcels - (12,13,14 & 15)

FOR AND IN CONSIDERATION of One Dollar (\$1.00) cash in hand paid, the receipt of which is hereby acknowledged, the Metropolitan Development and Housing Agency by these presents does hereby quitclaim and convey unto The Metropolitan Government of Nashville and Davidson County, Tennessee, its successors and assigns, all our right title and interests in and to the following described tract of land:

SEE EXHIBIT "A"

7027 07/23 01:01 01CASH

10-00

STATE OF TENNESSEE COUNTY OF DAVIDSON	The actual consideration value, whichever is greater is \$ <u>0.00</u>
Subscribed and sworn to before me, this the <u>21st</u> day of <u>July</u> , 19 <u>98</u>	<u>[Signature]</u> Affiant
My Commission Expires: <u>01-20-99</u> (Affix seal)	<u>[Signature]</u> Notary Public

Said property is conveyed subject to such limitations, restrictions, and encumbrances as may affect the premises. Said conveyance is approved by Ordinance Number O98-1128 of The Metropolitan Government of Nashville and Davidson County.

Witness my hand this 21st day of July, 1998, the corporate party, if any, having caused its name to be signed hereto by its duly authorized officers on said day and date.

[Signature]
Gerald F. Nicely, Executive Director

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me V. Jean Merkle, a Notary Public in and for the State and County aforesaid, personally appeared GERALD F. NICELY, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, acknowledged himself to be the Executive Director of the Metropolitan Development and Housing Agency, and that he as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Witness my hand and official seal at Nashville, Tennessee, this the 21st day of July, 1998.

[Signature]
Notary Public

My Commission Expires: 9-29-2001

98 JUL 23 AM 9:35
FELIX Z. VILSON II REGISTER
DAVIDSON COUNTY, TN.

0465696
IDENTIF. + REFERENCE

Exhibit A

Tract 1

BEING part of Lot No. 113 in the Original Plan of the Town of Nashville, not of record, described as follows:

BEGINNING at the northerly margin of Church Street, formerly Spring Street, twenty-two feet westerly from High Street, being a point in the middle of the brick wall dividing this property from that formerly belonging to James Simmons; running thence northerly with the middle of said wall eighty-seven feet to a five foot alley; thence with said alley westerly thirty-eight feet, and including all of the wall dividing this property from that lying to the west of it; thence southerly including all of said brick wall eighty-seven feet to Church Street; and thence easterly with Church Street thirty-eight feet to the middle of the wall dividing this property from that formerly belonging to James Simmons, the place of beginning.

BEING the same property conveyed to Metropolitan Development and Housing Agency, by Deed of Record in Book 10273, page 933, Register's Office for Davidson County, Tennessee.

Tract 2

Land in Davidson County, Tennessee, being part of Lot No. 113 of the Original Town of Nashville, and being more particularly described as follows:

BEGINNING on the north side of Church Street about 60 feet west of Sixth Avenue, North, formerly High Street, at the corner of the lot sold by John Kirkman to William Simmons and conveyed by deed recorded in the Register's Office of said state and county in Book 34, page 16; running from said corner westwardly with Church Street 45 feet 5 inches, more or less, to the center of the wall of the second store in the block erected by John Kirkman, so as to include the two stores now numbered 606 and 608 of city numbering on Church Street; running thence back with the center of said wall northwardly at right angles 87 feet to a five foot alley; thence eastwardly with the south side of said alley 45 feet 5 inches; thence southwardly at right angles 87 feet to the beginning.

BEING the same property conveyed to Metropolitan Development and Housing Agency by deed from First American National Bank, Trustee for Mildred Scales Bohannon under the Mildred Scales Bohannon Trust Agreement, dated November 18, 1971, as to an undivided 1/3 interest: First American National Bank, Trustee for John Scales, Jr., and Mildred Scales Bohannon under the Will of Mildred Gray Helm, as to an undivided 1/9 interest; Merry Lisa Dean Talley Wheeler and Jesse L. Talley, as tenants in common, as to an undivided 1/3 interest; Kate Ransom Wilson Grayken, as to an undivided 1/9 interest; and Kate Ransom Wilson Grayken and Gene Beasley Wilson Heiskell Johnson, as to an undivided 1/9 interest of record in Book 10505, page 248, said Register's Office.

Tract 3

Land in Davidson County, Tennessee, being part of Lot No. 113 on the Original Plan of the Town of Nashville, not of record, described as follows:

BEGINNING at the northeast corner of Capitol Boulevard and Church Street; thence with the northerly margin of Church Street, eastwardly 34.35 feet, more or less, to the southwest corner of the property now owned by Reba Wilson Gray, et al., said point being 104.8 feet, more or less, west of the westerly margin of 6th Avenue North; thence with the westerly line of said Gray property, northwardly 87 feet, more or less, to the southerly margin of an alley; thence with said alley westwardly 33 feet, more or less, to the easterly margin of Capitol Boulevard; thence with said Boulevard southwardly 87 feet, more or less, to the beginning.

BEING the same property conveyed to the Metropolitan Development and Housing Agency by Clerk's Deed, of record in Deed Book 10568, page 840, Registers Office for Davidson County.