efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93491218008033

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012, or tax year beginning 01-01-2012 , and ending 12-31-2012

Name of foundation
RUCKER-DONNELL FOUNDATION

A Employer identification number
62-1856912

Number and street (or P O box number if mail is not delivered to street address)
110 S MAPLE ST

Room/suite

B Telephone number (see instructions)
(615) 890-5700

City or town, state, and ZIP code
MURFREESBORO, TN 371303530

C If exemption application is pending, check here ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 6,287,108

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities				
	5a	Gross rents	15,719	15,719		
	b	Net rental income or (loss) 15,719				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	55,164			
	12	**Total.** Add lines 1 through 11	70,883	15,719		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	75,000	37,500		37,500
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	9,241	6,469		2,772
	c	Other professional fees (attach schedule)				
	17	Interest	93,468	38,299		2
	18	Taxes (attach schedule) (see instructions)	6,172	6,172		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	210			
	22	Printing and publications				
	23	Other expenses (attach schedule)	5,866	5,340		232
	24	**Total operating and administrative expenses.** Add lines 13 through 23	189,957	93,780		40,506
	25	Contributions, gifts, grants paid	593,021			593,021
	26	**Total expenses and disbursements.** Add lines 24 and 25	782,978	93,780		633,527
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-712,095			
	b	**Net investment income** (if negative, enter -0-)		0		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Line	Description	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	139,783	23,879	23,879
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ 8,043,402 Less accumulated depreciation (attach schedule) ▶	8,211,380	8,043,402	6,263,229
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 19,427 Less accumulated depreciation (attach schedule) ▶ 19,427	3,238		
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	8,354,401	8,067,281	6,287,108
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)	1,214,957	1,214,957	
	22	Other liabilities (describe ▶)	207	139	
	23	**Total liabilities** (add lines 17 through 22)	1,215,164	1,215,096	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	8,531,321	8,531,321	
	29	Retained earnings, accumulated income, endowment, or other funds	-1,392,084	-1,679,136	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	7,139,237	6,852,185	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	8,354,401	8,067,281	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	7,139,237
2	Enter amount from Part I, line 27a	2	-712,095
3	Other increases not included in line 2 (itemize) ▶	3	425,043
4	Add lines 1, 2, and 3	4	6,852,185
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	6,852,185

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	659,911	12,835,221	0 051414
2010			
2009			
2008			
2007			

2	**Total** of line 1, column (d)	2	0 051414
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 051414
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	6,262,283
5	Multiply line 4 by line 3	5	321,969
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	321,969
8	Enter qualifying distributions from Part XII, line 4	8	633,527

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	0
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ — **Refunded** ▶	11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶TN			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶RICK G MANSFIELD Telephone no ▶(615) 890-5700

Located at ▶110 S MAPLE ST MURFREESBORO TN ZIP+4 ▶37130

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

		Line	Yes	No
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No

See instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?		1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions).		2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2012 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.)*.		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		4b		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
RICK G MANSFIELD 110 S MAPLE MURFREESBORO,TN 37130	TRUSTEE 15 00	25,000	0	0
WILLIAM E ROWLAND 202 SE BROAD ST MURFREESBORO,TN 37130	TRUSTEE 15 00	25,000	0	0
J KENT BURKLOW 3001 TOWNESIDE LN WOODSTOCK,GA 30189	TRUSTEE 15 00	25,000	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** ***(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services. . . . . ▶

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	

Total. Add lines 1 through 3. . . . . ▶

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	0
b	Average of monthly cash balances	1b	94,419
c	Fair market value of all other assets (see instructions)	1c	6,263,229
d	**Total** (add lines 1a, b, and c)	1d	6,357,648
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) **1e**		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	6,357,648
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	95,365
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	6,262,283
6	**Minimum investment return.** Enter 5% of line 5	6	313,114

Part XI **Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	313,114
2a	Tax on investment income for 2012 from Part VI, line 5	2a			
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	
3	Distributable amount before adjustments Subtract line 2c from line 1			3	313,114
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	313,114
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	313,114

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	633,527
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	633,527
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	633,527

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				313,114
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			596,131	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 633,527				
a Applied to 2011, but not more than line 2a			596,131	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2012 distributable amount.				37,396
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				275,718
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . .				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . .				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling. . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			**(e) Total**
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

RICK MANSFIELD
110 S MAPLE ST
MURFREESBORO,TN 37130
(615) 890-5700

b The form in which applications should be submitted and information and materials they should include

NO FORM IS REQUIRED BUT IN THE REQUEST THE CHARITABLE ORGANIZATION MUST OUTLINE THE REQUEST FOR CONTRIBUTIONS AND THE INTENDED USE OF THE FUNDS

c Any submission deadlines

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

MUST BE USED FOR THE BENEFIT OF A CHARITABLE ORGANIZATION

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient — Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
MARTIN METHODIST COLLEGE 433 W MADISON STREET PULASKI, TN 38478			OPERATIONS / EDUCATIONAL PURPOSES	593,021
Total . . . . ▶ **3a**				593,021
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . . .					
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.			16	15,719	
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a FARM INCOME			41	55,164	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				70,883	

13 Total. Add line 12, columns (b), (d), and (e). **13** 70,883

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		No
	(2) Other assets	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

******	2013-07-26	******
Signature of officer or trustee	Date	Title

May the IRS discuss this return with the preparer shown below (see instr)? ☐ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
WILLIAM O DIX	WILLIAM O DIX	2013-08-01		

Firm's name	GRANNIS & ASSOCIATES PC	Firm's EIN
Firm's address	515 W BURTON ST MURFREESBORO, TN 371303549	Phone no (615) 895-1040

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491218008033

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2012

Attachment Sequence No **179**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
RUCKER-DONNELL FOUNDATION	INDIRECT DEPRECIATION	62-1856912

Part I **Election To Expense Certain Property Under Section 179**
Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	**(a)** Description of property	**(b)** Cost (business use only)	**(c)** Elected cost
6			

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property **)** (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	**(b)** Month and year placed in service	**(c)** Basis for depreciation (business/investment use only—see instructions)	**(d)** Recovery period	**(e)** Convention	**(f)** Method	**(g)** Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV **Summary** (see instructions)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* ***only*** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ **Yes** ☐ **No** | **24b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		

28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 . . . **28**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 . . . . **29**

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles) . .												
31 Total commuting miles driven during the year .												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use? .												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	**No**
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . .		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year (see instructions)					

43 Amortization of costs that began before your 2012 tax year **43** 3,238

44 Total. Add amounts in column (f) See the instructions for where to report **44** 3,238

TY 2012 Accounting Fees Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	9,241	6,469		2,772

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Amortization Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Description of Amortized Expenses	Date Acquired, Completed, or Expended	Amount Amortized	Deduction for Prior Years	Amortization Method	Current Year Amortization	Net Investment Income	Adjusted Net Income	Total Amount of Amortization
LOAN COSTS	2010-04-19	19,427	16,189	2	3,238	3,238		19,427

TY 2012 Compensation Explanation

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Person Name	Explanation
RICK G MANSFIELD	
WILLIAM E ROWLAND	
J KENT BURKLOW	

TY 2012 Investments - Land Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
LAND	8,043,402		8,043,402	6,263,229

TY 2012 Land, Etc. Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
INTANGIBLE ASSETS	19,427	19,427		

TY 2012 Mortgages and Notes Payable Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Total Mortgage Amount:

Item No.	1
Lender's Name	
Lender's Title	
Relationship to Insider	
Original Amount of Loan	
Balance Due	1214957
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	0.0600
Security Provided by Borrower	4TRACTS VETS PKWY & HWY 99
Purpose of Loan	
Description of Lender Consideration	
Consideration FMV	

TY 2012 Other Expenses Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
BANK CHARGES	219	219		
GIFTS	164			
POSTAGE	260	130		130
REPAIRS & MAINTENANCE	315	315		
INSURANCE	1,337	1,337		
OFFICE	203	101		102
MEALS & ENTERTAINMENT	130			

TY 2012 Other Income Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
FARM INCOME	55,164		

TY 2012 Other Increases Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Description	Amount
DIFF IN COST AND FMV LAND DONATED TO CHURCH	425,043

TY 2012 Other Liabilities Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Description	Beginning of Year - Book Value	End of Year - Book Value
CREDIT CARD PAYABLE	206	139
ROUNDING	1	

TY 2012 Taxes Schedule

Name: RUCKER-DONNELL FOUNDATION

EIN: 62-1856912

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT TAXES/LICENSES	6,172	6,172		

SUMMARY APPRAISAL REPORT

of:
5875 Highway 99
Rockvale, TN 37153

for:
Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

Appraised by:

GREGORY PECK & ASSOCIATES
1535 W. Northfield Boulevard, Suite 15
Murfreesboro, Tennessee 37129

Date of appraisal:
June 27, 2013

GREGORY PECK AND ASSOCIATES

Commercial Investment Real Estate
Representation - Valuation - Investment Analysis - Feasibility
E-mail: gopeck@ccim.net

Thomas N. Graves, SRA, CR-301
Roger A. Stacey, MA, Broker, TR#4543
Frances Carroll, Broker
Gregory O. Peck, CCIM, SRPA, CG-140

July 1, 2013

Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

RE **5875 Highway 99**
Rockvale, TN 37153
Summary Appraisal Report

Client :	**Zachary Fuller**
Intended Use:	**Internal decision making by client**
Intended User:	**American City Bank**

Mr Fuller

At your request, we hereby certify that we have made a personal exterior inspection of the above referenced real estate which is legally described within this report

On the basis of this study and analysis of relevant market data contained within this report and office file, and subject to the Assumptions and Limiting Conditions contained herein, we have estimated the market value of the as-is, fee-simple interest of the property to be as follows

market value, fee-simple, as-is:	**$1,463,000**
as of :	**June 27, 2013**

The following narrative appraisal report contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached **The subject property is located on FEMA map 470165, panel 0265H, dated 01/05/2007. The map appears to indicate that no portion of the site is located in an established flood zone. However, the appraisers are not qualified to determine whether the subject actually is or is not within a federally designated flood zone and do not assume any liability for the accuracy of this statement.**

The subject property consists of 340 33 acres and is located just outside and west of the city limits of Murfreesboro, TN Based on reviewed sale data from www loopnet com, www crsdata com and www realtracs net, the exposure time and marketing time for the property would probably exceed twelve months The following narrative appraisal report is a complete appraisal report written in a summary format and contains some of the more pertinent data assembled, and relates the analysis and logic in support of the conclusions reached, the appraisers are competent to complete this assignment according to USPAP It should be made clear to the client, reader and any third party, that every effort has been made to prepare this appraisal, and the appraisers signing this report believe that this report is, in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, Title XI of FIRREA, Regulation 12-CFR of the FHLBB, and, the Appraisal Institute It should further be understood that this appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan No loan amount was discussed with the borrower/owner, buyer, seller, or any employee of Client or intended user

After reviewing and researching many acreage land sales, the price/unit applicable to the Subject parcel appears, for the most part, to be arbitrary and mainly attributable to the significant size of the tract – in excess of 200 acres There are very few sales available for review of tracts of similar size to the Subject Nevertheless, as it currently exists and adhering to the definition of "as-is" on the date of inspection, to sell the 340 33 acres, as a whole, the above value indication is the anticipated current market value The value is predicated upon this current situation of one single parcel of land selling to one entity, based on a market-derived price/unit from sales of reasonable substitute properties in the market that the Subject would be expected to compete in

It is worth noting that there are many more verified sales of tracts being 150-acres or less Those sales, many in relatively close proximity to the Subject, indicate that if the Subject were subdivided into smaller tracts of comparable size, then the price/unit applicable might likely be more comparable with those sales Having no knowledge of or skill in civil engineering, we are not competent to estimate or guess what would be the best way to accomplish this division and satisfy necessary subsurface septic system needs, in light of the current absence of public sewer There is no known restriction against selling smaller acreage portions of the Subject (just the minimum lot size for a single-family residence, as indicated in Rutherford County Zoning), and if a professional engineer were to divide the acreage in such a way as to make smaller tracts appealing and developable, then, under that scenario, based on a review of current available sales data, the value of the parts could easily exceed the value of the whole indicated herein

Aerial satellite imagery appears to indicate two large ponds on the property We are unaware if these are currently considered as jurisdictional Wetlands of the State They are assumed to not be If this is determined to be untrue then we reserve the right to change the opinion of value for the Subject parcel

It is extremely important that the reader of any appraisal report understand that an appraisal is only able to provide a snapshot view in time, of an opinion of value, of a property, that would result in the sale and transfer of the property that is the subject of the report - only on the precise effective date of the report and exactly as it exists on that one precise day in time Generally, it attempts to answer the question, "what would be required by the typical market participant shopping for such a property in order to consummate a successful sale and transfer of the subject property on the effective date of the report?"

No personal property has been considered in the value reported, and considering the nature of the property, the cost and income approaches to value are not processed and are not necessary to produce a credible value estimate

The appraisers have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the last three year period immediately preceding the acceptance of this assignment

It has been our pleasure to serve you and if you need any additional information, you are assured of my cooperation

Respectfully submitted,

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

TABLE OF CONTENTS

I. INTRODUCTION

SUMMARY of IMPORTANT FACTS and CONCLUSIONS

LOCATION	5875 Highway 99 Rockvale, TN 37153
OWNER OF RECORD	Rucker-Donnell Foundation
LAND AREA	340 33+/- acres, lying along the southern R O W of S R 99
IMPROVEMENTS	The site is improved with an unoccupied, small, 53-year old, 1-story home and various sheds and barns dating back to 1920's and 1940's, these improvements contribute no value to the property and are not considered herein
ZONING	RM - medium-density residential
HIGHEST AND BEST USE	Continuation of agriculture use
VALUATION	Cost N A Market $1,463,000 Income N A
RECONCILED VALUE	$1,463,000
EFFECTIVE DATE OF APPRAISAL	June 27, 2013

ASSUMPTIONS AND LIMITING CONDITIONS

Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice requires the appraiser to clearly and accurately set forth all facts, assumptions and conditions that affect the analysis, opinion and conclusions upon which the appraisal is based In compliance therewith, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows

1 Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use Any legal description included in the report was taken from the referenced source and is assumed to be correct

2 No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report

3 The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal The appraiser(s) assume(s) no responsibility for economic or physical factors occurring or being discovered at some later date which may affect the opinion herein stated

4 The valuation is reported in dollars of currency prevailing on the date of appraisal

5 Maps, plats, and exhibits included herein 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

6 All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties While it is believed the information, estimates and analyses are correct, the appraiser(s) does (do) not guarantee them and assume(s) no liability for errors in fact, analysis or judgment

7 Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which they are connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public

relations media, news media, sales media or any other public means of communication without prior written consent and approval of the undersigned

8 The appraisers are not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made

9 The distribution of the total valuation in this report between land and improvements applies only under the current estimate of highest and best use The separate valuations for land and buildings must not be used in conjunction with any other appraisal or use and are invalid if so used

10 Certain information concerning market and operating data was obtained from others This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct However, such information is not guaranteed

11 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

12 Opinions of value contained herein are estimates There is no guarantee, written or implied, that the subject property will sell for such amounts

13 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable No responsibility is assumed for such conditions or for engineering which may be required to discover such factors

14 Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s) The appraiser(s) have no knowledge of the existence of such materials on or in the property The appraiser(s), however, are not qualified to detect such substances The presence of substances such as urea formaldehyde foam insulation, asbestos, 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 to discover them The client is urged to retain an expert in this field, if desired

15 No attempt has been made to fully investigate the property's compliance with all governmental regulations Except as otherwise noted, it is assumed that the property is in compliance with existing zoning requirements, building codes, and fire codes, and complies with all applicable regulations relating to the Occupational Safety and Health Act (OSHA) and the Environmental Protection Act (EPA)

16 We have carefully reviewed and edited this report In spite of that, it may include typographical errors and/or technical inaccuracies Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected

17 The Americans with Disabilities Act ("ADA") became effective January 26, 1992 We have 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 could reveal that the property is not in compliance with one or more of the requirements of the Act If so, this fact could have a negative effect upon the value of the property Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property

18 Every effort has been made to prepare this appraisal, and the appraisers believe that the report is, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

19 This appraisal report is for the real estate only, not including, furniture, fixtures and equipment

20 The liability of Gregory Peck and Associates, employees and the appraisers named herein is limited to the client only and only up to the amount of the fee actually received for the assignment Further, there is no accountability, obligation or liability to any third party If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property

21 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

22 All economic and political factors affecting the facts in this report are assumed to remain in a posture at least as favorable as existing on the specified "Effective Date" of the report unless stated otherwise in the body of the report

23 Acceptance of and/or use of this report constitutes the acceptance of the foregoing Standard Limitations and Conditions of this Report

24 This report complies with Standard Rule 2-2(b) (viii) as all analytical and descriptive data contained herein is specific to the appraisal and final value estimate of the subject property

DEFINITION OF MARKET VALUE

Market Value, as defined in The Appraisal of Real Estate, may be stated as "the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property should sell in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress"

The fundamental assumptions and conditions presumed in the above definition are

1. The buyer and seller are motivated by self-interest
2. The buyer and seller are well informed and are acting prudently
3. The property is exposed for a reasonable time on the open market
4. Payment is made in cash, its equivalent, or in specified financing terms
5. Specified financing, if any, may be the financing in place or on terms generally available for the property type in its locale on the effective appraisal date
6. The effect, if any, on the amount of market value of atypical financing, services, fees shall be clearly and precisely revealed in the appraisal report

The effective date of Market Value is June 27, 2013

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal is to estimate the as-is market value of the fee simple interest of the subject property, as of the date of inspection A fee simple estate is defined by the Appraisal Institute as "absolute ownership unencumbered by any other interest or estate, subject only to the limitations of eminent domain, escheat, police power, and taxation " Market Value, as defined by the Comptroller of the Currency in Regulation 12 CFR, Part 34, Section 34 42 (f), is The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus Implicit in this definition is the consummation of a sale, as of a specified date and the passing of title from seller to buyer under conditions whereby (1) buyer and seller are typically motivated, (2) both parties are well informed or well advised, and acting in what they consider their own best interests, (3) a reasonable time is allowed for exposure in the open market, (4) payment is made in terms of cash in U S Dollars or in terms of financial arrangements comparable thereto, and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

The function of the report is to establish an as-is, fee-simple, market value estimate, as of the effective date of this report, to aid the client in decision making (intended use)

SCOPE OF THE INVESTIGATION

As part of this appraisal, the appraisers have made several independent investigations and analyses We have relied on data that is retained in our office files, which are updated on a regular basis, and other supporting data as needed The property is unimproved and is located at

5875 Highway 99 , Rockvale, TN 37153

We have studied demographic, economic and income data provided by the Rutherford County Property Assessor's Office, State of Tennessee Comptroller of the Treasury, Rutherford County Economic Development Board, Tennessee government website tn gov, Rutherford County Chamber of Commerce, and the Site To Do Business, maintained by the Commercial Investment Real Estate Institute, among other data sites

Concerning the subject property, we have reviewed available, applicable tax maps and deeds, have physically inspected the property, and have taken photographs We researched and investigated vacant land sales that would be applicable in establishing a land value for the subject Numerous transfers were studied, and we relied on the sales that best represent the highest and best use estimate of the subject property considering the current, as-is situation of one tract of land Details of the sales used are contained in the following report

II. Factual Descriptions

SUBJECT DISTRICT AERIAL MAP

PROPERTY IDENTIFICATION

The subject property consists of 340 33+/- acres fronting approximately 6,621+/- linear feet along on the southern R O W of New Salem Highway (State Route 99), lying generally across from Pusher Place south of Veterans Parkway, in southwestern Rutherford County Tennessee The tract is further identified on Tax Map 123 as a portion of Parcel

012 00 of the Rutherford County Property Assessor's tax mapping system The property is further identified in Deed Book 304 Page 557, deed book 219 page 265, deed book 174 page 028, RORC, TN (see copy of legal description in the Addendum for further identification)

HISTORY AND OWNERSHIP OF THE SUBJECT PROPERTY

The subject property is currently owned by the Rucker Donnell Foundation (according to Will Book 37 Page 718) No moratoriums are known to exist that would have an adverse impact on the use or marketability of the property No option, listing or sale contract is known to exist

TAX ANALYSIS

The Subject is located on Tax Map 123, and is part of parcel 012 00 The 2013 tax rate for Rutherford County is $2 4652 per $100 of assessed value Tennessee law requires that residential property be taxed at a rate of 25% of its local tax assessor's appraised value for real property According to the property record data on Rutherford County's website and Courthouse Retrieval System, the property, as residential, is appraised at $4,466,638, therefore, the total 2013 tax liability, as residential, for the entire site is ($4,466,638 x 25% − 100 x 2 4652) $27,527 89

The Subject property is currently benefitting from "Greenbelt Regulations" (record book 289, page 1165) which allows for a significant reduction in taxes if the property is at least 15 acres in size and currently being cultivated for agriculture production, and generating an average of $1,500/year in income from agricultural activity Under "greenbelt" classification, the subject property is assessed at $703,500, therefore, the total 2013 tax liability, as residential, for the entire site is ($703,500 x 25% − 100 x 2 4652) $4,335 67

AREA ANALYSIS

The locale of the property under study is Rutherford County and the community of Rockvale The major cities in the county are Lavergne, Smyrna and Murfreesboro, the County Seat

It should be noted that these three cities are located within a seven-mile northwest/southeast corridor of one another, and have somewhat of a shared economic base for business and industry Two major transportation routes connect the three via Federal Highway 41/70S and Interstate 24

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The community of Rockvale is traditionally a farming community It is characterized by large acreage agricultural tracts and single-family residential dwellings Here and there, you will find a commercial property operating but they are not numerous The community of Rockvale is located to the southwest of Murfreesboro As Murfreesboro continues on its path of development and growth, its impact on Rockvale is that of families moving to Rockvale to distance themselves from the progressive urbanization of the city of Murfreesboro In time, Rockvale is projected to become more like a suburb of Murfreesboro rather than the rural farming community that it has traditionally been

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The City of Murfreesboro is located southeast of Nashville, approximately 30 miles, and is the county seat of Rutherford County It is the site of Middle Tennessee State University, and the campus is located on the easterly side of the city Rutherford County is one of the seven counties that, along with Davidson County, form the Nashville MSA (Metropolitan Statistical Area)

The city is served by several highways, the principal one of which is Interstate 24, passing to the south of the city It is also served by U S Highways 41, 231, and 70 Interstate 840, running east/west through Rutherford County, between Murfreesboro and Smyrna, links I-40 East, I-24, I-65 South, and I-40 West

The economy of Murfreesboro is extremely well diversified The city has to date been very successful in attracting new industry Manufacturing is a major component of the economy A recent breakdown of employment for Murfreesboro and Rutherford County residents, published by the Rutherford County Chamber of Commerce, is manufacturing-38%, service industries-19%, wholesale and retail trade- 17%, government-15%, and other- 11%

A relatively new industrial park is located adjacent to Interstate 24 and within the city limits of Murfreesboro, on Joe B Jackson Parkway Several warehouse buildings have recently been completed and occupied, including the Amazon com distribution facility Interstate Warehousing will expand its current facility here by 130,000 SF while adding 31 new jobs to its current workforce NHK Seating has built a $54,000,000 manufacturing facility on Joe B Jackson Parkway Construction finalized in October 2011 and plans were employ up to 224 workers In other industrial areas of Murfreesboro, General Mills has been in the process of a $132,000,000 expansion of its plant on Butler Drive to increase production for its Yoplait product lines Nissan North America is in the process of constructing a $1 4 Billion lithium-ion battery plant in Smyrna, which will supply batteries for the LEAF vehicle, additionally, they began production of the LEAF vehicle at the plant in 2012 and the ROGUE will begin to be produced at the Smyrna plant in 2013 Another major employer in the city of Murfreesboro is the Veterans Administration Hospital located on the north side of town As mentioned previously, Middle Tennessee State University is located on the easterly boundary of the city

No discussion of the area would be complete without mention of Middle Tennessee State University, which is located to the east of the subject property Middle Tennessee State University is a four-year public university with a current enrollment of more than 25,000 students for fall of 2012 MTSU is the fastest growing university in the state system and currently the largest undergraduate university (based on student enrollment) in Tennessee Numerous buildings have either recently been constructed or are slated for development in the near future These include an addition to the recreation facility, nursing building and mass communications building, library and the new business/aerospace building, the university is enjoying a relatively significant ongoing construction process Other Murfreesboro-area higher education facilities include Tennessee Technology Center Murfreesboro and Daymar Institute, a privately held Junior college

The sharp rise in retail development by the national chains in the area is indicative of Rutherford County's economic strength and viability in the marketplace Murfreesboro Town Centre is another retail center that is anchored by a 121,705 SF Target Store and the entire development will has 407,000 SF of retail space The development cost around $30,000,000 The development opened in July of 1998 Not far away, a new 70-acre, 600,000+/- SF hospital facility (Middle Tennessee Medical Center) has opened on Medical Center Parkway, which spurred a surge of retail and office growth in this area dubbed the "Gateway", the Gateway is also home to the Avenue and many other retail and office properties Total 2009 retail sales for Rutherford County were $4,487,286,711

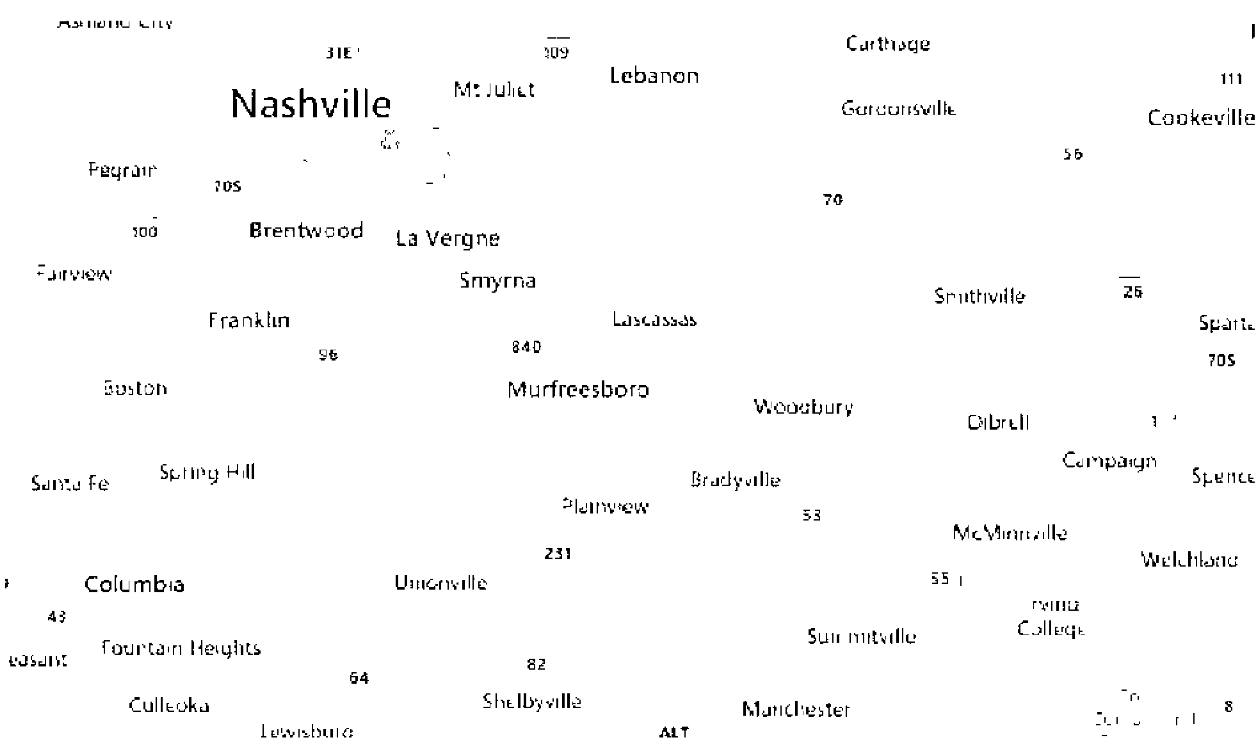
The Avenues is a relatively new outdoor shopping mall recently opened and includes about 900,000 SF of retail space with major national anchor tenants including Best Buy, Old Navy, World Market, Joseph A Bank, and a list of many, many more retail businesses In addition, the Stones River Mall, in 2008, underwent a $53,000,000 expansion Coupled with this building activity, the property valuations from the Rutherford County Tax Assessor's Office indicate value increases every year since 1974 In addition, state and local sales tax revenues have increased every year since 1981

Rutherford County - Summary

In summary, the Murfreesboro and Rutherford County market is considered to represent a stable, average to middle class economy, generally growing at a stable rate in terms of populations and income The economy is relatively stable and diverse, especially with the interjection of the Nissan Plant, which is a strong positive factor Middle Tennessee State University (along with several other employers) is expanding, further enhancing the growth potential An additional point to consider is that the substantial growth in income levels also has important implications for the whole spectrum of real estate values within the community The increasing affluence of the local population eventually filters back to the purchase of additional goods and services to the enhancement of general property values and retail sales

The area is well located between Nashville and Chattanooga, with growth projected to increase into the future, including expansion of both the industrial and population basis The area is well served by interstate transportation, which provides an excellent central location for continued industrial and employment expansion The area has taken a progressive attitude in regard to growth and accommodations to large potential employers, indicating that the area is fertile for industrial development and expansion Transportation arteries have been improved and the future for Murfreesboro appears positive These factors, all acting in concert, provide growth impetus to the urban area, along with the major development incentives The combination of these factors support the premise that Murfreesboro and Rutherford County is a reasonable area for real estate investment due to stability and continued growth over the long term

AREA LOCATION MAP



AREA DEMOGRAPHICS

Executive Summary with Charts

Prepared by Gregory Peck

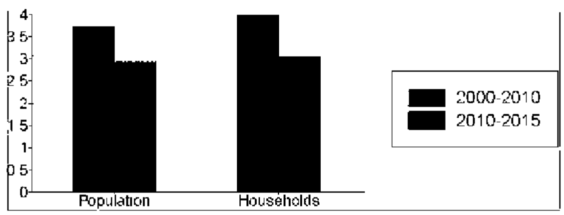
Rutherford County
Executive Summary Report

Population and Households

The size of the market area, measured by population and households, has changed from 2000 through the forecast year as follows

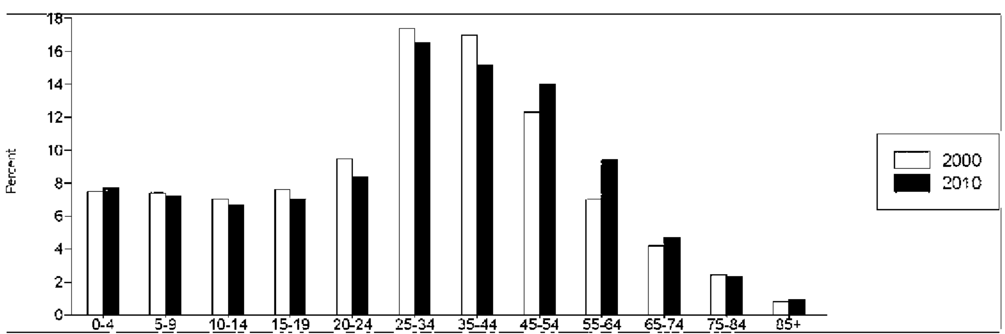
Year	Population	Households
2000	206,309	77,078
2010	299,983	114,980
2015	346,604	133,604

The difference between change in population and change in households is a result of two factors-the presence of group quarters (non-household) population in the market area and the average number of persons per household The group quarters population in the market area was 5,831 in 2000, or 2 8 percent of the total population Average household size is 2 56 in 2010, compared to 2 60 in the year 2000



Population by Age

The median age for the United States was 35 3 in 2000 and 36 7 in the current year In the market area the median age of the population was 31 2, compared to 32 9 years currently By age group, the changes in the percent distribution of the market area population show the following



Population by Education

In 2010 the educational attainment of the population aged 25 years or older in the market area can be summarized

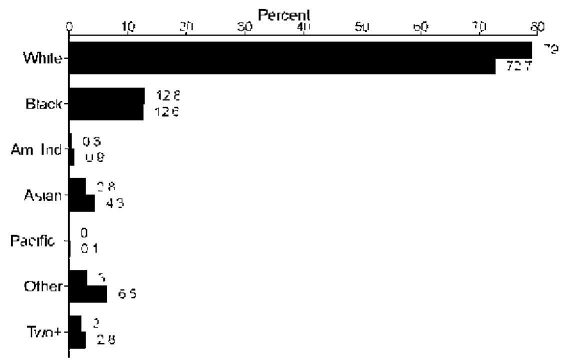
Source U S Bureau of the Census, 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Executive Summary with Charts

Prepared by Gregory Peck

Population by Race/Ethnicity

Currently the racial composition of the population in the market area breaks down as follows

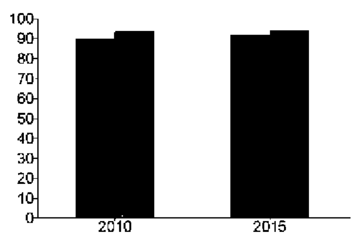


Persons of Hispanic origin represent 6 5 percent of the population in the identified market area compared to 15 0 percent of the U S population Persons of Hispanic Origin may be of any race In sum, the Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, was 43 8 in the identified market area, compared to 59 3 in the U S population

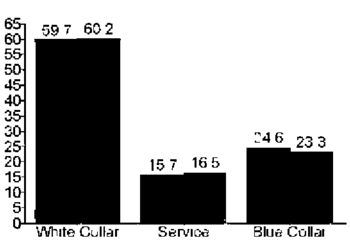
Population by Employment

In 2000, 73 4 percent of the population aged 16 years or older in the market area participated in the labor force, 0 2 percent were in the Armed Forces Tracking the change in the labor force by unemployment status

Year	%Employed	%Unemployed
2010	89 5	10 5
2015	91 8	8 2



And by occupational status

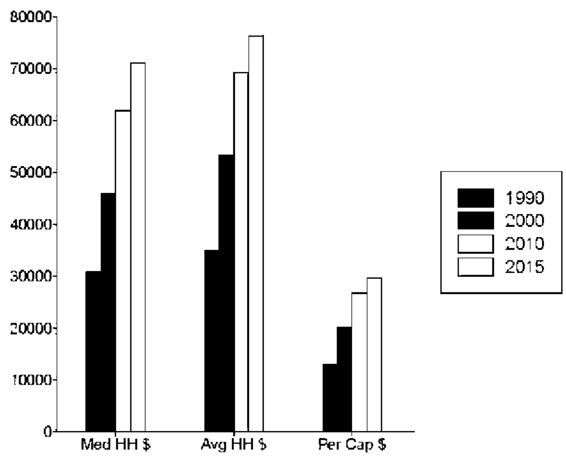


In 2000, 83 4 percent of the market area population drove alone to work, and 2 4 percent worked at home The average travel time to work in 2000 was 26 8 minutes in the market area, compared to the U S average of 25 5 minutes

Source U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Income

The change in three summary measures of income-median and average household income and per capita income-are shown below from 1990 through 2015



Housing

Currently, 62 2 percent of the 124,339 housing units in the market area are owner occupied, 30 3 percent, renter occupied, and 7 5 percent are vacant In 2000, there were 82,140 housing units- 63 0 percent owner occupied, 30 8 percent renter occupied and 6 2 percent vacant The annual rate of change in housing units since 2000 is 4 13 percent Median home value in the market area is $168,424, compared to a median home value of $157,913 for the U S In five years, median home value is projected to change by 4 15 percent annually to $206 374 From 2000 to the current year, median home value changed by 4 11 percent annually

Source, U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

NEIGHBORHOOD DATA AND ANALYSIS

The locale of the property under study is in the community of Rockvale

For the purposes of this report, the term "neighborhood" is defined as follows

> "A portion of a larger community, or an entire community in which there is homogeneous grouping of inhabitants, buildings, or business enterprises Inhabitants of a neighborhood usually have a more than casual community interest and a similarity of economic level or cultural background Neighborhood boundaries may consist of well-defined natural and man-made barriers, or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants "

Although the above definition is a comprehensive one, a more current definition of "neighborhood" is provided by the American Institute of Real Estate Appraisers in the recently published Dictionary of Real Estate Appraisal and is simply defined as "a group of complementary land uses"

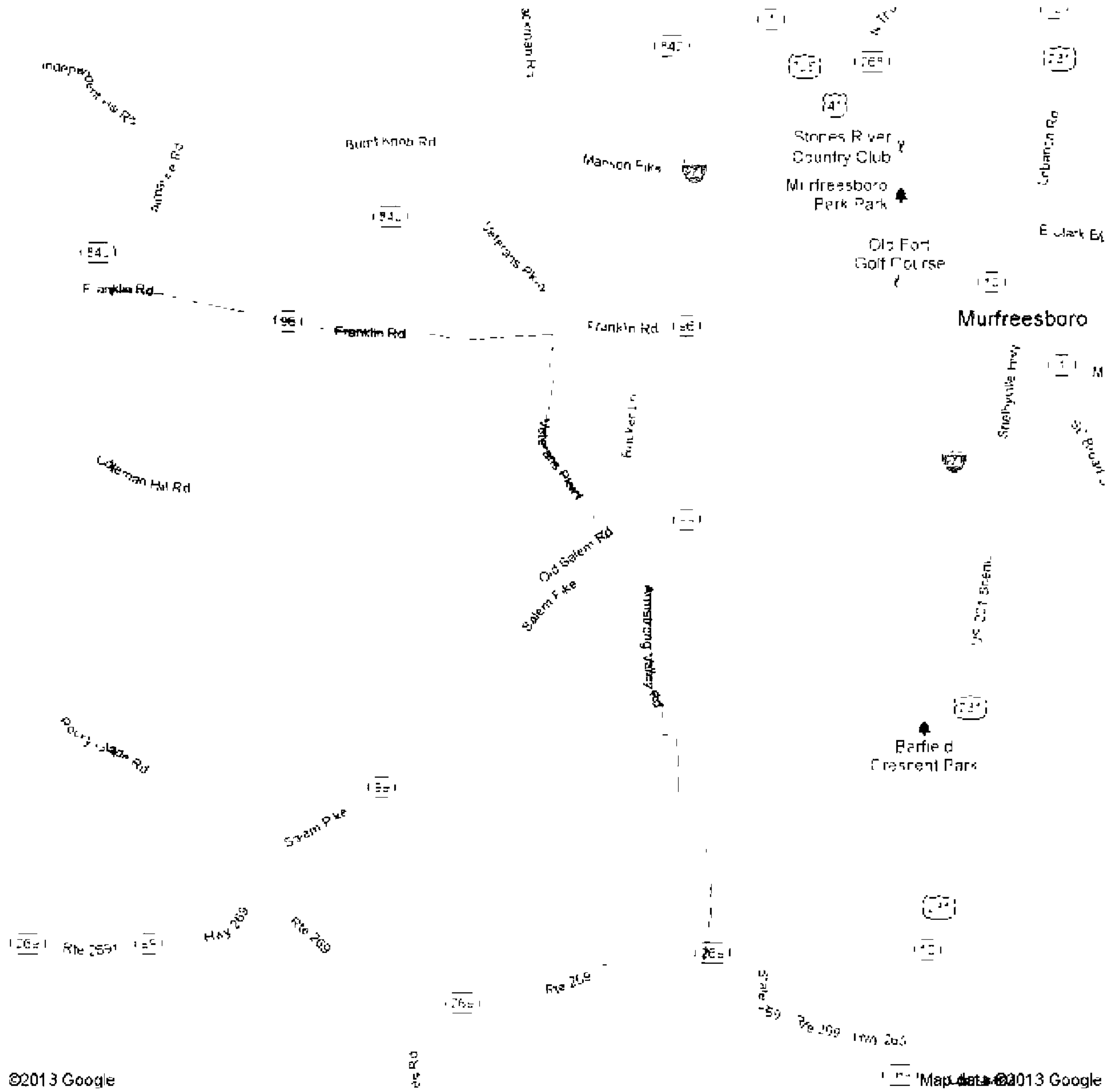
The subject property is located in the southwestern portion of Rutherford County, on New Salem Highway (State Highway 99) which is the main traffic artery serving the southwestern portion of Rutherford County and the communities of Rockvale and Eagleville The rural nature of Rockvale makes it difficult to establish a narrow neighborhood boundary using similar or dissimilar property types or uses, zoning is also an impractical tool for determining neighborhood boundaries The neighborhood is comprised of the entire community From the subject, it extends roughly to Veterans Parkway in the north, to Armstrong Valley Road to the east, to the county line in the south, and roughly to North Lane to the west

It consists of all of properties lying in this relatively large area The neighborhood is predominantly in a stabilized stage of development, with a very few portions in the growth stage

This is primarily an agricultural and rural area characterized by farms and single-family residences Land use in the neighborhood consists mainly of agriculture use with a few commercial uses located primarily along major thoroughfares and specifically at crossroads along those thoroughfares The only public utilities available are water, electric and telephone

Topography in the immediate vicinity is relatively level with some hills Utilities in the area appear to be sufficient for land to develop New zoning began 01/01/2012 that will require new commercial structures to be located within 1,000 feet of a fire hydrant or install one if one does not already exist Therefore, the neighborhood, in conclusion, is adequately located for various types of development, but will likely remain rural for the foreseeable future With development pressure expanding outward from the city of Murfreesboro, this trend is expected to change, over time

Neighborhood Boundary Map



ZONING ANALYSIS

The subject property is zoned RM, medium-density residential district This district is designed to provide suitable areas for medium density residential development where sufficient urban-type services and facilities are provided or where such services can be facilitated prior to development Generally, the residential development will consist of single family detached dwellings and accessory structures This district also includes community facilities, public utilities, and agricultural activities The application of this district is appropriate in the suburban or urban character areas of the adopted comprehensive plan According to current Rutherford County Zoning Ordinance, the only uses permitted by right are single-family detached dwelling, small community assembly and crop and animal raising[1]

Within the district, the minimum lot size for single-family detached dwelling is 15,000 square feet Minimum lot width at the setback line is 75 feet, for residential use (150 feet for other uses), front setback is 40 feet, side setback is 10 feet, rear setback is 20 feet, maximum lot coverage is 25% with a maximum building height of 35 feet It is assumed that the property is in compliance with the current zoning ordinance

1 See http www rutherfordcountytn gov planning documents zoning_adopted_111512 pdf, accessed on 04 22 2013

SITE ANALYSIS

Location	The subject is highly irregular in shape lying along the southern Right of Way of New Salem Highway Its location is outside the city limits of Murfreesboro
Size	Legal description from a 2004 survey indicates that the site area is 340 33 acres, in the general shape of a highly irregular polygon The property fronts approximately 6,621+/- feet along the southern R O W of New Salem Highway (S R 99) No updated survey or plat map was provided that would indicate a more accurate size and shape of the parcel
Improvements	The site is improved with an unoccupied, small, 53-year old, 1-story home and various sheds and barns dating back to 1920's and 1940's, these improvements contribute no value to the property and are not considered herein
Topography	Topography varies with portions at the grade and others below the grade of S R 99, with varying topography across the acreage, there appear to be two large ponds on the property Drainage appears adequate
Street	S R 99 is a two-lane asphalt paved state highway Drainage is provided by open ditches
Utilities	Water, electric, telephone utilities are available to the subject According to City of Murfreesboro available data, there is a sewer line across from the property, however, the site lies outside the service area of the city and connection to it would require special permission from the city[1]
Zoning	The subject property is appropriately zoned
Flood Zone	The subject site does not appear to be within a 100 year flood hazard area, according to FEMA map 470165, panel 0265H, dated 01/05/2007, however, the appraisers are not qualified to determine whether the subject actually is or is not within a flood hazard area and do not assume any liability for the accuracy of this statement

1 See http mwsdmaps murfreesborotn gov gisapps MWSD index html, accessed on 06 06 2013

Access to the site is by way of a direct access off of Highway 99 The site is typical of other properties in the neighborhood, being acreage land used for agriculture purposes It is served by necessary municipal utilities to use the site to its highest and best use No adverse easements or encroachments were noted upon inspection of the property There are two large ponds on the property occupying an estimated 46+/- acres (acreage is estimated from aerial satellite imagery) It is not known to the appraisers if this acreage is considered to be Jurisdictional Wetlands of the State – it is assumed that they are not If at any time this is found to be inaccurate, then the appraisers reserve the right to change the opinion of value reported herein

HAZARDOUS MATERIALS

The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraisers inspection The appraisers have no knowledge of the existence of such materials on or in the property The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them

III. Analysis of Data and Opinions of the Appraiser

HIGHEST AND BEST USE

A fundamental proposition in land economics and an essential requirement to the value of real property is the assessment of a property's Highest and Best Use Subject to the constraints imposed by law, prevailing market conditions, as well as the overall character of the property itself, Highest and Best Use may be defined as the optimum or most probable use/development of a property which yields the highest land value or net return to an owner/investor The Appraisal Institutes terminology handbook states further

> "that reasonable or probable use that will support the highest present value of the land, as of the effective date of the appraisal, -- that available use and program of future utilization/development which will maximize the potential net return of an investment over a given period of time-- "

At the outset, it should be pointed out to the reader of this report that highest and best use is (1) a basic premise of value, (2) it is not an absolute fact found in the market, and (3) it reflects the appraiser(s) opinion of the best use of a property based on an analysis of prevailing and available market conditions and data Important factors of consideration in such an analysis include legal regulations (zoning, deed restrictions, building requirements, etc), market supply/demand conditions, neighborhood trends, and the locational and physical character of the property itself The following analysis thus examines the subject property in light of each of these factors in order to determine which of the various alternatives are the most suitable and feasible uses

Since land can be limited by the presence of improvements, highest and best use may be estimated as though the land were vacant and available to be improved to its highest income potential, and it's most profitable use based on the current and existing improvements   The first premise, as if the land were vacant, attempts to answer the question of what new improvements should be constructed on the site The second premise refers to the optimal use that could be made of a property, including its existing improvements

In estimating highest and best use, consideration is given to physical features of the site and/or buildings, legal contractual and economic restrictions, and supply and demand

The Highest and Best Use of the subject is typically considered from two aspects -- the Highest and Best Use of the land "As-If-Vacant" and available for development and the Highest and Best Use in light of the existing improvements, or "As-Improved"

AS-IF-VACANT:

A careful study of the physical and locational characteristics of the subject property must be analyzed and compared with economic considerations to determine which type of use (or uses) will produce the greatest economic return to the land   An estimate of the market value of the land, as if vacant, was made by comparing it to sales of vacant tracts having similar size in terms of acreage, and being used as either agriculture or farm land

In an effort to accurately estimate the Highest and Best Use of the subject property, the uses must meet four main criteria, the uses must be   (1) legally permissible, (2) physically possible, (3) financially feasible, and, (4) maximally productive

Legally Permissible Typically, in the absence of private restrictions, uses permissible under the applicable zoning ordinances are considered As mentioned in the zoning section of this report, subject property is zoned medium-density, single-family residential which allows for the division of the land into residential lots of 15,000 SF or larger The only legally permissible uses are residential or agricultural (See Zoning Analysis in this report)

As noted herein, sanitary sewer line does exist across the road from the Subject The availability of sewer could allow for greater density than current zoning permits However, to access the sewer, the property would need to be annexed into the city or special permission would have to be obtained to permit a county subdivision served by city sewer The property lies inside the urban growth boundary of the city of Murfreesboro This "boundary" limits the areas that the city is allowed to annex up to year 2025

Physically Possible Physical constraints relative to location, size, shape, topography and availability of utilities all influence the use to which a property can be developed As detailed in this report, the subject property has the physical characteristics necessary for potential residential uses and development according to the current zoning ordinance

Financially Feasible and Maximally Productive Uses that are likely to produce adequate income or a return greater than the combined income required to satisfy expenses are considered financially feasible Among financially feasible uses, the use that provides the maximum potential rate of return, or value (given a constant rate of return) is indicative of a property's

Highest and Best Use The financially feasible and maximally productive use "as if vacant" for the subject site is discussed as follows

> physical characteristics of the subject site are suitable for any use that can utilize a very large acreage tract with good ingress and egress The character of the area surrounding the subject is residential (with larger acreage tracts being agriculture use in nature) in nature Such uses are permitted given the current zoning of the subject site and the physical features of the site, such as its size and shape permit Prior to the economic downturn that commenced in 2007, there was strong historical demand for developing agriculture land into residential subdivisions in the immediate vicinity of the subject That demand has since disappeared Lending for speculative residential development also has all but disappeared There has been activity by investors to purchase unused acreage of planned residential developments near the Subject, however, nearby sales of acreage tracts having 200 or more acres with no pre-existing planning or development were not found in quantity in any data source available Future development is expected for the Subject at some unknown point in time but is not currently the highest and best use as the property currently exists As-is, a 340 33-acre tract, the highest and best use is a continuation of agricultural use

<u>AS IMPROVED:</u>

The site is improved with an unoccupied, small, 53-year old, 1-story home and various sheds and barns dating back to 1920's and 1940's, these improvements contribute no value to the property and are not considered herein The Subject is zoned for single-family residential use In the absence of significant contributing structural improvements and in consideration of the zoning, legal conformity, surrounding uses and location of the subject property, the most financially feasible and maximally productive use, “as improved”, is considered to be continued use for agriculture

THE APPRAISAL PROCESS

The appraisal process is defined as a systematic analysis of the factors that bear upon the value of real estate An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value This process is a valuable aid to the appraiser, and has been applied to estimate the market value of the subject property as follows

Defining the Problem the subject property has been physically and legally described, the rights under appraisal have been specified, the purpose of the appraisal stated, and the value, as defined, is estimated as of a certain date

Preliminary Survey the plan for development of the appraisal report, including the data needed, data sources, personnel and time requirements, etc

Data Collection and Analysis The collection of general data of a locational and economic nature, the collection of specific data about the subject property and comparative data which could include costs, sales, rentals, and expenses, and the analysis of this data in a logical manner has been made

Using these steps as a beginning, an application of this data analysis will be made to formulate an estimate of value through different approaches These different approaches are classically defined as the *Cost Approach*, *Sales Comparison Approach* and *Income Capitalization Approach* Since all information involved is drawn from the marketplace, these approaches are a part of a larger market approach When one or more of the approaches to a final value estimate is not used in completing the appraisal assignment, it should be explained

Sales Comparison Approach - is a direct comparison of the property under appraisal with other similar properties which have sold The most common units of comparison are price per acre, price per square foot, price per unit, price per room, price per square foot of building area, per bay, per lot, etc The comparable sales are analyzed for cash equivalency, time, and then compared with each other and the subject for unit mix, condition, amenities, and condition or terms of sale, etc Based on these adjustments, a value indication is arrived at by estimating the indicated price per square foot or other price per unit The indications of value are reconciled into an estimate of value by the Sale Comparison Approach This approach is processed

Income Capitalization Approach - is a set of procedures in which an appraiser derives a value indication for income-producing property, converting anticipated benefits into property value This conversion is accomplished by estimating the current economic rent that the property being appraised could command This would be arrived at by comparing the rents of competing properties similar to the subject and then estimating what economic rent would be for the subject This monthly or annual rent is then translated into an estimate of the gross income From the gross income is deducted the anticipated vacancy and credit losses that a subject could be expected to incur, in arriving at an effective gross income By reviewing the operating expenses of a subject and comparing those expenses with actual operating expenses of similar properties, a reconstructed operating expense statement is developed The operating expenses are then deducted from the effective gross income to arrive at the estimate of net operating income The net operating income would then be converted into an indication of value through the application of the appropriate capitalization method Included in the processing of a net income into an indication of value, is the abstraction of an appropriate capitalization rate (direct capitalization) from the market where possible and appropriate Because the property is a large acreage tract with insignificant improvements, income data does not exist for these type properties in the local market This approach is not processed nor is it necessary to provide a credible value estimate

Cost Approach - is based upon the estimated reproduction cost of the improvements, less accrued depreciation, plus land value Depreciation includes estimates of physical deterioration due to wear and tear, functional obsolescence due to defects in design, and economic obsolescence due to changes in the political or economic conditions external to the subject Due to the age and deferred maintenance of the improvements, this approach is not processed and not necessary to provide a credible value estimate Moreover, the typical market participant for this type of property would not rely on the cost approach when contemplating such a purchase

The next step in the appraisal process, under typical circumstances, would be to consider the indicated value resulting from each approach This would include a consideration of the relative applicability of each of the approaches, and the strengths and weaknesses of each approach would be identified and discussed Emphasis for the final value estimate would then be placed on the most reliable and applicable solution to the specific appraisal problem at hand This analysis of the approaches to value estimation is called reconciliation The result is to end in a final estimate of defined value It should be clearly understood that a value estimate is an appraiser's opinion based on his analytical ability, and is only an estimate A determination of value is made only through the courts or other legally constituted authorities

SALES COMPARISON APPROACH

According to the Dictionary of Real Estate Appraisal, Second Edition, this analysis is an "approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying the appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables" The sales comparison approach relies on the theory of substitution which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property

The property is characterized by long frontage along S R 99 According to the provided plat, there is over 6,600 linear feet of frontage along this highway There are two large pond areas contained in this 220-acre land area They comprise an estimated 46+/- acres (estimated from satellite imagery) It is unknown if these are considered to be Jurisdictional Wetland's of the state It is assumed that they are not and the estimate of value contained in this report is contingent upon this assumption These are excellent for agricultural use especially for any livestock

We researched acreage tract transactions, focusing on agricultural and farm properties of 100 acres or larger, having sold within the 36-month time frame immediately preceding the inspection of the property The overwhelming majority of the results were found to be consumption-user in nature, meaning that the motivation for purchase was for personal use not investment

ACREAGE TRACT SALES

	Property Address	Last Sale Price	Last Sale Date	Property Type	Acres	Price / Acre
[redacted]						
1	1718 S Lovvorn Rd Christiana, TN	$801,000	7/16/2012	Agricultural	250 55	$3,196 97
2	7810 Midland Rd Christiana, TN	$434,000	9/18/2012	Agricultural	248 77	$1,744 58
[redacted]						
4	12480 Highway 99 Rockvale, TN	$840,000	2/9/2012	Agricultural	200 25	$4,194 76
[redacted]						
6	0 Bunker Hill Rd Rockvale, TN	$850,000	12/17/2012	Agricultural	329 86	$2,576 85
7	0 Barlow Ln Lascassas, TN	$347,306	9/26/2012	Agricultural	266 21	$1,304 63
8	0 Hwy 41A Eagleville, TN	$787,500	12/6/2010	Agricultural	261 79	$3,008 14

The above list of sales is not presented or arranged in any particular order However, the grey-highlighted sales are properties that were the balance of unused land and/or lots in existing single-family residential developments The above list is believed to be reflective of market price/unit paid for very large acreage tracts purchased for both investment and consumption, but obviously mostly consumption As can be clearly seen, there are very few known investor sales 1126 Rucker Lane is considered to be an anomaly in that its price is a very obvious outlier It being a sale of acreage with all utilities and having received at least partial, if not full, approval for subdivision development, and having infrastructure in place, it is completely incomparable to the Subject It is, however, included due to the total acreage and for a point of reference

The sales represent properties most similar to the Subject in the most obvious way – 200 or more acres The details of these sales follow

1718 S. Lowvorn Road
Christiana, Tennessee 37037

Property Type Agricultural

Property Subtype Consumption

MAP/PARCEL 170-016.00

PROPERTY INFORMATION

Site Area (Acres)	250.55	Site Area (SqFt)	10,913,958
Zoning	RL - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	07/16/2012
Sale Price	$801,000	Sale Price per acre	$3,196.97
Grantor	June K. Maxwell, Joan Woodson Reeves & Cindi Woodson West		
Grantee	Rock Springs Holdings, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RL – low density residential in Rutherford County Zoning Ordinance. Property has approximately 1,267+/- feet of frontage on Rock Springs Road. This property is outside the city limits of Murfreesboro. No approved or proposed development plan was found for this property.

7810 Midland Road
Christiana, Tennessee 37037

Property Type Agricultural

Property Subtype Investment

MAP/PARCEL 181-006 00

PROPERTY INFORMATION

Site Area (Acres)	248 77	Site Area (SqFt)	10,836,421 2
Zoning	RL - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	09/18/2012
Sale Price	$434,000	Sale Price per acre	$1,744 58
Grantor	Mary Ruth Frizzell & Wade Frizzell		
Grantee	James T Smotherman, Jr & Beth Smotherman a/k/a Mary B Smotherman		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RL – low density residential in Rutherford County Zoning Ordinance Property has minimal frontage on any main traffic artery but it abuts Midland Acres Subdivision and Lotto Lane of said development dead-ends at the southern property line The west fork of the Stones River also crosses the tract This property is outside the city limits of Murfreesboro With this property adjoining a residential development, it is expected that the purchase is investment in nature No assemblage was found un the grantee's name

0 Highway 99
Rockvale, Tennessee 37153

Property Type Agriculture

Property Subtype Investment/development

MAP/PARCEL 123-022 00, 12-022 01

PROPERTY INFORMATION

Site Area (Acres)	297.35	Site Area (SqFt)	12,952,566
Zoning	RM- residential	Utilities	W/E/T

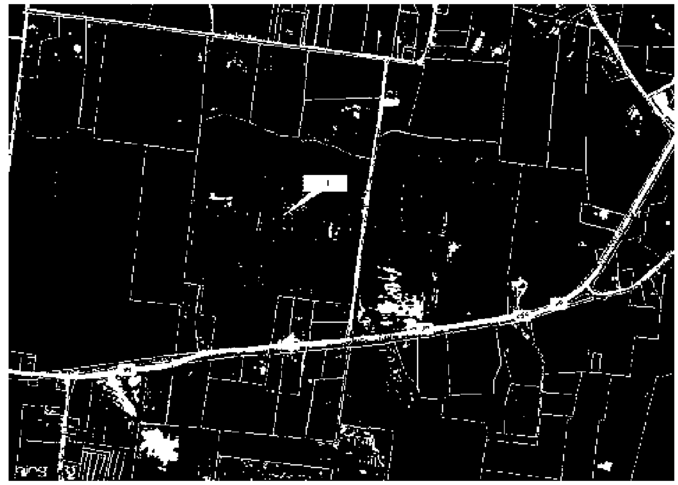
SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	09/13/2012
Sale Price	$1,000,000	Sale Price per acre	$3,364.04
Grantor	PNB Holding Co. 2		
Grantee	Rockvale Holding, LLC – ref. Wade Williams		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM – medium density residential in Rutherford County Zoning Ordinance. This property is outside the city limits of Murfreesboro. This is the balance of land previously purchased and destined for future development of Rockvale Meadows subdivision, a portion of the acreage conveyed is part of the recorded development but the majority of the acreage is not. The Grantor was the financial institution that foreclosed on the previous owner.

12480 Highway 99
Rockvale. Tennessee 37153



Property Type Agriculture

Property Subtype Consumption

MAP/PARCEL 145-025 00

PROPERTY INFORMATION

Site Area (Acres)	200 25	Site Area (SqFt)	8.722.890
Zoning	RL - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	02/09/2012
Sale Price	$840.000	Sale Price per acre	$4.194 76
Grantor	Lucia Carolyn Yeargan Roberts & Francis Carlton Yeargan Hitchens		
Grantee	Roger E Smith. etux & Raymond D Smith etux		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RL low density single-family residential in the Rutherford County Zoning Ordinance A significant portion of this acreage appears to be located in flood zone AE and a creek serves as its northern boundary

1126 Rucker Lane
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 115 009 00, 011 00 & p/o 011 03

PROPERTY INFORMATION

Site Area (Acres)	453.32	Site Area (SqFt)	19,746,619.2
Zoning	PUD - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/04/2011
Sale Price	$8,159,580	Sale Price per acre	$18,000
Grantor	Adams & Parks Investments and Adams & Parks Land holdings, LLC		
Grantee	Rucker Holdings, LLC (ref: Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

Zoned PUD (Planned Unit Development) in the City of Murfreesboro Zoning Ordinance. Property has approximately 2542+/- feet of frontage on Rucker Lane, approximately 3,618+/- feet along the Ruker Lane Extension, 1,067+/- feet on Salem Pike, 3,937+/- feet along Windrow Road and 9,354+/- feet along Veterans Parkway. This property is inside the city limits of Murfreesboro with sewer on part of the site. This is a planned residential development meaning that a formal plan of a single-family, detached residential development was submitted for and received approval by the City of Murfreesboro.

0 Bunker Hill Road
Rockvale, Tennessee 37153

Property Type Agriculture

Property Subtype Consumption

MAP/PARCEL 167-002 00, 002-001 00

PROPERTY INFORMATION

Site Area (Acres)	329 86	Site Area (SqFt)	14,368,701 6
Zoning	RL- residential, A-1 - agriculture	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	12/17/2012
Sale Price	$850,000	Sale Price per acre	$2,576 85
Grantor	Paul L Richardson & Elizabeth J Richardson, Trustees		
Grantee	KD Hand Farms		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RL low density residential in the Rutherford County Zoning Ordinance, and A-1 agriculture-forestry in the Bedford County Zoning Ordinance This parcel lies in both Rutherford and Bedford Counties Property has approximately 1,699+/- feet of frontage on Bunker Hill Road and approximately 5,370+/- feet of frontage on Bunker Hill Lane This property is outside the city limits of Murfreesboro

0 Barlow Lane
Lascassas, Tennessee 37085

Property Type Agriculture

Property Subtype Consumption

MAP/PARCEL p/o 039-001.00

PROPERTY INFORMATION

Site Area (Acres)	266.21	Site Area (SqFt)	11,596,107.6
Zoning	RL - residential	Utilities	E/T

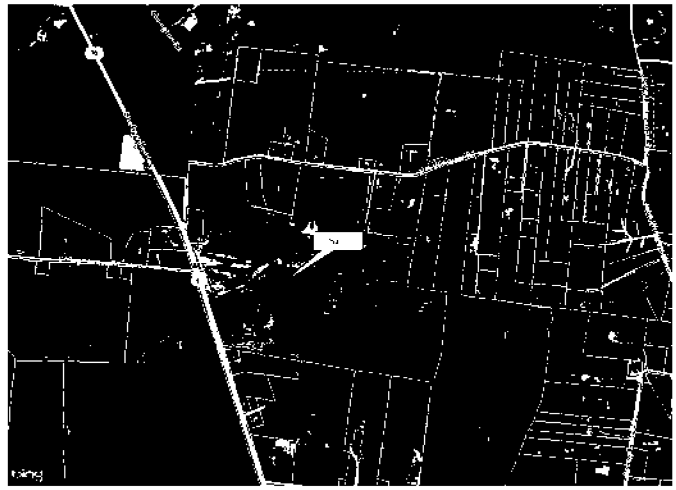
SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	09/26/2012
Sale Price	$347,306	Sale Price per acre	$1,304.63
Grantor	W.C. Basham, Jr., etux Lisa		
Grantee	Paul B. Lane, etux Margaret		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RL low density residential in the Rutherford County Zoning Ordinance. Property. This property is outside the city limits of Murfreesboro. A good portion of this property is a hill.

0 Highway 41 A
Eagleville, Tennessee 37060



Property Type: Agriculture

Property Subtype: Consumption

MAP/PARCEL: 120-023.00

PROPERTY INFORMATION

Site Area (Acres)	261.79	Site Area (SqFt)	11,403,572.4
Zoning	RL - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	12/06/2010
Sale Price	$787,500	Sale Price per acre	$3,008.14
Grantor	Elynor S. Bellenfant		
Grantee	John Barclay Moore		
Value Interest	Fee Simple		

COMMENTS

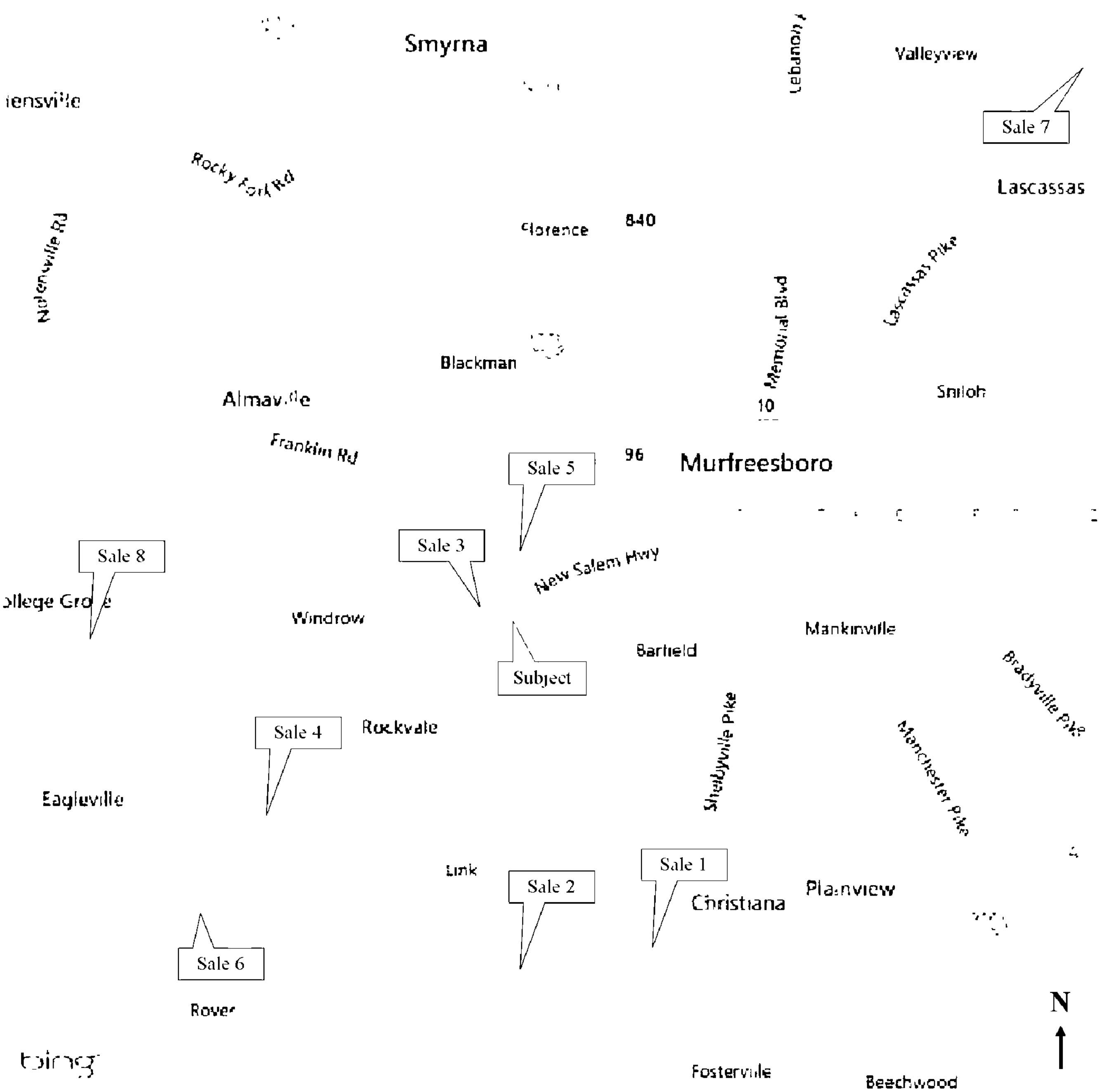
Transaction verified by stated consideration in deed. Zoned RL low density residential in the Rutherford County Zoning Ordinance. This property is outside the city limits of Murfreesboro. This property lies at the intersection of Williamson and Rutherford Counties with approximately 1,860'+/- along U.S. 41A.

These sales represent the best available transactions that are the closest in size to the Subject, from all the Rutherford County land sales searched in available online data sources (www realtracs net, www crsdata net) Only one of the above sales was a transaction from a financial institution after foreclosure – some might argue that this sale should probably be eliminated because a bank does not usually satisfy the definition of "typical market participant" in a transaction because its motivations are usually different from those of private parties However, it appears to have been well marketed by local real estate agents and was readily available to be purchased by any willing party It also lies very near the Subject property Therefore, it will be included for comparison The sales were next ranked for overall comparison to the Subject The following spreadsheet indicates the rankings

LAND SALE RANKING ANALYSIS

	Property Address	**Last Sale Price**	**Last Sale Date**	**Property Type**	**Acres**	**Price / Acre**	**Overall Comparison**
7	0 Barlow Ln Lascassas, TN	$347.306	9/26/2012	Agricultural	266 21	$1.304 63	Inferior
2	7810 Midland Rd Christiana, TN	$434.000	9/18/2012	Agricultural	248 77	$1.744 58	Inferior
6	0 Bunker Hill Rd Rockvale, TN	$850.000	12/17/2012	Agricultural	329 86	$2.576 85	Inferior
8	0 Hwy 41A Eagleville, TN	$787.500	12/6/2010	Agricultural	261 79	$3.008 14	Inferior
1	1718 S Lowvorn Rd Christiana, TN	$801.000	7/16/2012	Agricultural	250 55	$3.196 97	Inferior
3	0 Hwy 99 Rockvale, TN	$1.000.000	6/12/2012	Agricultural	297 35	$3.363 04	Slightly inferior
4	12480 Highway 99 Rockvale, TN	$840.000	2/9/2012	Agricultural	200 25	$4.194 76	Similar
[redacted]							
5	1126 Rucker Ln Murfreesboro, TN	$8.159.580	10/4/2011	Agricultural	453 32	$17.999 60	Far Superior

Location Map of Ranked Sales



The sales are all of the available acreage transactions over 200 acres that could be found in all of Rutherford County sales data It appears that the majority were for consumption use and not investment/development Only sales 3 and 5 were known investor purchases and these were both purchased by the same entity and both were land designated for future sections of existing single-family residential developments Interestingly enough, these two sales are the closest in proximity to the Subject All of the remaining sales lie much farther out from the developing portions of Murfreesboro and are zoned with inferior zoning, have inferior access to utilities or might never have access to any public sewer These things are irrelevant for the consumer purchaser with no intention of ever developing or dividing the property, however, in the case of the Subject, because of its proximity to the Growth of Murfreesboro, to grant it the greatest benefit of doubt, these things are considered

These sales offer a price/unit range from $1,304 63/Acre to $17,999 60/Acre, the mathematical mean is $4,673 57/Acre, this figure is misleading in that it places equal weight or consideration on all of the sales yet we know that sale 5 is an obvious outlier which skews this average The median price/unit is $3,102 55/Acre

As stated earlier, these properties, for the most part, represent transactions that are expected to be consumption in nature – meaning a purchase for personal reasons (home site, pleasure, farming, etc) The largest acreage sale was also the highest price/unit sale It reflects perceived value in the mind of the investor because of the existing infrastructure, the existing residential development that the acreage is an integral part of The Subject does not reasonably compare with this property in that aspect, and there was no sale data found that would support this value for any other large-acreage tract sold The sale appears to be an anomaly However, technically, the sale is comprised of two physically separate tracts of land, divided by Veterans

Parkway, not knowing this fact makes the raw numbers deceiving This transaction can be perceived as a purchase of two smaller tracts – smaller than the current physical size of the Subject, and smaller than all but one of the sales in the chart The economy of scale comes into play in this It is far easier to dispose of a 100 or 150-acre tract than it is a 340-acre tract of land The number of potential purchasers increases as the size decreases, the increased competition typically leads to an increase in price/unit This is worth noting because market data reviewed appears to indicate that if the acreage of the Subject were less, then the corresponding price/unit would increase and could be possibly be similar to that of sale 5 (for a smaller acreage tract) However, there currently exists no data to support this for the current total acreage

All of the sales, except one, lie in the southwest quadrant of Rutherford County However, the location of the Subject should be considered superior to most of these sales since it lies in the area where the city of Murfreesboro is expanding and developing more than any other are of the county (sales 3 and 5 share this in common with the Subject)

Both sales 3 and 5 were purchased by a New York entity that has invested over eleven million dollars into single-family subdivision land in the vicinity of the Subject It lies at the next intersection down Veterans Parkway from the Subject It currently abuts single-family residential developments offering the possibility of expansion of an existing development and offers great frontage to its two separate smaller-acreage tracts along Veteran Parkway That being the case, the price/unit paid for sale 5 is currently considered to be beyond what the market would pay for the Subject Additionally, there was no other sale data found to support this or a higher value for the Subject as it currently exists – a 340 33 acre tract Moreover, the price paid for sale 5 is considered reasonable due to the fact that this purchaser could justify paying the higher price/acre for sale 5 because the lower values that it paid for its other properties purchased will offset this higher price/acre In addition, this was their first purchase in this location, it is the oldest of their transactions Their future/newer transactions were all at a price/acre below that of sale 5 Their later transactions (and the most recent) are in a price/unit range much lower, as evidenced by sale 3 In consideration of the differences between the Subject and comparable sale 5, and the abundance of sale data exchanging for a price/unit less than comparable 5, it is not reasonably provable that the price/unit of sale 5 is applicable to the Subject – the market value of the Subject, as it currently exists of one 340 33 acre tract, should lie below that of sale 5

The above Ranking Analysis chart reflects our efforts to account for the differences between the sales and the Subject property Considering the sizes, location and zoning of the remaining sales, most represent market value to an end user not to an investor (except sale 3) The lack of any other sales data for investor-purchases of large, acreage, agriculture tracts would appear to indicate that the current existing size of the Subject places it in a Rutherford County market segment that is predominately consumption-oriented, and the above sales support this premise As arbitrary as it might seem, the data would appear to indicate that there is a point at which too much acreage becomes a detriment to the local investor-market

Most of the remaining sales data are considered to be inferior to the Subject in terms of location, zoning and utilities The Subject enjoys a superior location to the ever –expanding city limits of Murfreesboro We will therefore use $4,300/Acre as the most reasonable, current and applicable market-derived price/unit, when considering the Subject parcel as it currently exists

If

Applying the $4,300/Acre to the subject would yield the following indication of value

$4,300.00 x 340.33 = $1,463,419

Thus the value via the sales comparison approach is

$1,463,000 ®

One Million Four Hundred Sixty Three Thousand Dollars

RECONCILIATION AND FINAL VALUE ESTIMATE

In the typical appraisal assignment, reconciliation is the weighing process of the strengths, weaknesses, and applicability of the approaches utilized in appraising the subject property

In the course of our investigation involving the market value estimate for the subject property, one of the three generally recognized approaches to value was developed and indicated the following estimates of market value

Cost Approach	**N.A.**
Market Approach	**$1,463,000**
Income Approach	**N.A.**

Each approach to value is a comparative analysis of the data in the market which is significant and particular to the use of the respective approach Thus, the accuracy and reliability of each approach depends on the quantity and quality of the market data available to it, and upon its analysis, interpretations and application by the appraiser

The Market Approach produces a supportable and justifiable value estimate Data was somewhat limited and varied, but this analysis is valid The Income Capitalization Approach and the Cost Approach are not processed and not necessary to produce a credible value estimate No typical market participant (owner-occupant) for vacant land similar to the Subject would use the income approach when contemplating this type of purchase Additionally, a consumer would not use the cost approach when contemplating such a purchase, the cost approach would not produce a credible value opinion   The Sales Comparison Approach is exactly the way a typical buyer or seller would considered this property if it were to be purchased or sold

It is worth noting that the Subject has many features that make it a good candidate for single-family residential development   Sales of smaller-acreage tracts were found that support a higher price/unit than what is currently applicable to the Subject property evidently due to Economy of Scale   However, as it currently exists on the effective date of the report, a 340 33 acre parcel, then the above sales and corresponding price/unit applied support the theory of substitution   The sales relied on were considered to be most similar to the Subject in terms of acreage, and the transactions reflect the perceived market-value in terms of price/acre of large-acreage, consumer-market transactions in the vicinity of the Subject   The data indicates a value a typical market participant is willing to pay for reasonably similar tracts

After taking into consideration the most pertinent factors affecting value, it is our opinion that the market value of the as-is, fee simple estate of the subject is

$1,463,000

One Million Four Hundred Sixty Three Thousand Dollars

as of :

June 27, 2013

CERTIFICATION AND FINAL ESTIMATE OF VALUE

1 The statements of fact contained in this report are true and correct The appraiser has not knowingly withheld any pertinent information

2 The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions and conclusions

3 I/We have no present or perspective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved

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

5 Every effort has been made to develop our analysis, opinions and conclusions and to prepare this appraisal -and the appraisers believe that these are- in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

6 Both individuals signing this report have made a personal inspection of the property that is subject of this report

7 No one provided significant professional assistance to the persons signing this report that are not mentioned herein

8 The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, creed, color or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised

9 All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report)

10 All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report No change of any item in the appraisal report shall be made by the readers of this report, and the appraiser assumes no responsibility for any such unauthorized change

11 The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan

12 The Appraisal Institute conducts a voluntary program of continuing education for its designated members Members who meet the minimum standards of this program are awarded periodic educational certification Gregory O Peck is currently certified under this program through December 31, 2016

13 Gregory O Peck is a State Certified General Real Estate Appraisers under the laws of the State of Tennessee Roger A Stacey is a State Registered Real Estate Appraiser Trainee under the laws of the State of Tennessee This appraisal was made in compliance with the current regulations of the Tennessee Real Estate Appraiser Commission, which allows this report to be regarded as a Certified Appraisal

14 I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment

15 I/We have no bias with respect to the property that is the subject of this report or to the parties involved

That as a result of the investigation and analysis made in connection with this appraisal report, it is our professional opinion that the as-is, fee-simple, market value of the subject property, as of

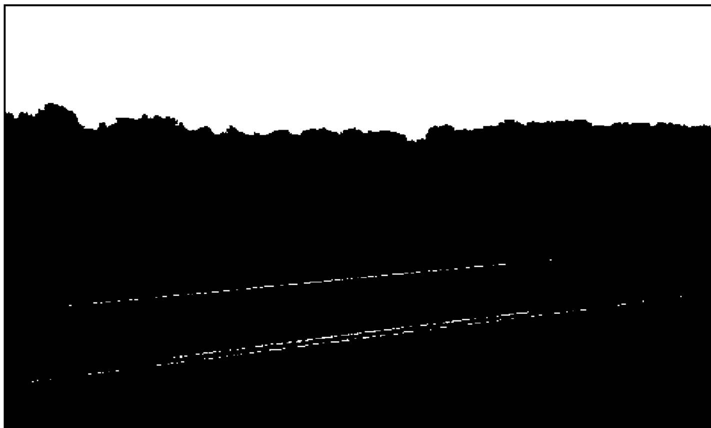
June 27, 2013
is
$1,463,000
***** **One Million Four Hundred Sixty Three Thousand Dollars** *****

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

IV. Addenda

SUBJECT PHOTOGRAPHS



View of a portion of Subject property from S R 99

Street view (subject is on the left-hand of the road)

Street view (subject is on the right-hand of the road)

Tax map (taken from two maps, No 115 and 123)

LEGAL DESCRIPTION

LEGAL DESCRIPTION (TRACT 5)

Being a certain tract or parcel of land lying and being in the Twelfth Civil District of Rutherford County, Tennessee located on Tax Map 123 as a portion of Parcel 12 00 and is the James R Donnell Property recorded in DB 304, PG 557, DB 219, PG 265, DB 174, PG 028 and is more particularly described as follows

Beginning at a ½" Rebar (O) in the south right-of-way of State Route 99, this being the northeast corner of the property described herein and the northwest corner of Corner Stone Freewill Baptist Church (DB 674, PG 633), thence with Corner Stone S 30 59'52" E a distance of 447 06' to a ½" Rebar (O), this being the southwest corner of Corner Stone, thence leaving Corner Stone and with McKnight (DB 536, PG 653) and a fence the following courses and distances N 85 '12'36" W a distance of 488 73' to a 20" Cedar fence corner, reference a ½" Rebar at S 78°01'50" E a distance of 1 37', S 09°29'15" W a distance of 3205 80' to a Wooden Fence Post, thence with Pike (DB 157, PG 617) and a fence the following courses and distances N 83' 22'52" W a distance of 1173 37' to an "X" in Set Stone (O), S 07°57'03" W a distance of 1914 51' to a ½" Rebar (N) with Wiser Cap, S 83 16'41" E a distance of 932 73' to a Wooden Fence Post, S 48°36'40" E a distance of 196 25' to an 18" Hackberry, S 66°04'30" E a distance of 482 45' to a Wooden Fence Post, S 06' 49'56" W a distance of 454 04' to an 18" Hackberry, thence with Motes (DB 545, PG 388), the right-of-way of Thompson Road and a fence the following courses and distances S 05' 57'33" W a distance of 473 44' to a Wooden Fence Post, S 05 '57'56" W a distance of 235 92' to a Wooden Fence Post, S 06 20'31" W a distance of 437 79' to a ½" Rebar (O), this being the southeast corner of the property described herein and the northeast corner of Williams (DB 326, PG 427), thence with Williams and a fence the following courses and distances N 87°36'55" W a distance of 439 41' to a ½" Rebar (N) with Wiser Cap, N 77 11'49" W a distance of 323 70' to a ½" Rebar (O), S 05°27'44" W a distance of 323 11' to a ½" Rebar (O), S 05 27'44" W a distance of 31 90' to the center of Thompson Road, this being the southwest corner of Williams, thence leaving Williams and with the aforementioned road S 74 47'01" W a distance of 233 11' to a point, thence leaving Thompson Road and with Collier (DB 449, PG 111) the following courses and distances N 06 22'12" E a distance of 24 50' to a ½" Rebar (O), N 06 22'12" E a distance of 679 59' to a ½" Rebar (O), N 80' 53'52" W a distance of 65 96' to a ½" Rebar (O), N 29 00'03" W a distance of 39 98' to a ½" Rebar (O), N 84°58'30" W a distance of 212 78' to a ½" Rebar (O) S 05 41'39" W a distance of 774 79' to a ½" Rebar (O), S 05 '41'39" W a distance of 25 27' to the center of Thompson Road, this being the southwest corner of Collier, thence leaving Collier and with the aforementioned center of road on a curve to the left having a radius of 452 89' and an arc length of 471 07' to a point, this being the southern most corner of the property described herein and the northeast corner of Boone (DB 377, PG 303), thence leaving the center of Thompson Road and with Boone N 67' 24'25" W a distance of 458 86' to a ½" Rebar (O), this being the southwest corner of the property described herein and a common corner of Boone and Brown (DB 114, PG 518), thence leaving Boone and with Clearidge Section II & III recorded in Plat Book 19, Page 130 and Plat Book 22, Page 130 the following courses and distances N 05 '59'51" E a distance of 357 80' to a ½" Rebar (O), N 05°59'21" E a distance of 666 73' to a ½"

Rebar (O), N 05°32'46" E a distance of 324 00' to a ½" Rebar (O), N 05°27'19" E a distance of 180 06' to a ½" Rebar (O), N 06°13'37" E a distance of 1010 25' to a point, N 05 52'08" E a distance of 355 06' to a ½" Rebar (O), this being the northeast corner of Clearidge Section II, thence leaving Clearidge and with Womick (DB 597, PG 661) and a fence the following courses and distances N 05°53'12" E a distance of 475 90' to a ½" Rebar (O), N 84°20'16" W a distance of 566 32' to a Wooden Fence Post, N 84 03'26" W a distance of 1374 43' to a ½" Rebar (O), N 83 50'07" W a distance of 391 62' to a Concrete Monument (O) in the south right-of-way of State Route 99, this being the western most corner of the property described herein and the northwest corner of Womick, thence leaving Womick and with the aforementioned right-of-way the following courses and distances N 32 43'03" E a distance of 233 91', N 40°09'19" E a distance of 398 83', N 37°37'32" E a distance of 653 32', N 42°24'26" E a distance of 365 85', N 48°22'29" E a distance of 249 23', N 44 50'43" E a distance of 548 21', N 49 37'22" E a distance of 647 27', N 53 09'23" E a distance of 323 28', N 55°58'35" E a distance of 646 47', N 62°03'02" E a distance of 682 86', N 37 06'39" E a distance of 107 70', N 58 58'30" E a distance of 850 00', N 62°00'40" E a distance of 200 25' to a Concrete Monument (O), N 59°02'13" E a distance of 714 24'to the point of beginning containing 340 33 acres, more or less, according to a survey performed by Wiser Company on December 13, 2004

ENGAGEMENT LETTER

Fw: Rucker-Donnell Foundation Appraisals

gopeck@ccim.net< gopeck@ccim net> Thu, Apr 18, 2013 at 8 26 AM
Reply-To gopeck@ccim net
To Roger Stacey <1031stacey@gmail com>

From: Zach Fuller
Sent: Monday, April 08, 2013 2.07 PM
To: gopeck@ccim.net ; Roger Stacey
Subject: RE: Rucker-Donnell Foundation Appraisals

Mr. Peck,

Yes we would like you to re-appraise the properties and complete new appraisal reports. A two to four week delivery date will be alright. Please let me know if you have any questions or need any additional information.

Thanks,

Zachary Fuller| American City Bank, 340 W Lincoln St, Tullahoma, 37388 | *www AmericanCityBank com*

(W) 931 455 0026 | *Zach Fuller@AmericanCityBank com*

From: gopeck@ccim.net [mailto:gopeck@ccim.net]
Sent: Monday, April 08, 2013 7:36 AM
To: Zach Fuller; Roger Stacey
Subject: Rucker-Donnell Foundation Appraisals

Good Morning Zach:

First, we cannot get this work back to you by 4/17 I presume that you are asking us to re-appraise these properties and complete new appraisal reports If this is the case, we are looking at two to four weeks for a delivery date, depending on how the research and data collection phase goes Let me know your thoughts at this point as we

would like to help you as much as possible I have sent a copy of this email to Roger Stacey here in the office
Thanks

Gregory O Peck, CCIM, SRPA, CG-140
Gregory Peck and Associates
1535 W Northfield Blvd
15 Lincoln Square
Murfreesboro, TN 37129
Voice/Fax 615-896-0787
Cell·615-364-8904
gopeck@ccim net

QUALIFICATIONS of the APPRAISER

GREGORY O. PECK, CCIM, SRPA, CG-140

SCOPE OF BUSINESS AND PROFESSIONAL ACTIVITY

General practice with the majority of appraisal assignments relating to market value of all types of commercial, industrial, investment, and residential properties in the Middle Tennessee area Appraisal assignments are categorized under three headings specific value answer and/or recommendation, probable value range based on limiting conditions and assumptions, and the appraisal of easements and partial acquisitions Eminent Domain special experience in condemnation valuation from the following road widening and new road projects, Old Hickory Blvd , and Dickerson Pike, Nashville, TN , Great Neck Road, Virginia Beach, VA , Memorial Blvd , Highway 96, Highway 231 South, Mercury Blvd , John Bragg Highway, Thompson Lane, and Interstate 840 in Rutherford County, TN General Contractor purchased, redeveloped and sold Section III of Timberlake S/D, developed and sold vacant land at Old Nashville Highway and Florence Road, built 65 +/- single family homes, and successfully developed, built and sold Park Place Condominiums Division of Property Assessment – Registered Agent – have advised and represented property owners on Ad Valorem property tax matters since 1974

PROFESSIONAL EXPERIENCE

Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants
Chief Appraiser of a Federal Savings & Loan Association
Staff Appraiser with Lewis Garber & Associates, Independent Real Estate Appraisers and Consultants
Staff Appraiser with H L Yoh Company, mass appraisal specialists of cities, counties, and municipalities

EDUCATION

B S Degrees, Middle Tennessee State University, Murfreesboro, Tennessee
Post Graduate Studies University of Tennessee, Nashville, Tennessee Middle Tennessee State University, Murfreesboro, Tennessee
Continuing Education Programs Appraisal Institute, Commercial Investment Real Estate Institute, Appraisal Section, National Association of Realtors, International Right-of-Way Association, National Association of Realtors, and the Tennessee Real Estate Appraiser Commission

Past Member – National Faculty of the Appraisal Institute for Course 110, Appraisal Principles, Course 120, Appraisal Procedures, and Course 210, Residential Case Studies

PROFESSIONAL AFFILIATIONS

CCIM	Member of Commercial Investment Real Estate Institute
	Past President - Middle Tennessee Chapter
SRPA	Member of the Appraisal Institute
SRA	Member of the Appraisal Institute - Past Pres Chapter 78
SRWA	Senior Member, International Right-of-Way Association
	National Professional of the Year Finalist

Tennessee Affiliate Brokers License Number 240946
Tennessee State Certified General Real Estate Appraiser Number CG-140
Tennessee Division of Property Assessment-Registered Agent Number 0092

PARTIAL LIST OF CLIENTS

Corporations and Companies

MacMillan-Bloedel, LTD, Canada, ARA Services, Chalk Line, Inc , Homequity, Executrans, Executive Relocation, Merrill Lynch Relocation Management, Equitable, General Electric, Kroger Company, Eaton Corporation, E I DuPont de Nemours & Company, Firestone Tire and Rubber Company, General Motors, Trans-America Relocation, Brunswick Corporation, Phillips Petroleum Company, American Steel Foundries, Dairymen, Inc , Maremont Corporation, Kraftco Corporation, Exxon Corporation, Americorp Relocation Management, John Deere Company, Masonite Corporation, W R Grace and Company, United States Steel Corporation, CSX/Louisville and Nashville Railroad, Southeastern Box Corporation, State Farm Insurance Company, National Residential, Inc , Relocation Realty Service Corporation, Roadway Express, Relocation Resources, Lincoln Service Corporation, Koppers Company, Reichold Chemical, Gen-Rel Relocation, Coldwell Banker, Chem-Exec, Empire Relocation, Travelers, Baptist Hospital, and others

Financial Institutions

First Tennessee Bank National Association, Chiao Tung Bank of Silicon Valley, Bank of America, First American National Bank, AMRESCO/Institutional, SunTrust Bank, California Federal Savings & Loan, Republic National Bank of Dallas, Bank of America, BankOne-Dallas, Miami National Bank, Midsouth Bank, Volunteer State Bank, Farmersville Bank of Texas, Union Planters National Bank, Pinnacle National Bank, National Bank of Canada, and others

Insurance and Mortgage Companies

Southeastern Mortgage, Rutherford Bank & Trust, CNA/Insurance Company, Regions Mortgage, Inc , Mid-State Financial, Pacific Southwest Bank, First Investment Company, Franklin American Mortgage, Right Mortgage Company, Churchill Mortgage Company, Harbourton Mortgage Company, First Bank and Trust, NationsBank Mortgage Corporation, and others

Governmental Agencies

National Park Service, Veterans Administration, Loan Guaranty Division, Federal National Mortgage Corporation, Federal Deposit Insurance Corporation, Tennessee Valley Authority, Tennessee Attorney Generals Office, United States Postal Service, U S Department of Housing and Urban Development, United States Department of the Interior, Tennessee Department of Finance and Administration, Middle Tennessee State University, Tennessee Department of Transportation, United States General Services Administration, Resolution Trust Corporation, Rutherford County, TN , City of Tullahoma, City of Murfreesboro, Tax Assessor's Office for Rutherford County, Tennessee, and others

Have done work for various individuals, attorneys, accountants, and have given expert testimony before various commissions, Circuit, Chancery and United States Federal Courts

Roger A. Stacey, MA, TR-4543

Professional Experience

- Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants (2009 to present)
- Blackfriar Commercial, Managing Broker (2012 to present)
- Sims Commercial, LLC, Managing Broker (2007 to 2012)
- General real estate agent (1999 to 2007)

Professional Affiliations

- Tennessee Real Estate Broker License Number 272999
- Tennessee State Real Estate Appraiser Trainee Number TR-4543
- AFA – Certified Valuation Specialist in Real Estate

Employment :

- **1999 to Present** Self-employed, independent contractor – providing valuation and marketing expertise to real property owners and purchasers throughout the Middle-Tennessee area
- **1997 to 1999** Custodial Account Administrator, Banker's Trust / Deutsch Bank – responsible for oversight and management of foreign entities investing in the U S markets Clientele included Banque Pasche, Banque Internationale de Luxembourg, Royal Bank of Scotland, Royal Bank of Canada, Banco Dello Statto, Monetary Authority of Singapore, Government of Singapore, Banque Suisse, ING among others Daily trade amounts for which Roger was responsible typically exceeded $6 million U S

Education:

- The University of Tennessee, Knoxville, Knoxville, TN – Master of Arts
- Middle Tennessee State University, Murfreesboro, TN – Bachelor of Science
- Continuing Education Programs The Appraisal Institute, National Association of Realtors, Tennessee Real Estate Education System, American Financial Association

General Appraisal Experience:

Appraisal experience, including but not limited to vacant land tracts (individual lots to large acreage tracts), single-tenant commercial properties, industrial properties, multi-tenant commercial properties, investment properties, right of way and easement acquisition

Partial List of Clients:

The Town of Smyrna, TN, the City of Murfreesboro, TN, National Park Service and U S Department of the Interior, the State of Tennessee Department of General Services, Middle

Tennessee State University, First Horizon National Corporation, First Tennessee Bank, Regions Bank, The Bank of Tullahoma, Pinnacle National Bank, American City Bank, Midsouth Bank, Pathway Lending, CB&S Bank, Farm Credit Services of Mid America, Citizens Bank of Blount County, Heritage South Credit Union, in addition to work for various individuals, churches and attorneys

SUMMARY APPRAISAL REPORT

of:
1410 Armstrong Valley Road (Lot 4A)
Murfreesboro, TN 37128

for:
Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

Appraised by:

GREGORY PECK & ASSOCIATES
1535 W. Northfield Boulevard, Suite 15
Murfreesboro, Tennessee 37129

Date of appraisal:
April 19, 2013

GREGORY PECK AND ASSOCIATES

Commercial Investment Real Estate
Representation - Valuation - Investment Analysis - Feasibility
E-mail: gopeck@ccim.net

Thomas N. Graves, SRA, CR-301
Roger A. Stacey, MA, Broker, TR#4543
Frances Carroll, Broker
Gregory O. Peck, CCIM, SRPA, CG-140

June 17, 2013

Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

RE **1410 Armstrong Valley Road (Lot 4A)**
Murfreesboro, TN 37128
Summary Appraisal Report

Client :	**Zachary Fuller**
Intended Use:	**Internal decision making by client**
Intended User:	**American City Bank**

Mr Fuller

At your request, we hereby certify that we have made a personal interior and exterior inspection of the above referenced real estate which is legally described within this report

On the basis of this study and analysis of relevant market data contained within this report and office file, and subject to the Assumptions and Limiting Conditions contained herein, we have estimated the market value of the as-is, fee-simple interest of the property to be as follows

market value, fee-simple, as-is: $732,000
as of : April 19, 2013

The following narrative appraisal report contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached **The subject property is located on FEMA map 470165, panel 0265H, dated 01/05/2007. The map appears to indicate that a large portion of the site is located in established flood zone AE. However, the appraisers are not qualified to determine whether the subject actually is or is not within a federally designated flood zone and do not assume any liability for the accuracy of this statement.**

The subject property consists of 36 6 acres and is located just outside and west of the city limits of Murfreesboro, TN Based on reviewed sale data from www loopnet com, the exposure time and marketing time for the property would probably exceed twelve months The following narrative appraisal report is a complete appraisal report written in a summary format and contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached, the appraisers are competent to complete this assignment according to USPAP It should be made clear to the client, reader, and any third party, that every effort has been made to prepare this appraisal, and the appraisers signing this report believe that this report is, in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, Title XI of FIRREA, Regulation 12-CFR of the FHLBB, and, the Appraisal Institute It should further be understood that this appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan No loan amount was discussed with the borrower/owner, buyer, seller, or any employee of Client or intended user

It is extremely important that the reader of any appraisal report understand that an appraisal is only able to provide a snapshot view in time of an opinion of value of a property that would result in the sale and transfer of the property that is the subject of the report, only on the precise effective date of the report and exactly as it exists on that one precise day in time Generally, it attempts to answer the question, "what would be required by the typical market participant shopping for such a property in order to consummate a successful sale and transfer of the subject property on the effective date of the report?"

No personal property has been considered in the value reported, and the cost and income approaches to value are not processed and are not necessary to produce a credible value estimate

The appraisers have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the last three year period immediately preceding the acceptance of this assignment Gregory Peck did appraise this property in March of 2010

It has been our pleasure to serve you and if you need any additional information, you are assured of my cooperation

Respectfully submitted,

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

TABLE OF CONTENTS

Page

I. INTRODUCTION

SUMMARY of IMPORTANT FACTS and CONCLUSIONS

LOCATION	1410 Armstrong Valley Road Murfreesboro, TN 37128
OWNER OF RECORD	Rucker-Donnell Foundation
LAND AREA	36 6+/- acres, lying at the NWQ of Veterans Parkway and Armstrong Valley Road
IMPROVEMENTS	Subject is currently improved with a mobile home and barn (no value)
ZONING	RM - medium-density residential
HIGHEST AND BEST USE	Holding for development
VALUATION	Cost N A Market $732,000 Income N A
RECONCILED VALUE	$732,000
EFFECTIVE DATE OF APPRAISAL	April 19, 2013

ASSUMPTIONS AND LIMITING CONDITIONS

Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice requires the appraiser to clearly and accurately set forth all facts, assumptions and conditions that affect the analysis, opinion and conclusions upon which the appraisal is based In compliance therewith, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows

1 Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use Any legal description included in the report was taken from the referenced source and is assumed to be correct

2 No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report

3 The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal The appraiser(s) assume(s) no responsibility for economic or physical factors occurring or being discovered at some later date which may affect the opinion herein stated

4 The valuation is reported in dollars of currency prevailing on the date of appraisal

5 Maps, plats, and exhibits included herein 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

6 All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties While it is believed the information, estimates and analyses are correct, the appraiser(s) does (do) not guarantee them and assume(s) no liability for errors in fact, analysis or judgment

7 Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which they are connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public

relations media, news media, sales media or any other public means of communication without prior written consent and approval of the undersigned

8 The appraisers are not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made

9 The distribution of the total valuation in this report between land and improvements applies only under the current estimate of highest and best use The separate valuations for land and buildings must not be used in conjunction with any other appraisal or use and are invalid if so used

10 Certain information concerning market and operating data was obtained from others This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct However, such information is not guaranteed

11 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

12 Opinions of value contained herein are estimates There is no guarantee, written or implied, that the subject property will sell for such amounts

13 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable No responsibility is assumed for such conditions or for engineering which may be required to discover such factors

14 Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s) The appraiser(s) have no knowledge of the existence of such materials on or in the property The appraiser(s), however, are not qualified to detect such substances The presence of substances such as urea formaldehyde foam insulation, asbestos, 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 to discover them The client is urged to retain an expert in this field, if desired

15 No attempt has been made to fully investigate the property's compliance with all governmental regulations Except as otherwise noted, it is assumed that the property is in compliance with existing zoning requirements, building codes, and fire codes, and complies with all applicable regulations relating to the Occupational Safety and Health Act (OSHA) and the Environmental Protection Act (EPA)

16 We have carefully reviewed and edited this report In spite of that, it may include typographical errors and/or technical inaccuracies Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected

17 The Americans with Disabilities Act ("ADA") became effective January 26, 1992 We have 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 could reveal that the property is not in compliance with one or more of the requirements of the Act If so, this fact could have a negative effect upon the value of the property Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property

18 Every effort has been made to prepare this appraisal, and the appraisers believe that the report is, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

19 This appraisal report is for the real estate only, not including, furniture, fixtures and equipment

20 The liability of Gregory Peck and Associates, employees and the appraisers named herein is limited to the client only and only up to the amount of the fee actually received for the assignment Further, there is no accountability, obligation or liability to any third party If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property

21 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

22 All economic and political factors affecting the facts in this report are assumed to remain in a posture at least as favorable as existing on the specified "Effective Date" of the report unless stated otherwise in the body of the report

23 Acceptance of and/or use of this report constitutes the acceptance of the foregoing Standard Limitations and Conditions of this Report

24 This report complies with Standard Rule 2-2(b) (viii) as all analytical and descriptive data contained herein is specific to the appraisal and final value estimate of the subject property

DEFINITION OF MARKET VALUE

Market Value, as defined in The Appraisal of Real Estate, may be stated as “the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property should sell in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress”

The fundamental assumptions and conditions presumed in the above definition are

1 The buyer and seller are motivated by self-interest

2 The buyer and seller are well informed and are acting prudently

3 The property is exposed for a reasonable time on the open market

4 Payment is made in cash, its equivalent, or in specified financing terms

5 Specified financing, if any, may be the financing in place or on terms generally available for the property type in its locale on the effective appraisal date

6 The effect, if any, on the amount of market value of atypical financing, services, fees shall be clearly and precisely revealed in the appraisal report

The effective date of Market Value is April 19, 2013

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal is to estimate the as-is market value of the fee simple interest of the subject property, as of the date of inspection A fee simple estate is defined by the Appraisal Institute as "absolute ownership unencumbered by any other interest or estate, subject only to the limitations of eminent domain, escheat, police power, and taxation " Market Value, as defined by the Comptroller of the Currency in Regulation 12 CFR, Part 34, Section 34 42 (f), is The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus Implicit in this definition is the consummation of a sale, as of a specified date and the passing of title from seller to buyer under conditions whereby (1) buyer and seller are typically motivated, (2) both parties are well informed or well advised, and acting in what they consider their own best interests, (3) a reasonable time is allowed for exposure in the open market, (4) payment is made in terms of cash in U S Dollars or in terms of financial arrangements comparable thereto, and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

The function of the report is to establish an as-is, fee-simple, market value estimate to aid the client in decision making (intended use)

SCOPE OF THE INVESTIGATION

As part of this appraisal, the appraisers have made several independent investigations and analyses We have relied on data that is retained in our office files, which are updated on a regular basis, and other supporting data as needed The property is unimproved and is located at

1410 Armstrong Valley Road (Lot 4A) , Murfreesboro, TN 37128

We have studied demographic, economic and income data provided by the Rutherford County Property Assessor's Office, State of Tennessee Comptroller of the Treasury, Rutherford County Economic Development Board, Tennessee government website tn gov, Rutherford County Chamber of Commerce, and the Site To Do Business, maintained by the Commercial Investment Real Estate Institute, among other data sites

Concerning the subject property, we have reviewed available, applicable tax maps and deeds, and physically inspected the property, and taken photographs We researched and investigated vacant land sales that would be applicable in establishing a land value for the subject Numerous transfers were studied, and we relied on the sales that best represent the highest and best use estimate of the subject property Details of the sales used are contained in the following report

II. Factual Descriptions

SUBJECT DISTRICT AERIAL MAP

PROPERTY IDENTIFICATION

The subject property consists of 36 6+/- acres located on the northern R O W of Veterans Parkway at its intersection with Armstrong Valley Road, in southwestern Rutherford County Tennessee The tract is further identified as Tax Map 115 part of Parcel

028 05 of the Rutherford County Property Assessor's tax mapping system The property is further identified in Will Book 37 Page 718, RORC, TN (see copy of legal description in the Addendum for further identification)

HISTORY AND OWNERSHIP OF THE SUBJECT PROPERTY

The subject property is currently owned by the Rucker Donnell Foundation (according to Will Book 37 Page 718) No moratoriums are known to exist that would have an adverse impact on the use or marketability of the property No option, listing or sale contract is known to exist

TAX ANALYSIS

The Subject is located on Tax Map 115, and is part of parcel 028 05 The 2013 tax rate for Rutherford County is $2 4652 per $100 of assessed value Tennessee law requires that residential property be taxed at a rate of 25% of its local tax assessor's appraised value for real property According to the property record data on Rutherford County's website and Courthouse Retrieval System, the property, as residential, is appraised at $713,400, therefore, the total 2013 tax liability, as residential, for the entire site is ($713,400 x 25% – 100 x 2 4652) $4,396 68 It is important to recognize that this amount is applicable to three physically separate tracts of land which are identified by the same tax parcel ID number (Veterans Parkway bisected the original tract)

The Subject property is currently benefitting from "Greenbelt Regulations" (record book 289 page 1161) which allows for a significant reduction in taxes if the property is at least 15 acres in size and currently being cultivated for agriculture production, and generating an average of $1,500/year in income from agricultural activity Under "greenbelt" classification, the subject property is assessed at $136,600, therefore, the total 2013 tax liability, as residential, for the entire site is ($136,600 x 25% − 100 x 2 4652) $841 87

AREA ANALYSIS

The locale of the property under study is Rutherford County and the community of Rockvale The major cities in the county are Lavergne, Smyrna and Murfreesboro, the County Seat

It should be noted that these three cities are located within a seven-mile northwest/southeast corridor of one another, and have somewhat of a shared economic base for business and industry Two major transportation routes connect the three via Federal Highway 41/70S and Interstate 24

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The community of Rockvale is traditionally a farming community It is characterized by large acreage agricultural tracts and single-family residential dwellings Here and there, you will find a commercial property operating but they are not numerous The community of Rockvale is located to the southwest of Murfreesboro As Murfreesboro continues on its path of development and growth, its impact on Rockvale is that of families moving to Rockvale to distance themselves from the progressive urbanization of the city of Murfreesboro In time, Rockvale is projected to become more like a suburb of Murfreesboro rather than the rural farming community that it has traditionally been

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The City of Murfreesboro is located southeast of Nashville, approximately 30 miles, and is the county seat of Rutherford County It is the site of Middle Tennessee State University, and the campus is located on the easterly side of the city Rutherford County is one of the seven counties that, along with Davidson County, form the Nashville MSA (Metropolitan Statistical Area)

The city is served by several highways, the principal one of which is Interstate 24, passing to the south of the city It is also served by U S Highways 41, 231, and 70 Interstate 840, running east/west through Rutherford County, between Murfreesboro and Smyrna, links I-40 East, I-24, I-65 South, and I-40 West

The economy of Murfreesboro is extremely well diversified The city has to date been very successful in attracting new industry Manufacturing is a major component of the economy A recent breakdown of employment for Murfreesboro and Rutherford County residents, published by the Rutherford County Chamber of Commerce, is manufacturing-38%, service industries-19%, wholesale and retail trade- 17%, government-15%, and other- 11%

A relatively new industrial park is located adjacent to Interstate 24 and within the city limits of Murfreesboro, on Joe B Jackson Parkway Several warehouse buildings have recently been completed and occupied, including the Amazon com distribution facility Interstate Warehousing will expand its current facility here by 130,000 SF while adding 31 new jobs to its current workforce NHK Seating has built a $54,000,000 manufacturing facility on Joe B Jackson Parkway Construction finalized in October 2011 and plans were employ up to 224 workers In other industrial areas of Murfreesboro, General Mills has been in the process of a $132,000,000 expansion of its plant on Butler Drive to increase production for its Yoplait product lines Nissan North America is in the process of constructing a $1 4 Billion lithium-ion battery plant in Smyrna, which will supply batteries for the LEAF vehicle, additionally, they began production of the LEAF vehicle at the plant in 2012 and the ROGUE will begin to be produced at the Smyrna plant in 2013 Another major employer in the city of Murfreesboro is the Veterans Administration Hospital located on the north side of town As mentioned previously, Middle Tennessee State University is located on the easterly boundary of the city

No discussion of the area would be complete without mention of Middle Tennessee State University, which is located to the east of the subject property Middle Tennessee State University is a four-year public university with a current enrollment of more than 25,000 students for fall of 2012 MTSU is the fastest growing university in the state system and currently the largest undergraduate university (based on student enrollment) in Tennessee Numerous buildings have either recently been constructed or are slated for development in the near future These include an addition to the recreation facility, nursing building and mass communications building, library and the new business/aerospace building, the university is enjoying a relatively significant ongoing construction process Other Murfreesboro-area higher education facilities include Tennessee Technology Center Murfreesboro and Daymar Institute, a privately held Junior college

The sharp rise in retail development by the national chains in the area is indicative of Rutherford County's economic strength and viability in the marketplace Murfreesboro Town Centre is another retail center that is anchored by a 121,705 SF Target Store and the entire development will has 407,000 SF of retail space The development cost around $30,000,000 The development opened in July of 1998 Not far away, a new 70-acre, 600,000+/- SF hospital facility (Middle Tennessee Medical Center) has opened on Medical

Center Parkway, which spurred a surge of retail and office growth in this area dubbed the "Gateway", the Gateway is also home to the Avenue and many other retail and office properties Total 2009 retail sales for Rutherford County were $4,487,286,711

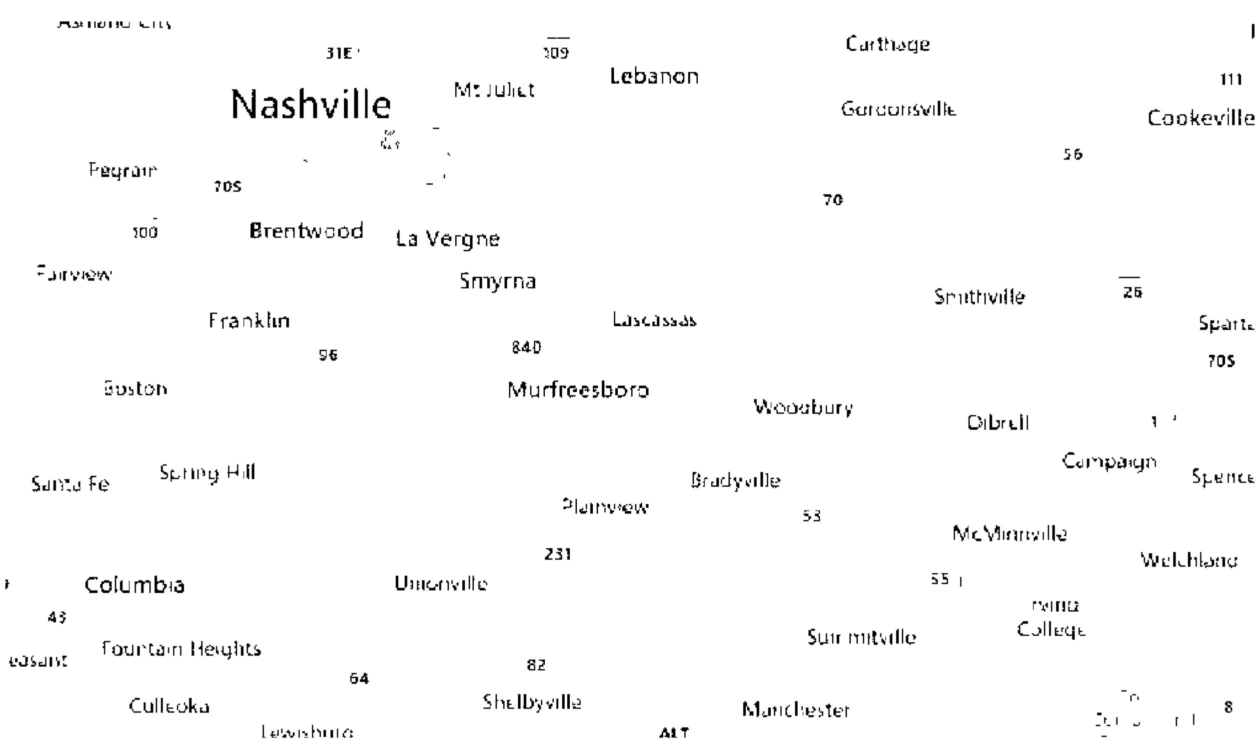
The Avenues is a relatively new outdoor shopping mall recently opened and includes about 900,000 SF of retail space with major national anchor tenants including Best Buy, Old Navy, World Market, Joseph A Bank, and a list of many, many more retail businesses In addition, the Stones River Mall, in 2008, underwent a $53,000,000 expansion Coupled with this building activity, the property valuations from the Rutherford County Tax Assessor's Office indicate value increases every year since 1974 In addition, state and local sales tax revenues have increased every year since 1981

Rutherford County - Summary

In summary, the Murfreesboro and Rutherford County market is considered to represent a stable, average to middle class economy, generally growing at a stable rate in terms of populations and income The economy is relatively stable and diverse, especially with the interjection of the Nissan Plant, which is a strong positive factor Middle Tennessee State University (along with several other employers) is expanding, further enhancing the growth potential An additional point to consider is that the substantial growth in income levels also has important implications for the whole spectrum of real estate values within the community The increasing affluence of the local population eventually filters back to the purchase of additional goods and services to the enhancement of general property values and retail sales

The area is well located between Nashville and Chattanooga, with growth projected to increase into the future, including expansion of both the industrial and population basis The area is well served by interstate transportation, which provides an excellent central location for continued industrial and employment expansion The area has taken a progressive attitude in regard to growth and accommodations to large potential employers, indicating that the area is fertile for industrial development and expansion Transportation arteries have been improved and the future for Murfreesboro appears positive These factors, all acting in concert, provide growth impetus to the urban area, along with the major development incentives The combination of these factors support the premise that Murfreesboro and Rutherford County is a reasonable area for real estate investment due to stability and continued growth over the long term

AREA LOCATION MAP



AREA DEMOGRAPHICS

Executive Summary with Charts

Prepared by Gregory Peck

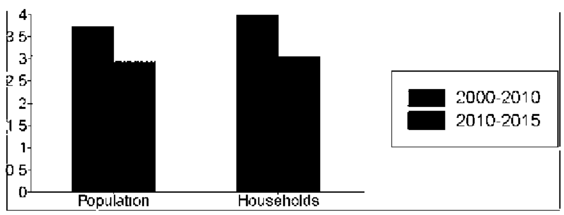
Rutherford County
Executive Summary Report

Population and Households

The size of the market area, measured by population and households, has changed from 2000 through the forecast year as follows

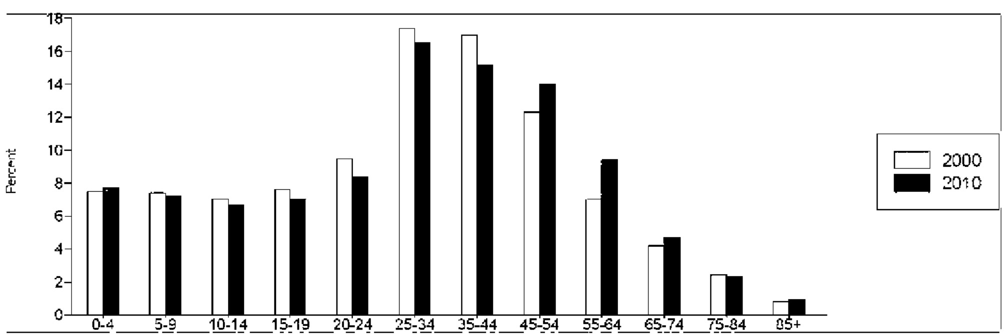
Year	Population	Households
2000	206,309	77,078
2010	299,983	114,980
2015	346,604	133,604

The difference between change in population and change in households is a result of two factors-the presence of group quarters (non-household) population in the market area and the average number of persons per household The group quarters population in the market area was 5,831 in 2000, or 2 8 percent of the total population Average household size is 2 56 in 2010, compared to 2 60 in the year 2000



Population by Age

The median age for the United States was 35 3 in 2000 and 36 7 in the current year In the market area the median age of the population was 31 2, compared to 32 9 years currently By age group, the changes in the percent distribution of the market area population show the following



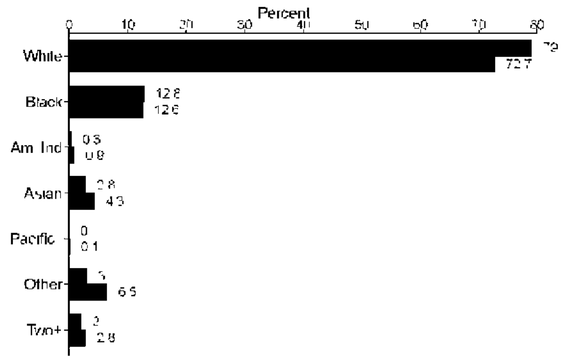
Population by Education

In 2010 the educational attainment of the population aged 25 years or older in the market area can be summarized

Source U S Bureau of the Census, 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Population by Race/Ethnicity

Currently the racial composition of the population in the market area breaks down as follows

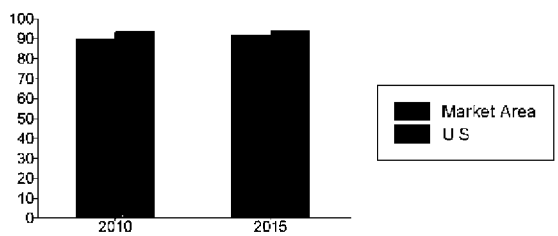


Persons of Hispanic origin represent 6 5 percent of the population in the identified market area compared to 15 0 percent of the U S population Persons of Hispanic Origin may be of any race In sum, the Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, was 43 8 in the identified market area, compared to 59 3 in the U S population

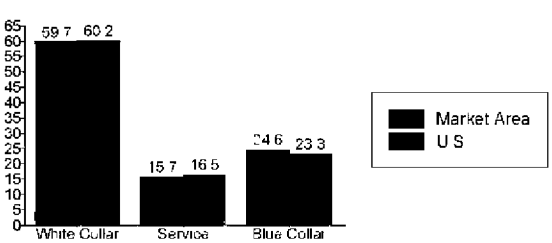
Population by Employment

In 2000, 73 4 percent of the population aged 16 years or older in the market area participated in the labor force, 0 2 percent were in the Armed Forces Tracking the change in the labor force by unemployment status

Year	%Employed	%Unemployed
2010	89 5	10 5
2015	91 8	8 2



And by occupational status

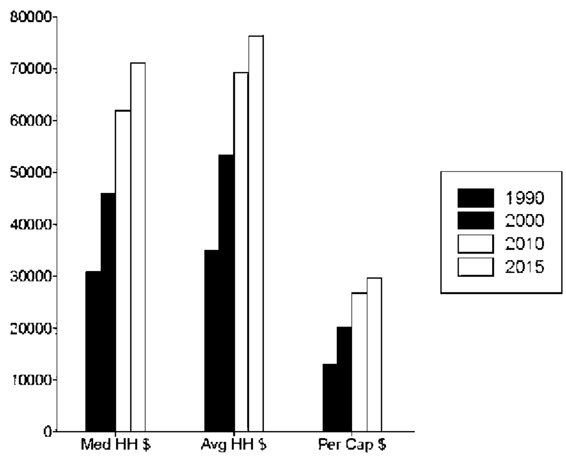


In 2000, 83 4 percent of the market area population drove alone to work, and 2 4 percent worked at home The average travel time to work in 2000 was 26 8 minutes in the market area, compared to the U S average of 25 5 minutes

Source U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Income

The change in three summary measures of income-median and average household income and per capita income-are shown below from 1990 through 2015



Housing

Currently, 62 2 percent of the 124,339 housing units in the market area are owner occupied, 30 3 percent, renter occupied, and 7 5 percent are vacant In 2000, there were 82,140 housing units- 63 0 percent owner occupied, 30 8 percent renter occupied and 6 2 percent vacant The annual rate of change in housing units since 2000 is 4 13 percent Median home value in the market area is $168,424, compared to a median home value of $157,913 for the U S In five years, median home value is projected to change by 4 15 percent annually to $206 374 From 2000 to the current year, median home value changed by 4 11 percent annually

Source, U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

NEIGHBORHOOD DATA AND ANALYSIS

The locale of the property under study is in the community of Rockvale

For the purposes of this report, the term "neighborhood" is defined as follows

> "A portion of a larger community, or an entire community in which there is homogeneous grouping of inhabitants, buildings, or business enterprises Inhabitants of a neighborhood usually have a more than casual community interest and a similarity of economic level or cultural background Neighborhood boundaries may consist of well-defined natural and man-made barriers, or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants "

Although the above definition is a comprehensive one, a more current definition of "neighborhood" is provided by the American Institute of Real Estate Appraisers in the recently published Dictionary of Real Estate Appraisal and is simply defined as "a group of complementary land uses"

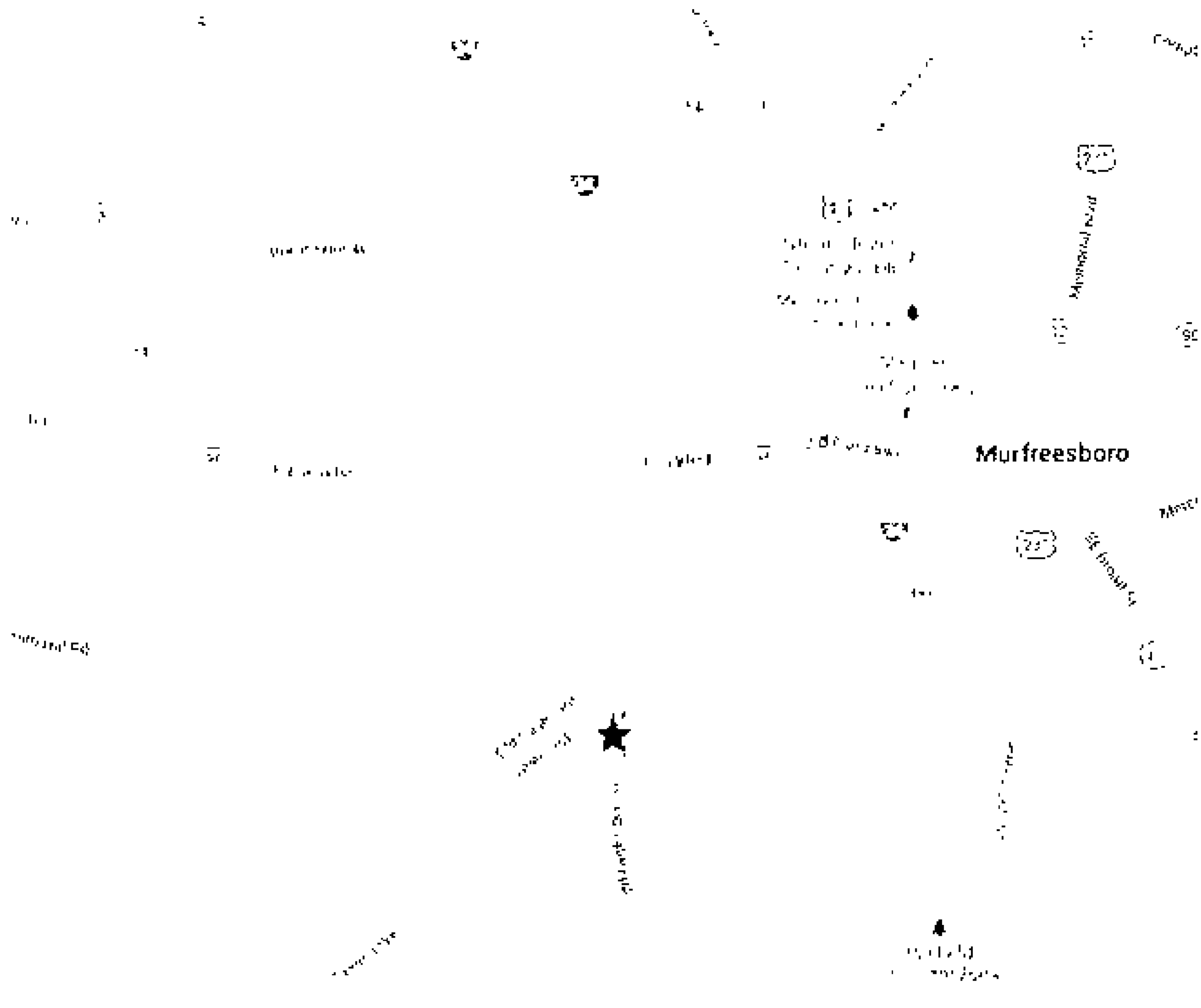
The subject property is located in the southwestern portion of Rutherford County, on Armstrong Valley Road at its intersection with the relatively new Veterans Parkway Armstrong Valley is a minor county road Veterans Parkway, on the other hand, is intended to serve, in the future, as a major traffic artery serving the southwestern portion of Rutherford County and the communities of Murfreesboro, Rockvale and Eagleville This road was recently constructed and much of the land fronting it is still agricultural in nature, which attests to the history of the Rockvale community Nevertheless, the areas around Veterans Parkway are transitioning to suburban These areas will be characterized primarily by single-family detached residences on smaller, city, subdivision-style lots

The frontier nature of this transition zone where Murfreesboro is extending into what was formerly agricultural Rockvale makes it difficult to establish a concrete neighborhood boundary using similar or dissimilar property types or uses, zoning is also an impractical tool for determining neighborhood boundaries However, roughly, the neighborhood is comprised of the area south of State Route 840, following Veterans Parkway on both sides, extending to Salem Pike (S R 99), then to Barfield Road is the general area currently existing as a transition zone neighborhood It consists of all of properties lying in this relatively irregular area The neighborhood is predominantly in a transitional/growth stage of development

This is primarily an agricultural and rural area characterized by farms and single-family residences Land use in the neighborhood has consisted mainly of agriculture use with a few commercial uses located primarily along major thoroughfares and specifically at crossroads along those thoroughfares Public utilities available are water, electric and telephone, and in some portions which have been annexed by the city, sewer is available

Topography in the immediate vicinity is relatively level with some hills Utilities in the area are sufficient for land to develop A 700 acre park is in the planning stages Therefore, the neighborhood, in conclusion, is adequately located for various types of development, and it is transitioning due to many different development projects

Neighborhood Boundary Map



ZONING ANALYSIS

The subject property is zoned RM, medium-density residential district This district is designed to provide suitable areas for medium density residential development where sufficient urban-type services and facilities are provided or where such services can be facilitated prior to development Generally, the residential development will consist of single family detached dwellings and accessory structures This district also includes community facilities, public utilities, and agricultural activities The application of this district is appropriate in the suburban or urban character areas of the adopted comprehensive plan According to current Rutherford County Zoning Ordinance, the only uses permitted by right are single-family detached dwelling, small community assembly and crop and animal raising[1]

Within the district, the minimum lot size for single-family detached dwelling is 15,000 square feet Minimum lot width at the setback line is 75 feet, for residential use (150 feet for other uses), front setback is 40 feet, side setback is 10 feet, rear setback is 20 feet, maximum lot coverage is 25% with a maximum building height of 35 feet It is assumed that the property is in compliance with the current zoning ordinance

1 See http www rutherfordcountytn gov planning documents zoning_adopted_111512 pdf , accessed on 04 22 2013

SITE ANALYSIS

Location	The subject is irregular in shape lying along the northern Right of Way of Veterans Parkway at the NWQ of its intersection with Armstrong Valley Road Its location is outside the city limits of Murfreesboro
Size	Public record indicates that the site area is 36 6 acres, in the general shape of an irregular polygon The property fronts approximately 1,300 feet along the northern R O W of Veterans Parkway No updated survey or plat map was provided that would indicate a more accurate size and shape of the parcel
Improvements	The site is improved with a mobile home and a barn, neither of which contributes any value to the property
Topography	Topography is at the grade of Veterans Parkway and reasonably level, sloping down from Veterans Parkway towards the creek bed Drainage appears adequate
Street	Veterans Parkway is a 4-lane asphalt paved city street, drainage is provided by curb and gutter Armstrong Valley Road is an asphalt-paved, 2-lane county road, drainage is provided by open ditches
Utilities	Water, electric, telephone utilities are available to the subject According to City of Murfreesboro available data, there is a sewer line located on the southwest corner of the property, however, the site lies outside the service area of the city and connection to it might require special permission from the city[1]
Zoning	The subject property is appropriately zoned
Flood Zone	The subject site appears to be within a flood hazard area, zone AE, according to FEMA map 470165, panel 0265H, dated 01/05/2007, however, the appraisers are not qualified to determine whether the subject actually is or is not within a flood hazard area and do not assume any liability for the accuracy of this statement

1 See http mwsdmaps murfreesborotn gov gisapps MWSD index html, accessed on 06 06 2013

Access to the site is by way of a direct access off of Armstrong Valley Road The site is typical of other properties in the neighborhood, being acreage land used for agriculture purposes It is served by necessary municipal utilities to use the site to its highest and best use No adverse easements or encroachments were noted upon inspection of the property, city of Murfreesboro Water and Sewer data indicates a sewer line existing on the property The sewer line and easement have no measurable adverse influence on the property, but potentially could serve to benefit the site in a proposed future development project

HAZARDOUS MATERIALS

The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraisers inspection The appraisers have no knowledge of the existence of such materials on or in the property The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them

III. Analysis of Data and Opinions of the Appraiser

HIGHEST AND BEST USE

A fundamental proposition in land economics and an essential requirement to the value of real property is the assessment of a property's Highest and Best Use Subject to the constraints imposed by law, prevailing market conditions, as well as the overall character of the property itself, Highest and Best Use may be defined as the optimum or most probable use/development of a property which yields the highest land value or net return to an owner/investor The Appraisal Institutes terminology handbook states further

> "that reasonable or probable use that will support the highest present value of the land, as of the effective date of the appraisal, -- that available use and program of future utilization/development which will maximize the potential net return of an investment over a given period of time-- "

At the outset, it should be pointed out to the reader of this report that highest and best use is (1) a basic premise of value, (2) it is not an absolute fact found in the market, and (3) it reflects the appraiser(s) opinion of the best use of a property based on an analysis of prevailing and available market conditions and data Important factors of consideration in such an analysis include legal regulations (zoning, deed restrictions, building requirements, etc), market supply/demand conditions, neighborhood trends, and the locational and physical character of the property itself The following analysis thus examines the subject property in light of each of these factors in order to determine which of the various alternatives are the most suitable and feasible uses

Since land can be limited by the presence of improvements, highest and best use may be estimated as though the land were vacant and available to be improved to its highest income potential, and it's most profitable use based on the current and existing improvements The first premise, as if the land were vacant, attempts to answer the question of what new improvements should be constructed on the site The second premise refers to the optimal use that could be made of a property, including its existing improvements

In estimating highest and best use, consideration is given to physical features of the site and/or buildings, legal contractual and economic restrictions, and supply and demand

The Highest and Best Use of the subject is typically considered from two aspects -- the Highest and Best Use of the land "As-If-Vacant" and available for development and the Highest and Best Use in light of the existing improvements, or "As-Improved"

AS-IF-VACANT:

A careful study of the physical and locational characteristics of the subject property must be analyzed and compared with economic considerations to determine which type of use (or uses) will produce the greatest economic return to the land An estimate of the market value of the land, as if vacant, was made by comparing it to sales of vacant tracts having similar development potential, due to their similar overall physical and zoning characteristics

In an effort to accurately estimate the Highest and Best Use of the subject property, the uses must meet four main criteria, the uses must be (1) legally permissible, (2) physically possible, (3) financially feasible, and, (4) maximally productive

Legally Permissible   Typically, in the absence of private restrictions, uses permissible under the applicable zoning ordinances are considered   As mentioned in the zoning section of this report, subject property is zoned medium-density, single-family residential which allows for the division of the land into residential lots of 15,000 SF or larger   The only legally permissible uses are residential or agricultural (See Zoning Analysis in this report)

As noted herein, sanitary sewer line does cross the southeast corner of the property near the intersection of the two roads   The availability of sewer could allow for greater density than current zoning permits   However, to access the sewer, the property would need to be annexed into the city or special permission would have to be obtained to permit a county subdivision served by city sewer   The property lies inside the urban growth boundary of the city of Murfreesboro   This "boundary" limits the areas that the city is allowed to annex up to year 2025

Physically Possible   Physical constraints relative to location, size, shape, topography and availability of utilities all influence the use to which a property can be developed   As detailed in this report, the subject property has the physical characteristics necessary for potential residential uses and development according to the current zoning ordinance

Financially Feasible and Maximally Productive   Uses that are likely to produce adequate income or a return greater than the combined income required to satisfy expenses are considered financially feasible   Among financially feasible uses, the use that provides the maximum potential rate of return, or value (given a constant rate of return) is indicative of a property's

Highest and Best Use The financially feasible and maximally productive use “as if vacant” for the subject site is discussed as follows

physical characteristics of the subject site are suitable for any use that can utilize a site with good ingress, egress and shape The character of the area surrounding the subject is residential (with larger acreage tracts being agriculture use in nature) in nature Such uses are permitted given the current zoning of the subject site and the physical features of the site, such as its size and shape permit Prior to the economic downturn that commenced in 2007, there was strong historical demand for residential subdivisions in the immediate vicinity of the subject That demand has since disappeared Lending for speculative residential development also has all but disappeared There has been activity by investors to purchase unused acreage of planned residential developments around the Subject, but nearby sales of acreage tracts with no pre-existing planning or development were not found in quantity in any data source available Nevertheless, holding for development remains the highest and best use as the site is inside of a developing area with attractive frontage along what will become a major traffic artery – its appeal should be high, interim use is agricultural

AS IMPROVED:

The site is improved with a mobile home and a barn, however, for all practical purposes, the site is unimproved, these contribute no value to the property The Subject is zoned for single-family residential development In the absence of contributing structural improvements and in consideration of the zoning, legal conformity, surrounding uses and location of the subject property, its most financially feasible and maximally productive use, "as improved", is considered to be a holding for future development, with a continued interim use of agriculture

THE APPRAISAL PROCESS

The appraisal process is defined as a systematic analysis of the factors that bear upon the value of real estate An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value This process is a valuable aid to the appraiser, and has been applied to estimate the market value of the subject property as follows

Defining the Problem the subject property has been physically and legally described, the rights under appraisal have been specified, the purpose of the appraisal stated, and the value, as defined, is estimated as of a certain date

Preliminary Survey the plan for development of the appraisal report, including the data needed, data sources, personnel and time requirements, etc

Data Collection and Analysis The collection of general data of a locational and economic nature, the collection of specific data about the subject property and comparative data which could include costs, sales, rentals, and expenses, and the analysis of this data in a logical manner has been made

Using these steps as a beginning, an application of this data analysis will be made to formulate an estimate of value through different approaches These different approaches are classically defined as the *Cost Approach*, *Sales Comparison Approach* and *Income Capitalization Approach* Since all information involved is drawn from the marketplace, these approaches are a part of a larger market approach When one or more of the approaches to a final value estimate is not used in completing the appraisal assignment, it should be explained

Sales Comparison Approach - is a direct comparison of the property under appraisal with other similar properties which have sold The most common units of comparison are price per acre, price per square foot, price per unit, price per room, price per square foot of building area, per bay, per lot, etc The comparable sales are analyzed for cash equivalency, time, and then compared with each other and the subject for unit mix, condition, amenities, and condition or terms of sale, etc Based on these adjustments, a value indication is arrived at by estimating the indicated price per square foot or other price per unit The indications of value are reconciled into an estimate of value by the Sale Comparison Approach This approach is processed

Income Capitalization Approach - is a set of procedures in which an appraiser derives a value indication for income-producing property, converting anticipated benefits into property value This conversion is accomplished by estimating the current economic rent that the property being appraised could command This would be arrived at by comparing the rents of competing properties similar to the subject and then estimating what economic rent would be for the subject This monthly or annual rent is then translated into an estimate of the gross income From the gross income is deducted the anticipated vacancy and credit losses that a subject could be expected to incur, in arriving at an effective gross income By reviewing the operating expenses of a subject and comparing those expenses with actual operating expenses of similar properties, a reconstructed operating expense statement is developed The operating expenses are then deducted from the effective gross income to arrive at the estimate of net operating income The net operating income would then be converted into an indication of value through the application of the appropriate capitalization method Included in the processing of a net income into an indication of value, is the abstraction of an appropriate capitalization rate (direct capitalization) from the market where possible and appropriate Because the property is unimproved acreage, this approach is not processed nor is it necessary to provide a credible value estimate The typical market participant, a developer, would not contemplate such a purchase using the income approach applicable to vacant agricultural land

Cost Approach - is based upon the estimated reproduction cost of the improvements, less accrued depreciation, plus land value Depreciation includes estimates of physical deterioration due to wear and tear, functional obsolescence due to defects in design, and economic obsolescence due to changes in the political or economic conditions external to the subject Due to the absence of any improvements, this approach is not processed and not necessary to provide a credible value estimate Moreover, the typical market participant, developers, for this type of property would not rely on the cost approach when contemplating such a purchase

The next step in the appraisal process, under typical circumstances, would be to consider the indicated value resulting from each approach This would include a consideration of the relative applicability of each of the approaches, and the strengths and weaknesses of each approach would be identified and discussed Emphasis for the final value estimate would then be placed on the most reliable and applicable solution to the specific appraisal problem at hand This analysis of the approaches to value estimation is called reconciliation The result is to end in a final estimate of defined value It should be clearly understood that a value estimate is an appraiser's opinion based on his analytical ability, and is only an estimate A <u>determination</u> of value is made only through the courts or other legally constituted authorities

SALES COMPARISON APPROACH

According to the Dictionary of Real Estate Appraisal, Second Edition, this analysis is an "approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying the appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables" The sales comparison approach relies on the theory of substitution which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property

In researching acreage tract transactions, the similarities were restricted to agricultural, farm and residential tracts from 10 to 80 acres, having sold within the 36-month time frame immediately preceding the inspection of the property, this yielded approximately 101 transactions These results were then narrowed by eliminating any obvious non-arm's length transactions, of those, any non-obvious details in public records that indicated any hint of atypical arm's-length elements were eliminated This list was next narrowed by eliminating all sales that were below $10,000/Acre - the overwhelming majority of these were purchases for use as consumption (single-family residence home site) or for production (farm use) and thus not representative of the typical market participant for the Subject, investment The entire list of remaining 14 researched sales is included below

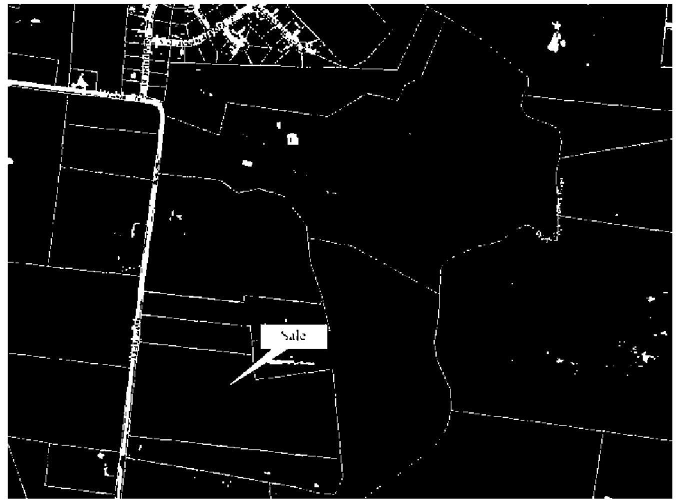
ACREAGE TRACT SALES

	Property Address	Last Sale Price	Last Sale Date	Property Type	Acres	$/Acre
1	Webb Rd Murfreesboro, TN	$245,000	7/11/2012	Residential	18 39	$13,322 46
[redacted]						
10	Central Valley Rd Murfreesboro, TN	$160,000	12/17/2012	Residential	10 98	$14,571 95
11	Barfield Crescent Rd Murfreesboro, TN	$110,000	4/22/2011	Residential	10 02	$10,978 04
12	Almaville Rd Murfreesboro, TN	$500,000	8/30/2011	Agricultural	43 76	$11,425 96
13	7608 Florence Rd Smyrna, TN	$708,500	3/26/2013	Agricultural	62	$11,427 42
14	3275 St Andrews Dr Murfreesboro, TN	$1,169,035	5/4/2010	Agricultural	44 45	$26,300 00

The above list of sales is not presented or arranged in any particular order However, the highlighted sales are properties that were the balance of unused land and/or lots in existing single-family residential developments The above list is believed to be reflective of market price/unit paid for acreage tracts purchased for investment The non-highlighted transactions are properties located near developing areas or other residential developments and are considered to be substantially similar to the Subject in that aspect

The investor acreage-sales data ranged from $10,978/acre to $26,300/acre for acreage tracts similarly-zoned to the Subject The above chart indicates the sales from the list that were single-family-residential, investor-purchased, acreage tracts The sales represent properties most similar to the Subject in the most probable aspects from an investor point of view location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The details of these sales are below

Webb Road
Murfreesboro, Tennessee 37128



Property Type Agricultural

Property Subtype Investment/development

MAP/PARCEL 148 014 07 & 137 040 03

PROPERTY INFORMATION

Site Area (Acres)	18 39	Site Area (SqFt)	801,068 4
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	07/11/2012
Sale Price	$245,000	Sale Price per acre	$13,322 46
Grantor	James L Nobles & Lou Ann Zelenik		
Grantee	Timothy E Potter and Rebecca Potter		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM – medium density residential in Rutherford County Zoning Ordinance Property has approximately 1,000+/- feet of frontage on Webb Road This property is outside the city limits of Murfreesboro No approved or proposed development plan was found for this property

Twelve Corners S/D
Cainsville Pike
Lascassas, Tennessee 37085

Property Type Residential/agricultural

Property Subtype Investment/development

MAP/PARCEL 039-007 02, 039N-A-002 00, 003 00, 005 00, 006 00, 007 00, 008 00, 009 00, 010 00, 011 00, 015 00, 016 00, 017 00, 018 00, 020 00,021 00, 022 00, 023 00, 024 00, 025 00, 027 00,028 00, 035 00, 036 00, 038 00, 039 00, 040 00, 041 00, 042 00, 043 00, 073 00, 0113 00, 0114 00, 0118 00, 044-005 03, 005 04

PROPERTY INFORMATION

Site Area (Acres)	53 6	Site Area (SqFt)	2.334.816
Zoning	RL - residential	Utilities	W/E/T/STEP System

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	01/31/2013
Sale Price	$640.000	Sale Price per acre	$11.940
Grantor	Capitol Bank N A		
Grantee	Spivey & Hollingshead Construction, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RL – low density residential in Rutherford County Zoning Ordinance Property has minimal frontage on any main traffic artery but each lot has frontage on existing development streets and future road frontage on these streets as they are extended in the future This property is outside the city limits of Murfreesboro This is the balance of land for a recorded/approved single-family, detached subdivision development Many lots were acquired in this transfer as well as the balance of land slated for future development Step System for the development was already in place as well as roads for the finished portions of the subdivision

Sunray Drive
Murfreesboro, Tennessee 37127

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 126 050 07, 126K A 024 00, 126K A 001 01, 126K A 021 00, 126K A 020 00, 126K A 019 00, 126K A 018 00, 126K A 017 00, 126K A 016 00, 126K A 015 00, 126K A 014 00, 126K A 013 00, 126K A 012 00, 126K A 011 00, 126K A 010 00, 126K A 009 00, 126K A 008 00, 126K A 007 00, 126K A 006 00, 126K A 005 00, 126K A 004 00

PROPERTY INFORMATION

Site Area (Acres)	28.33	Site Area (SqFt)	1,234,054.8
Zoning	PRD - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	09/13/2012
Sale Price	$420,000	Sale Price per acre	$14,825.27
Grantor	Prince, Diane M., SUC TR, The Gary R Prince Revocable Trust		
Grantee	Floyd and Obrien Loyd Venture		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned PRD (Planned Residential Development) in the City of Murfreesboro Zoning Ordinance. This property is inside the city limits of Murfreesboro with sewer on-site. This is a planned residential development meaning that a formal plan of a single-family, detached, residential development was submitted for and received approval by the City of Murfreesboro. This was the sale of several platted and approved lots and the balance of undeveloped acreage for the development.

Rucker Lane
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 100 010 01

PROPERTY INFORMATION

Site Area (Acres)	28.79	Site Area (SqFt)	1,254,092.4
Zoning	RM - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	01/13/2013
Sale Price	$325,000	Sale Price per acre	$11,288.64
Grantor	Scottish Glen Partnership, LLC		
Grantee	RZM, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM single-family residential in the Rutherford County Zoning Ordinance. This property abuts the city limits and is the balance of undeveloped acreage for the Scottish Glen subdivision. Sewer is on site serving the developed area of Scottish Glen.

1901 Pullman Drive
Smyrna, Tennessee 37167

Property Type Residential

Property Subtype Investment/development

MAP/PARCEL 033 007 05

PROPERTY INFORMATION

Site Area (Acres)	14.58	Site Area (SqFt)	635,104.8
Zoning	R3 - Residential	Utilities	W/E/T/G

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	03/15/2013
Sale Price	$155,000	Sale Price per acre	$10,631
Grantor	Wilson Bank & Trust		
Grantee	Lauderbach, George P II, Etux		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned R3 – medium density residential in the Town of Smyrna Zoning Ordinance. This property is inside the city limits of Smyrna. No approved development plan was found for this property. It represents the remaining unused acreage in the St. John's Place subdivision. Water and gas lines are to the site.

4270 Manchester Pike
Murfreesboro, Tennessee 37127

Property Type Commercial

Property Subtype Investment/development

MAP/PARCEL 126 050 02, 126 050 05

PROPERTY INFORMATION

Site Area (Acres)	28 83	Site Area (SqFt)	1.288.834 8
Zoning	CH – commercial	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	04/13/2012
Sale Price	$600.000	Sale Price per acre	$20.811 65
Grantor	Green Bank		
Grantee	Richland South, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned CH commercial highway in the city of Murfreesboro Zoning Ordinance Property has approximately 520+/- feet of frontage on Manchester Pike and approximately 730+/- feet of frontage on Joe B Jackson Parkway This property is inside the city limits of Murfreesboro

Florence Road
Smyrna, Tennessee 37167

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 035H A 028 00, 035H A 029 00,
035H A 030 00, p/o 035 083 00,
035H A 032 00, 035H A 033 00,
035H A 034 00, p/o 035 083 00,

PROPERTY INFORMATION

Site Area (Acres)	62 81	Site Area (SqFt)	2,736,003 6
Zoning	R3 - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/14/2011
Sale Price	$1,200,000	Sale Price per acre	$19,106 15
Grantor	J&F Development		
Grantee	Spivey & Hollingshead Construction, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned R3 medium density residential in the city of Smyrna Zoning Ordinance Property has approximately 1,800+/- feet of frontage on Florence Road and other frontage in the form of lot widths for the established residential lots This property is inside the city limits of Smyrna This is a private party transaction for the balance of unused lots and undeveloped acreage for a residential development

INVESTMENT-GRADE LAND SALE, COMPARABLE #8

Crescent Ridge Drive
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL p/o 124 059 00

PROPERTY INFORMATION

Site Area (Acres)	48 167	Site Area (SqFt)	2,098,154 52
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	02/10/2011
Sale Price	$600,000	Sale Price per acre	$12,456 66
Grantor	Halloran Ross Investments		
Grantee	New South Developers, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in the Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for the balance of undeveloped acreage for a residential development

Compton Road
Murfreesboro, Tennessee 37130

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 068A D 062.00, 068 001.00

PROPERTY INFORMATION

Site Area (Acres)	43.91	Site Area (SqFt)	1,912,719.6
Zoning	RS 12 - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/1/2012
Sale Price	$756,629.37	Sale Price per acre	$756,629.37
Grantor	Adams & Parks Investments		
Grantee	New South Developers, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RS 12 medium density residential in the city of Murfreesboro Zoning Ordinance. This property is inside the city limits of Murfreesboro. This is a private party transaction for the balance of undeveloped acreage for a residential development.

Central Valley Road
Murfreesboro, Tennessee 37129

Property Type Residential

Property Subtype Consumption/home site

MAP/PARCEL 025 037 02

PROPERTY INFORMATION

Site Area (Acres)	10 98	Site Area (SqFt)	478.288 8
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	12/17/2012
Sale Price	$160.000	Sale Price per acre	$14.571 95
Grantor	Ralph C Forsythe & Barbara C Forsythe		
Grantee	Tolly J Alsup & Roger D Alsup		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for a single family home site

Barfield Crescent Road
Murfreesboro, Tennessee 37128

Property Type Residential

Property Subtype Consumption/home site

MAP/PARCEL 124 061 03

PROPERTY INFORMATION

Site Area (Acres)	10 02	Site Area (SqFt)	436,471 2
Zoning	RM - residential	Utilities	W/E/T

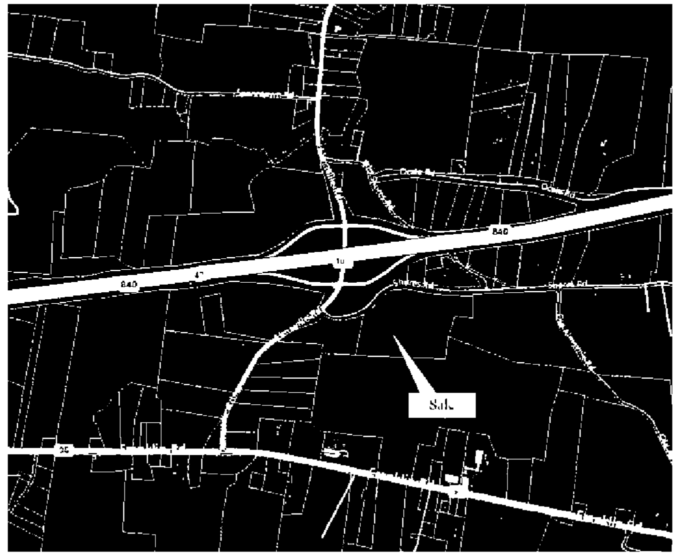
SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	04/22/2011
Sale Price	$110,000	Sale Price per acre	$10,978 04
Grantor	Steve & Melissa Burnett		
Grantee	Sherry Butts		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for a single family home site

Almaville Road
Murfreesboro, Tennessee 37128



Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 095 011 00, 095 012 00

PROPERTY INFORMATION

Site Area (Acres)	43.76	Site Area (SqFt)	1,906,185.6
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	08/30/2011
Sale Price	$500,000	Sale Price per acre	$11,425.96

Grantor John F. Crawley, SR., Marian E. Crawley, Sharan Taylor (Sharan Venable)

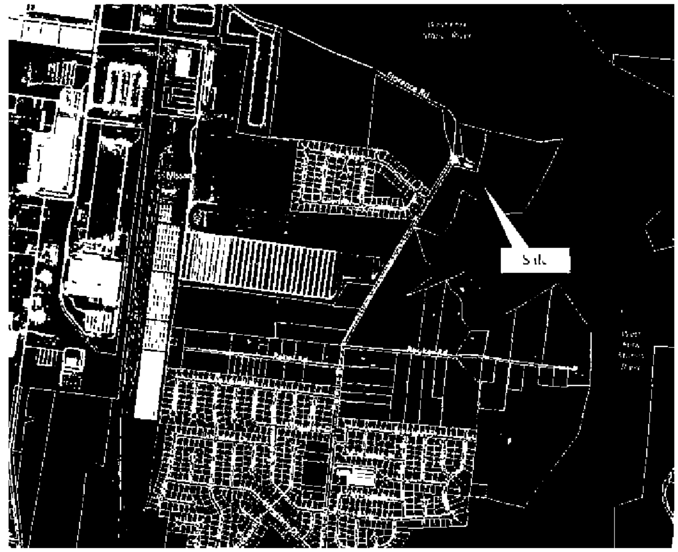
Grantee Nayankumar Khushalb Patel & Shital N. Patel

Value Interest Fee Simple

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM medium density residential in Rutherford County Zoning Ordinance. This property is outside the city limits of Murfreesboro. This is a private party transaction for land that lies just off if I-840 at its interchange with Almaville Road.

7608 Florence Road
Smyrna, Tennessee 37167



Property Type Agriculture

Property Subtype Investment/development

MAP/PARCEL 035 081 03

PROPERTY INFORMATION

Site Area (Acres)	62	Site Area (SqFt)	2.700.720
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	03/26/2013
Sale Price	$708.500	Sale Price per acre	$11.427 42
Grantor	George L Rooker & Robert L Rooker, Jr		
Grantee	Elite Development Partnership (James T Johnson Sr & James T Johnson, Jr)		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for land that back up to the Army Corps of Engineers property along the West Fork of the Stones River

3275 Saint Andrews Drive
Murfreesboro, Tennessee 37128

Property Type Agriculture

Property Subtype Investment/development

MAP/PARCEL 114 020 00

PROPERTY INFORMATION

Site Area (Acres)	44 45	Site Area (SqFt)	1,936,242
Zoning	RM - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	05/04/2010
Sale Price	$1,169,035	Sale Price per acre	$26,300
Grantor	Smith Brothers Properties		
Grantee	St Andrews, LLC (ref Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

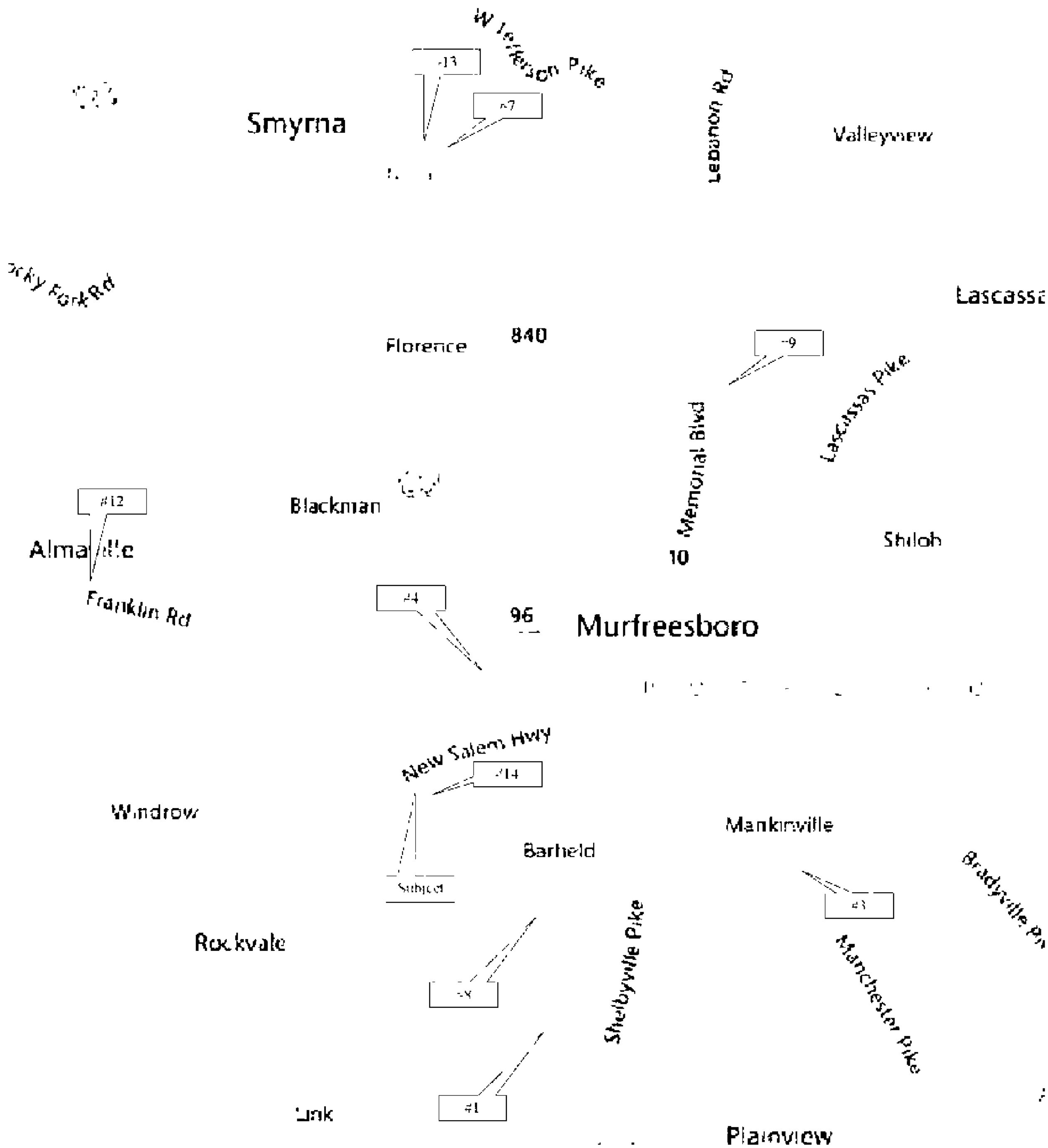
Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro but abuts it, with a city sewer line crossing the tract This is a private party transaction for land that lies at the intersection of Saint Andrews Drive and Veterans Parkway The site fronts approximately 1,300+/- feet along Saint Andrews Drive and approximately 560+/- feet along Veterans Parkway

These fourteen sales represent the best available sales that are the closest in size to the Subject, from all Rutherford County land sales searched in available online data sources (www realtracs net, www loopnet com, www crsdata net) As can be seen from the above sales, three of the transactions were sales from a financial institution after foreclosure – these should probably be eliminated as two indicate a price/unit mostly below that of the remaining sales (a bank does not usually satisfy the definition of "typical market participant" in a transaction because its motivations are usually different from those of private parties) and the third was commercially zoned property It is worth noting, however, that all appear to have been well marketed by local real estate agents and were readily available to be purchased by any willing party Nevertheless, due to this possibly indicating a trend for REO transactions, the focus will be narrowed to only the private party sales The sales of tracts that were of a consumption nature will also be ignored as we only want to compare to investment-grade properties The investment sales were next ranked for overall comparison to the Subject The following spreadsheet indicates the rankings

INVESTMENT LAND SALE RANKING ANALYSIS

	Property Address	Last Sale Price	Last Sale Date	Property Type	Acres	$/Acre
4	Rucker Ln Murfreesboro, TN	$325,000	1/3/2013	Farm	28 79	$11,288 64
12	Almaville Rd Murfreesboro, TN	$500,000	8/30/2011	Agricultural	43 76	$11,425 96
13	7608 Florence Rd Smyrna, TN	$708,500	3/26/2013	Agricultural	62	$11,427 42
8	Crescent Ridge Dr Murfreesboro, TN	$600,000	2/10/2011	Farm	48 17	$12,456 66
1	Webb Rd Murfreesboro, TN	$245,000	7/11/2012	Residential	18 39	$13,322 46
3	Sunray Dr Murfreesboro, TN	$420,000	9/13/2012	Farm	28 33	$14,825 27
9	Compton Rd Murfreesboro, TN	$756,629	10/1/2012	Farm	43 91	$17,231 36
7	Florence Rd Smyrna, TN	$1,200,000	10/14/2011	Farm	62 81	$19,106 15
[redacted]						
14	3275 St Andrews Rd Murfreesboro, TN	$1,169,035	5/4/2010	Agricultural	44 45	$26,300 00

Location Map of Ranked Sales



The majority of these sales were of acreage tracts that were either in the midst of single-family residential development process, had received local governmental approval for single-family residential development or were a speculative investment for future use as single family detached residential development   Each property offers good features that speculative investors value   location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility

These sales offer a range from $11,288 64/Acre to $26,300/Acre, the mathematical mean is $15,264 88/Acre   As mentioned earlier, the sales involving a financial institution as the seller should likely be avoided as the motivation of the seller is atypical to that of a private party, and the ability to sell at a discount is something that the private party rarely shares in common with a bank   The sales that were of properties not likely to be or not possible to be developed were also omitted   That leaves nine private-party transactions for consideration   It is worth restating that all of these sales were private party transactions and not sales of assets (a k a REO properties) by financial institutions   All of these properties offer many of the good features a speculative investor values   location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility   The Subject offers many of these same features developability, utilities, street access, road frontage, visibility   However, the location of the Subject might be considered superior to most of these sales since it lies in the area where the city of Murfreesboro is expanding and developing more than any other are of the county   These sales and the Subject make a good grouping of similar and reasonable substitutes for the typical investor-market participant

Comparable14 was purchased by a New York entity that has invested over eleven million dollars into single-family subdivision land in the vicinity of the Subject It lies at the next intersection down Veterans Parkway from the Subject The greatest advantages this site has over the Subject is that there appears to be only a small portion of its area affected by a flood hazard area (a significant portion of the Subject is affected by an established flood zone and a portion of the creek actually is on the Subject), and it currently abuts single-family residential developments offering the possibility of expansion of an existing development The creek and its area of effect will likely need to be mitigated on the Subject parcel, this is something that would be considered by any speculative investor That being the case, the price/unit paid for comparable 14 is likely beyond that the market would pay for the Subject Additionally, there was no other sale data found to support this or a higher value for the Subject

The price paid for sale 14 is considered reasonable due to the fact that this purchaser could justify paying the higher price/acre for sale 14 because the lower values that it paid for its other properties purchased will offset this higher price/acre Additionally, this was their first purchase in this location, it is the oldest of their transactions Their future/newer transactions were all at a price/acre below that of sale 14 Their later transactions (and the most recent) are in a range from \$12,813 to \$18,000 per acre, with the lower being purchased from a bank and the latter a private-party transaction

In consideration of the differences between the Subject and comparable sale 14, and the abundance of sale data exchanging for a price/unit less than comparable 14, it is not reasonably provable that the price/unit of sale 14 is applicable to the Subject – the market value of the

Subject should lie below that of sale 14 Unfortunately, the available remaining sales data are all considered to be inferior to the Subject in terms of location We will therefore use $20,000/Acre as the most reasonable, current and applicable market-derived price/unit, when considering the Subject parcel

Applying the $20,000/Acre to the subject would yield the following indication of value

$20,000.00 x 36.60 = $732,000

Thus the value via the sales comparison approach is

$732,000 ®

Seven Hundred Thirty Two Thousand Dollars

RECONCILIATION AND FINAL VALUE ESTIMATE

In the typical appraisal assignment, reconciliation is the weighing process of the strengths, weaknesses, and applicability of the approaches utilized in appraising the subject property

In the course of our investigation involving the market value estimate for the subject property, one of the three generally recognized approaches to value was developed and indicated the following estimates of market value

Cost Approach	**N.A.**
Market Approach	**$732,000**
Income Approach	**N.A.**

Each approach to value is a comparative analysis of the data in the market which is significant and particular to the use of the respective approach Thus, the accuracy and reliability of each approach depends on the quantity and quality of the market data available to it, and upon its analysis, interpretations and application by the appraiser

The Market Approach produces a supportable and justifiable value estimate Data was somewhat limited and varied, but this analysis is valid The Income Capitalization Approach and the Cost Approach are not processed and not necessary to produce a credible value estimate No typical market participant (investor/developer) for vacant land similar to the Subject would use the income approach when contemplating this type of purchase Additionally, an investor would not use the cost approach when contemplating such a purchase, the cost approach would not produce a credible value opinion   The Sales Comparison Approach is exactly the way a typical buyer or seller would considered this property if it were to be purchased or sold

It is worth noting that the Subject has many features that make it a good candidate for single-family residential development   Sales of reasonably similar properties were found that support the price/unit applied to the Subject property – these support the theory of substitution The sales relied on were considered to be most similar to the Subject in terms of appeal as the transactions reflect the perceived market-value in terms of price/acre of speculative single-family, detached residential development acreage in the vicinity of the Subject   It is assumed that the owners of the Subject property are knowledgeable of the local market, and as this is a prerequisite for market value, then it is reasonable to assume that the seller would not be willing to sell the Subject property for less than the price/unit of other investment-grade, single-family residential development parcels that have sold in the near vicinity (again, assuming the Seller is under no duress or need to sell)   The data further indicates a value a typical market participant is willing to pay for reasonably similar tracts

After taking into consideration the most pertinent factors affecting value, it is our opinion that the market value of the as-is, fee simple estate of the subject is

$732,000

Seven Hundred Thirty Two Thousand Dollars

as of :

April 19, 2013

CERTIFICATION AND FINAL ESTIMATE OF VALUE

1 The statements of fact contained in this report are true and correct The appraiser has not knowingly withheld any pertinent information

2 The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions and conclusions

3 I/We have no present or perspective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved

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

5 Every effort has been made to develop our analysis, opinions and conclusions and to prepare this appraisal -and the appraisers believe that these are- in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

6 Both individuals signing this report have made a personal inspection of the property that is subject of this report

7 No one provided significant professional assistance to the persons signing this report that are not mentioned herein

8 The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, creed, color or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised

9 All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report)

10 All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report No change of any item in the appraisal report shall be made by the readers of this report, and the appraiser assumes no responsibility for any such unauthorized change

11 The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan

12 The Appraisal Institute conducts a voluntary program of continuing education for its designated members Members who meet the minimum standards of this program are awarded periodic educational certification Gregory O Peck is currently certified under this program through December 31, 2016

13 Gregory O Peck is a State Certified General Real Estate Appraisers under the laws of the State of Tennessee Roger A Stacey is a State Registered Real Estate Appraiser Trainee under the laws of the State of Tennessee This appraisal was made in compliance with the current regulations of the Tennessee Real Estate Appraiser Commission, which allows this report to be regarded as a Certified Appraisal

14 I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment

15 I/We have no bias with respect to the property that is the subject of this report or to the parties involved

That as a result of the investigation and analysis made in connection with this appraisal report, it is our professional opinion that the as-is, fee-simple, market value of the subject property, as of

April 19, 2013
is
$732,000
******* Seven Hundred Thirty Two Thousand Dollars *******

Gregory O Peck

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

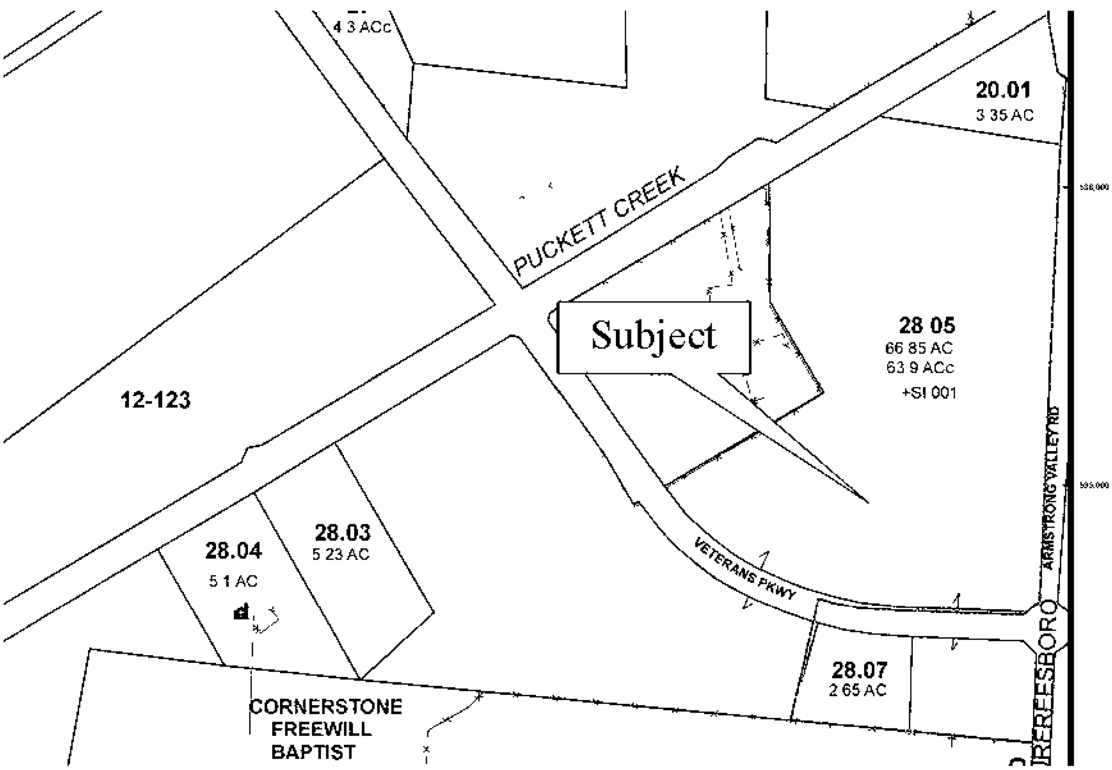
Roger Stacey

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

IV. Addenda

SUBJECT PHOTOGRAPHS

	
View of front of Subject property	Street view (subject is on the left hand of the road)



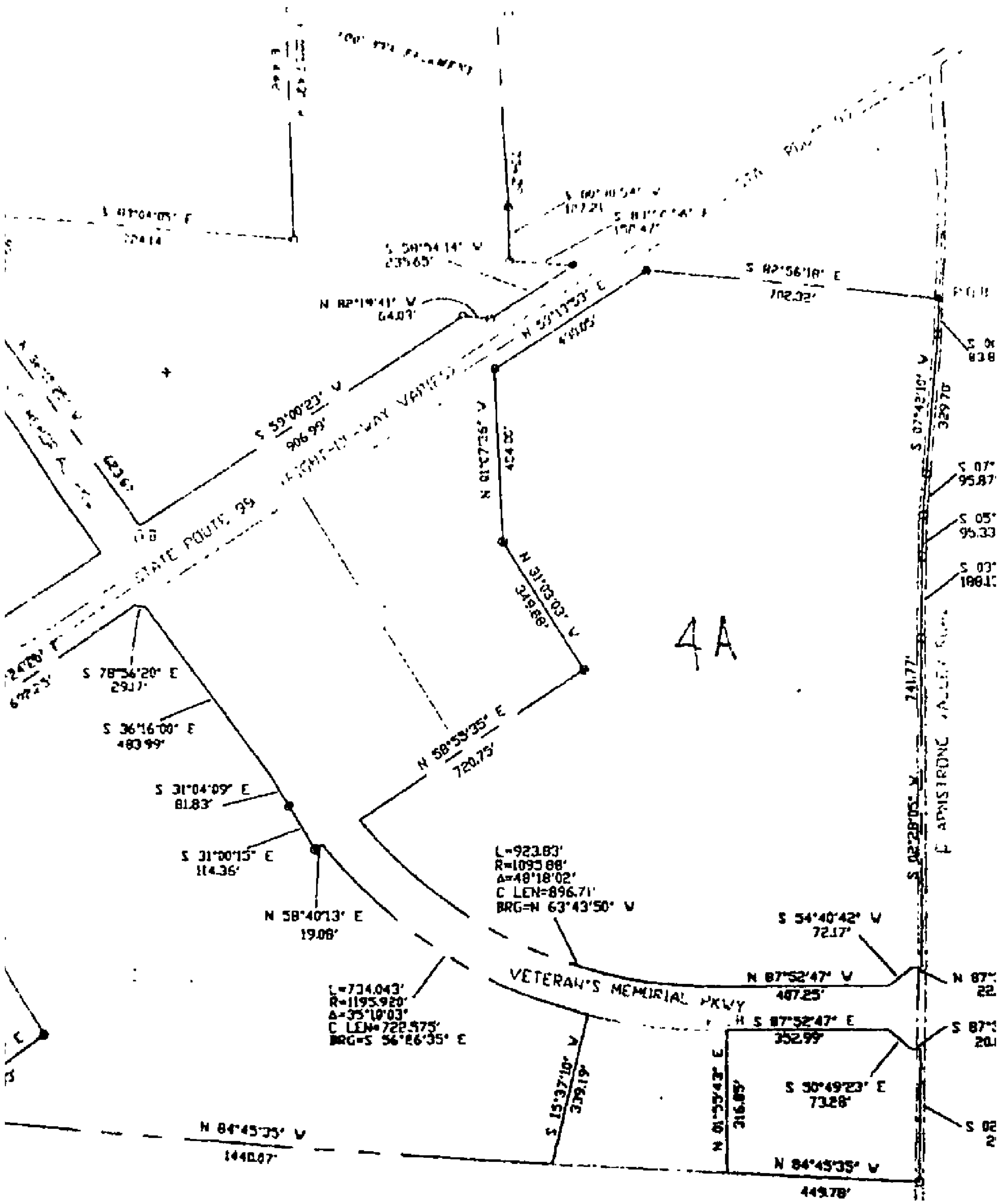
Tax map

LEGAL DESCRIPTION

LEGAL DESCRIPTION (TRACT 4)

Being a certain tract or parcel of land lying and being in the Twelfth Civil District of Rutherford County, Tennessee located on Tax Map 123 as a portion of Parcel 12 00 and is the James R Donnell Property recorded in DB 304, PG 557, DB 219, PG 265, DB 174, PG 028 and is more particularly described as follows

Beginning at a P K Nail (O) in the center of Armstrong Valley Road, this being the northeast corner of the property described herein and the southeast corner of Jones (DB 450, PG 694), thence with the aforementioned center of road the following courses and distances S 06°15'42" W a distance of 83 82', S 07°42'10" W a distance of 329 70', S 07 17'26" W a distance of 95 87', S 05 '02'45" W a distance of 95 33', S 03 31'14" W a distance of 188 13', S 02 28'05" W a distance of 1226 85' to a point, this being the southeast corner of the property described herein and the northeast corner of McKnight (DB 536, PG 653), thence with McKnight and a fence N 84 45'35" W a distance of 2290 80' to a ½" Rebar (O), this being the southwest corner of the property described herein and the southwest corner of Dodd (DB 495, PG 403), thence leaving McKnight and the fence and with Dodd for two calls N 54°38'59" E a distance of 320 93' to a ½" Rebar (O), N 30 59'40" W a distance of 700 15' to a ½" Rebar (O) in the south right-of-way of State Route 99, this being the northwest corner of the property described herein and the northeast corner of Dodd, thence leaving Dodd and with the aforementioned right-of-way N 58 24'20 " E a distance of 757 73' to a ½" Rebar (O), this being the northwest corner of Turney (DB 495, PG 465), thence leaving the right-of-way of State Route 99 and with Turney the following courses and distances S 31 '04'09" E a distance of 584 00' to a ½" Rebar (O), S 30' 59'56" E a distance of 114 29' to a ½" Rebar (O), N 58' 55'35" E a distance of 740 82' to a ½" Rebar (O), N 31 03'03" W a distance of 349 88' to a ½" Rebar (O), N 01' 07'36 " W a distance of 404 00' to a ½" Rebar (O) in the south right-of-way of State Route 99, this being the northeast corner of Turney, thence leaving Turney and with the aforementioned right-of-way N 59' 13'53 " E a distance of 430 05' to a ½" Rebar (N) with Wiser Cap, thence leaving the right-of-way of State Route 99 and with Jones and a fence S 82 56'18" E a distance of 702 32' to the point of beginning containing 71 63 acres, more or less, according to a survey performed by Wiser Company on December 13, 2004


S 59°00'23" W
906.99'
N 59°13'53" E
N 82°56'18" E
702.32'
N 01°27'36" W
N 31°03'03" W
349.88'
4A
N 58°59'35" E
720.75'
S 78°56'20" E
S 36°16'00" E
483.99'
S 31°04'09" E
81.83'
S 31°00'15" E
114.36'
N 58°40'13" E
19.08'
L=923.83'
R=1095.88'
Δ=48°18'02"
C LEN=896.71'
BRG=N 63°43'50" W
S 54°40'42" W
72.17'
VETERAN'S MEMORIAL PKWY
N 87°52'47" W
487.25'
S 87°52'47" E
352.99'
L=734.043'
R=1195.920'
Δ=35°10'03"
C LEN=722.575'
BRG=S 56°26'35" E
S 50°49'23" E
73.28'
N 84°45'35" W
1440.87'
N 84°45'35" W
449.78'
STATE ROUTE 99
S 07°42'10" W
329.70
741.77'
S 02°28'05" W
95.87'
95.33'
N 82°19'41" W
64.07'
S 59°54'14" W
235.65'
N 01°35'43" E
316.85'
S 15°37'10" W
339.19'

ENGAGEMENT LETTER

Fw: Rucker-Donnell Foundation Appraisals

gopeck@ccim.net< gopeck@ccim net> Thu, Apr 18, 2013 at 8 26 AM
Reply-To gopeck@ccim net
To Roger Stacey <1031stacey@gmail com>

From: Zach Fuller
Sent: Monday, April 08, 2013 2.07 PM
To: gopeck@ccim.net ; Roger Stacey
Subject: RE: Rucker-Donnell Foundation Appraisals

Mr. Peck,

Yes we would like you to re-appraise the properties and complete new appraisal reports. A two to four week delivery date will be alright. Please let me know if you have any questions or need any additional information.

Thanks,

Zachary Fuller| American City Bank, 340 W Lincoln St, Tullahoma, 37388 | www *AmericanCityBank com*

(W) 931 455 0026 | *Zach Fuller@AmericanCityBank com*

From: gopeck@ccim.net [mailto:gopeck@ccim.net]
Sent: Monday, April 08, 2013 7:36 AM
To: Zach Fuller; Roger Stacey
Subject: Rucker-Donnell Foundation Appraisals

Good Morning Zach:

First, we cannot get this work back to you by 4/17 I presume that you are asking us to re-appraise these properties and complete new appraisal reports If this is the case, we are looking at two to four weeks for a delivery date, depending on how the research and data collection phase goes Let me know your thoughts at this point as we

would like to help you as much as possible I have sent a copy of this email to Roger Stacey here in the office
Thanks

Gregory O Peck, CCIM, SRPA, CG-140
Gregory Peck and Associates
1535 W Northfield Blvd
15 Lincoln Square
Murfreesboro, TN 37129
Voice/Fax 615-896-0787
Cell·615-364-8904
gopeck@ccim net

QUALIFICATIONS of the APPRAISER

GREGORY O. PECK, CCIM, SRPA, CG-140

SCOPE OF BUSINESS AND PROFESSIONAL ACTIVITY

General practice with the majority of appraisal assignments relating to market value of all types of commercial, industrial, investment, and residential properties in the Middle Tennessee area Appraisal assignments are categorized under three headings specific value answer and/or recommendation, probable value range based on limiting conditions and assumptions, and the appraisal of easements and partial acquisitions Eminent Domain special experience in condemnation valuation from the following road widening and new road projects, Old Hickory Blvd , and Dickerson Pike, Nashville, TN , Great Neck Road, Virginia Beach, VA , Memorial Blvd , Highway 96, Highway 231 South, Mercury Blvd , John Bragg Highway, Thompson Lane, and Interstate 840 in Rutherford County, TN General Contractor purchased, redeveloped and sold Section III of Timberlake S/D, developed and sold vacant land at Old Nashville Highway and Florence Road, built 65 +/- single family homes, and successfully developed, built and sold Park Place Condominiums Division of Property Assessment – Registered Agent – have advised and represented property owners on Ad Valorem property tax matters since 1974 Valuation consultant to Rutherford County, TN Tax Assessor's Office

PROFESSIONAL EXPERIENCE

Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants
Chief Appraiser of a Federal Savings & Loan Association
Staff Appraiser with Lewis Garber & Associates, Independent Real Estate Appraisers and Consultants
Staff Appraiser with H L Yoh Company, mass appraisal specialists of cities, counties, and municipalities

EDUCATION

B S Degrees, Middle Tennessee State University, Murfreesboro, Tennessee
Post Graduate Studies University of Tennessee, Nashville, Tennessee Middle Tennessee State University, Murfreesboro, Tennessee
Continuing Education Programs Appraisal Institute, Commercial Investment Real Estate Institute, Appraisal Section, National Association of Realtors, International Right-of-Way Association, National Association of Realtors, and the Tennessee Real Estate Appraiser Commission

Past Member – National Faculty of the Appraisal Institute for Course 110, Appraisal Principles, Course 120, Appraisal Procedures, and Course 210, Residential Case Studies

PROFESSIONAL AFFILIATIONS

CCIM	Member of Commercial Investment Real Estate Institute Past President - Middle Tennessee Chapter
SRPA	Member of the Appraisal Institute
SRA	Member of the Appraisal Institute - Past Pres Chapter 78
SRWA	Senior Member, International Right-of-Way Association National Professional of the Year Finalist

Tennessee Affiliate Brokers License Number 240946
Tennessee State Certified General Real Estate Appraiser Number CG-140
Tennessee Division of Property Assessment-Registered Agent Number 0092

PARTIAL LIST OF CLIENTS

Corporations and Companies

MacMillan-Bloedel, LTD, Canada, ARA Services, Chalk Line, Inc , Homequity, Executrans, Executive Relocation, Merrill Lynch Relocation Management, Equitable, General Electric, Kroger Company, Eaton Corporation, E I DuPont de Nemours & Company, Firestone Tire and Rubber Company, General Motors, Trans-America Relocation, Brunswick Corporation, Phillips Petroleum Company, American Steel Foundries, Dairymen, Inc , Maremont Corporation, Kraftco Corporation, Exxon Corporation, Americorp Relocation Management, John Deere Company, Masonite Corporation, W R Grace and Company, United States Steel Corporation, CSX/Louisville and Nashville Railroad, Southeastern Box Corporation, State Farm Insurance Company, National Residential, Inc , Relocation Realty Service Corporation, Roadway Express, Relocation Resources, Lincoln Service Corporation, Koppers Company, Reichold Chemical, Gen-Rel Relocation, Coldwell Banker, Chem-Exec, Empire Relocation, Travelers, Baptist Hospital, and others

Financial Institutions

First Tennessee Bank National Association, Chiao Tung Bank of Silicon Valley, Bank of America, First American National Bank, AMRESCO/Institutional, SunTrust Bank, California Federal Savings & Loan, Republic National Bank of Dallas, Bank of America, BankOne-Dallas, Miami National Bank, Midsouth Bank, Volunteer State Bank, Farmersville Bank of Texas, Union Planters National Bank, Pinnacle National Bank, National Bank of Canada, and others

Insurance and Mortgage Companies

Southeastern Mortgage, Rutherford Bank & Trust, CNA/Insurance Company, Regions Mortgage, Inc , Mid-State Financial, Pacific Southwest Bank, First Investment Company, Franklin American Mortgage, Right Mortgage Company, Churchill Mortgage Company, Harbourton Mortgage Company, First Bank and Trust, NationsBank Mortgage Corporation, and others

Governmental Agencies

National Park Service, Veterans Administration, Loan Guaranty Division, Federal National Mortgage Corporation, Federal Deposit Insurance Corporation, Tennessee Valley Authority, Tennessee Attorney Generals Office, United States Postal Service, U S Department of Housing and Urban Development, United States Department of the Interior, Tennessee Department of Finance and Administration, Middle Tennessee State University, Tennessee Department of Transportation, United States General Services Administration, Resolution Trust Corporation, Rutherford County, TN , City of Tullahoma, City of Murfreesboro, Tax Assessor's Office for Rutherford County, Tennessee, and others

Have done work for various individuals, attorneys, accountants, and have given expert testimony before various commissions, Circuit, Chancery and United States Federal Courts

Roger A. Stacey, MA, TR-4543

Professional Experience

- Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants (2009 to present)
- Blackfriar Commercial, Managing Broker (2012 to present)
- Sims Commercial, LLC, Managing Broker (2007 to 2012)
- General real estate agent (1999 to 2007)

Professional Affiliations

- Tennessee Real Estate Broker License Number 272999
- Tennessee State Real Estate Appraiser Trainee Number TR-4543
- AFA – Certified Valuation Specialist in Real Estate

Employment :

- **1999 to Present** Self-employed, independent contractor – providing valuation and marketing expertise to real property owners and purchasers throughout the Middle-Tennessee area
- **1997 to 1999** Custodial Account Administrator, Banker's Trust / Deutsch Bank – responsible for oversight and management of foreign entities investing in the U S markets Clientele included Banque Pasche, Banque Internationale de Luxembourg, Royal Bank of Scotland, Royal Bank of Canada, Banco Dello Statto, Monetary Authority of Singapore, Government of Singapore, Banque Suisse, ING among others Daily trade amounts for which Roger was responsible typically exceeded $6 million U S

Education:

- The University of Tennessee, Knoxville, Knoxville, TN – Master of Arts
- Middle Tennessee State University, Murfreesboro, TN – Bachelor of Science
- Continuing Education Programs The Appraisal Institute, National Association of Realtors, Tennessee Real Estate Education System, American Financial Association

General Appraisal Experience:

Appraisal experience, including but not limited to vacant land tracts (individual lots to large acreage tracts), single-tenant commercial properties, industrial properties, multi-tenant commercial properties, investment properties, right of way and easement acquisition

Partial List of Clients:

The Town of Smyrna, TN, the City of Murfreesboro, TN, National Park Service and U S Department of the Interior, the State of Tennessee Department of General Services, Middle

Tennessee State University, First Horizon National Corporation, First Tennessee Bank, Regions Bank, The Bank of Tullahoma, Pinnacle National Bank, American City Bank, Midsouth Bank, Pathway Lending, CB&S Bank, Farm Credit Services of Mid America, Citizens Bank of Blount County, Heritage South Credit Union, in addition to work for various individuals, churches and attorneys

CONDENSED APPRAISAL REPORT

Sales Comparison Approach

ASSIGNMENT INFORMATION

Property Identification:	Report Prepared By:	Report Prepared For (Client):
1410 Armstrong Valley Rd, (Lot 4C) Murfreesboro, TN 37128 *County* Rutherford	Gregory Peck/Roger Stacey Gregory Peck and Associates 1535 W Northfield Blvd, Suite 15 Murfreesboro, TN, 37129 *Phone* 615-896-0787 *E-mail* gopeck@ccim net	Zachary Fuller American City Bank 340 West Lincoln Street Tullahoma, TN 37388 *Phone* 931-455-0026 *E-mail* zach fuller@americancitybank com
Current Tax Assessment: $ 841 87		
Borrower: Rucker Donnell Foundation		
Project No.: N/A		

SALE, OPTION, LISTING & OFFER HISTORY

Comments: *(analyze all sales within the last 3 years, current options, listings, offers or purchase agreements)* According to public record, this property last transferred on 04/23/2003 There are no known current listings for sale and none could be found in available resources, there are no known offers or purchase agreements

MARKET ANALYSIS

Comments: (note predominant property type, vacancy/value trends, etc) The subject property lies within a rural neighborhood in Rutherford County, in at the extreme limits of the city of Murfreesboro, the area is characterized by a mixture of detached single-family dwellings and large acreage agriculture tracts of land The area is considered to be in a transition phase transitioning from very low density agricultural tracts to higher density single-family residential developments Based on visual observation, vacancy within the immediate area of the Subject property appears to be low

PROPERTY DESCRIPTION

Bldg Area (SF) Gross	0 SF	Occupancy (owner vs tenant / %)	100% Owner
Site Size	3 4 AC	Zoning	RS-15
Yr Built	N/A	Conformance to Zoning	Yes
Rem Econ Life	N/A	Property Type	Residential
Quality	N/A	Current Use	Agriculture
Condition	N/A	Source of Bldg Area	N/A

Comments: *(briefly describe physical, known hazards, legal and economic characteristics relative to the valuation assignment)* The subject is an unimproved acreage tract consisting of 3 4+/- acres The site features level topography across the entire acreage, being slightly lower along Armstrong Valley Road This is a corner parcel with approximately 426'+/- along Veterans Memorial Parkway and approximately 297'+/- along Armstrong Valley Road All utilities necessary for development are available on-site There is a 40' ingress/egress easement along the rear property line that benefits the fire station on the adjoining property

The RS-15 district is intended to permit the development and continued maintenance of single family residential areas characterized by relatively low overall density with lots of at least 15,000SF per dwelling unit Other uses such as schools, churches and specified services associated with or compatible with the residential uses allowed in this district are also permitted subject to the site plan review and approval or issuance of a special permit therefor Minimum lot width is 75', front setback is 40', side setback is 12 5', rear setback is 30', maximum height is 35', maximum dwelling units per acre is 2 9, maximum lot coverage is 25% The list of uses permitted by right is rather small single-family detached dwellings, emergency shelter, park, customary general farming, grain, fruit, field crop and vegetable cultivation and storage

The subject is located on FEMA map/panel 470168/0265H The map appears to indicate that no portion of the site is located in established flood zone However, the appraisers are not qualified to determine whether the subject actually is or is not within a federally designated flood zone and do not assume any liability for the accuracy of this statement No current survey of the Subject was provided or available for review, therefore, determination of any encroachments is not possible The appraisers are unaware of any hazards affecting the property

HIGHEST & BEST USE

Comments: Based on legally permissible uses, the current use, holding for rezoning and development, **is** consistent with the highest and best use of the property with a continuation of agricultural cultivation as an interim use The most probable buyer under current zoning with permitted uses is a residential homebuyer or speculative residential builder

VALUATION - SALES COMPARISON APPROACH

Address	1410 Armstrong Valley Rd Murfreesboro, TN	1936 Rolling Creek Dr Murfreesboro, TN	1882 Sanctuary Place Murfreesboro, TN	2834 Wilkinson Pike Murfreesboro, TN
Sale Date	N/A	06/03/2013	02/05/2013	03/11/2011
Sale Price	N/A	$ 117,500	$ 45,000	$ 197,765
Price/Unit (specify)	N/A	$ 106,818 18 / AC	$ 107,281 55 / AC	$ 116,332 35 / AC
Bldg Area (SF)	N/A	N/A	N/A	N/A
Site Area	3 4 (AC)	1 1 (AC)	1 03 (AC)	1 7 (AC)
Year Built	N/A	N/A	N/A	N/A
Property type	Residential	Residential	Residential	Residential
Overall Comparability to Subject		Inferior	Inferior	Similar

Analysis of Sales and Reconciliation: Sales are considered secondary type data and all consist of residential properties All three Comparables are considered to be a reasonable indication of the perceived value of the property for a residential user All Murfreesboro, Tennessee sales of vacant residential properties were searched in the local real estate MLS data (www realtracs net) Sizes were limited to 1 to 6 acre properties having sold within the last 36-month period preceding the effective date of this report However, of all data reviewed, the above three sales are considered to be the most comparable to the Subject, with the most emphasis placed on comparable 3 Based on collected sales data reviewed for residential properties in Murfreesboro, Rutherford County, Tennessee and the aspects of the Subject on the date of inspection, the sales price/AC of the Subject should likely lie near or above that of comparable 3 Comparable 3 was located on the fringes of a developing commercial area of Murfreesboro and is considered to be highly desirable, like the Subject It was zoned residential like the Subject at the time of sale Although the Subject is currently zoned residential, being located along a major thoroughfare and next door to an emergency services facility, the potential for the site to be appealing to commercial users is high Subdivision of the site into smaller lots and rezoning to commercial zoning would be the most maximally productive use of the acreage at some point in the future – when that time is will depend on the market and whether or not it continues to improve This is especially true (future commercial rezoning and use) considering the existing easement benefiting the fire station next door Under that potential scenario, the value would be expected to increase significantly As this is all speculative in nature, in order to avoid hypothetical or extraordinary assumptions in the preparation of this report, we are dealing with the as-is current reality of the site as of the effective date of this report Therefore, residential properties are used for comparison

It is our opinion that the above transactions represent the most applicable sales available The above sales comparables yielded a range from $106,818 18/AC to $116,332 35/AC, mean average is $110,144 03/AC, median is $107,281 55/SF All considered we believe that a range from $116,000 to $120,000/AC for the Subject is reasonable with the value for the subject likely lying near the upper end of the range, use $120,000/Acre $120,000/AC x 3 4 AC = $408,000 Therefore, the as-is, fee-simple market value as of the effective date of this report is estimated to be $408,000

Based on a review of MLS sale data, the estimated exposure time would likely exceed one year, marketing time is estimated to be six to twelve months

Date of Report	Date of Inspection	Effective Date of Value	Interest Appraised	Market Value "As Is"
06/25/2013	06/21/2013	06/21/2013	As-is, fee simple	$ 408,000

ASSIGNMENT CONDITIONS

Identify / describe relevant conditions / assumptions pertinent to the valuation assignment (e.g. access, title, legal, etc.):

This Appraisal Report has been made with the following general assumptions and limiting conditions

No extraordinary assumptions or hypothetical conditions were used in arriving at the opinion of value in this report

SCOPE / INTENDED USE / INTENDED USER

This **CONDENSED** appraisal report is presented in a **SUMMARY** format The significant elements of scope included the following Interior/exterior inspection of the subject property and environs Collection, verification and analysis of sales data Only the sales comparison approach, the single most applicable approach, was used, the cost and income approaches were not developed and were not necessary to produce a credible opinion of value A purchaser would not contemplate purchasing a vacant acreage tract based on the cost approach, the typical owner-occupant user market participants for the subject property would not consider the income approach when contemplating such a purchase It is the appraiser's opinion that the scope of research and analysis associated with this appraisal is adequate to produce a credible value conclusion that will serve the needs of the client

The **PURPOSE** of the appraisal is to estimate the as-is, fee simple, market value of the subject parcel as of the date of inspection

This appraisal report is **INTENDED** for **USE** in loan underwriting and-or credit decisions by American City Bank

Intended user(s) of the report American City Bank

This is a **summary report**, which is intended to comply with Standard Rule 2-2(b) As such, it presents only summary discussions of the data, reasoning and analysis that were used in the appraisal process Supporting documentation that is not provided within the report is retained in the appraiser's work file The depth of discussion contained in this report is specific to the needs of the client

CERTIFICATION

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

1 The statements of fact contained in this report are true and correct
2 The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions
3 I/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
4 I/We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment
5 My/Our engagement in this assignment was not contingent upon developing or reporting predetermined results
6 My/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 the appraisal
7 This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan
8 Every effort has been made to develop my/our analysis, opinions and conclusions and to prepare this appraisal, and the appraiser/appraisers believe that these are, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines
9 Both individuals signing this report have made a personal inspection of the property that is the subject of this report
10 No one provided significant professional assistance to the persons signing this report
11 The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives
12 Gregory Peck has completed the Appraisal Institute educational recertification program through 12/31/2016
13 I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report, within the three-year period immediately preceding acceptance of this assignment

Gregory Peck Appraiser's Name / Signature	Gregory A Peck	CG-140 State Certification #	Date 06/25/2013
Roger Stacey Appraiser's Name /Signature		TR-4543 State Certification #	Date 06/25/2013

The persons signing this report possess the necessary competency to perform this assignment

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions and limiting conditions

1 Title to the property is assumed to be good and marketable unless otherwise stated in this report

2 The property is appraised as though free and clear of any or all liens and encumbrances unless otherwise stated in this report No opinion of title has been made nor is any responsibility assumed for matters of a legal nature

3 Responsible ownership and competent property management are assumed unless otherwise stated in this report

4 All engineering is assumed to be correct Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property

5 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable

6 It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report

7 It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in this appraisal report

8 It is assumed that all required licenses, certificates of occupancy consents, or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based

9 The appraiser is not qualified to detect hazardous waste and/or toxic materials Any comment by the appraiser that might suggest the **possibility** of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials Such determination would require investigation by a qualified expert in the field of environmental assessment The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property The appraiser's 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 unless otherwise stated in this report No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process The appraiser(s) hereby reserve(s) the right to alter, amend, revise or rescind any of the value opinions contained herein based upon any subsequent environmental impact or hazardous materials studies, research or investigation

10 Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities act The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility

11 Unless otherwise stated, the authors assume that that the property is suitable and adequate for the highest and best use as set out in this appraisal report

12 It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report

13 All information, and opinions contained in this report are considered accurate and from reliable sources and are provided subject to error and omissions in fact or opinion No one other than the person or persons signing this report prepared the analyses, the conclusions and the opinions concerning the value of the real estate set forth in this report

14 Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report

15 The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy These forecasts are, therefore, subject to changes in future conditions

16 Opinions of value contained herein are estimates There is no guarantee, written or implied, that the subject property will sell for such amounts

17 The authors are not required to give testimony or attend court by reason of making this report, unless arrangements have been made in advance Disclosure by the authors of the contents of this report is subject to review in accordance with the by-laws and regulations of the professional appraisal and other organizations of which the authors are affiliated or members

18 Neither all nor part of the contents of this report, or copy thereof (conclusions as to property value, the identity of the authors, professional designations, reference to any professional appraisal organizations, or the firm with which they are connected) shall be conveyed to any persons or any entities other than those specifically named herein as Intended Users, for any reason Possession of this report, or a copy thereof, does not carry with it the right of publication

19 The appraiser(s) has/have had no discussion with the property owner or any employee of the owner in regards to the estimate of value in this report

20 Every effort has been made to prepare this appraisal, and the appraisers believe that the report is, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

21 The liability of Gregory Peck and Associates, employees and the appraisers named herein is limited to the client only and only up to the amount of the fee actually received for the assignment Further, there is no accountability, obligation or liability to any third party If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property

22 This appraisal reports the value of the real estate only

23 We have carefully reviewed and edited this report In spite of that, it may include typographical errors and/or technical inaccuracies Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected

24 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

25 All economic and political factors affecting the facts in this report are assumed to remain in a posture at least as favorable as existing on the specified "Effective Date" of the report unless stated otherwise in the body of the report

26 Certain information concerning market and operating data was obtained from others This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct However, such information is not guaranteed

27 All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties While it is believed the information, estimates and analyses are correct, the appraiser(s) does(do) not guarantee them and assume(s) no liability for errors in fact, analysis or judgment

28 Acceptance of and/or use of this report constitutes the acceptance of the foregoing Standard Limitations and Conditions of this Report

DEFINITION OF MARKET VALUE

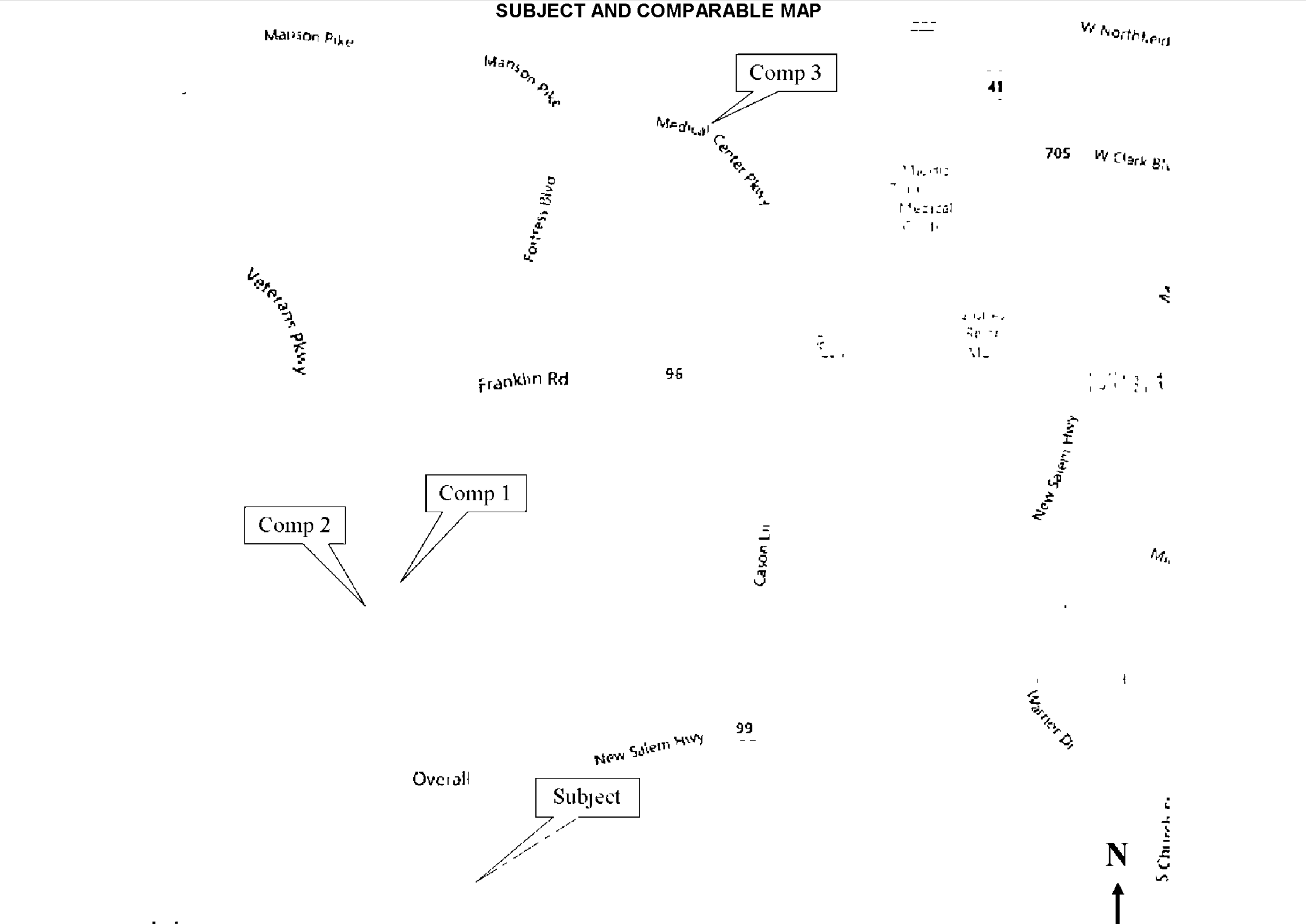
"Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus Implicit in this definition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

1 Buyer and seller are typically motivated,
2 Both parties are well informed or well advised, and acting in what they consider to be their own best interests,
3 A reasonable time is allowed for exposure to the open market,
4 Payment is made in terms of cash in U S dollars or in terms of financial arrangements comparable thereto, and
5 The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale " – Source 12 CFR 34 42(g)

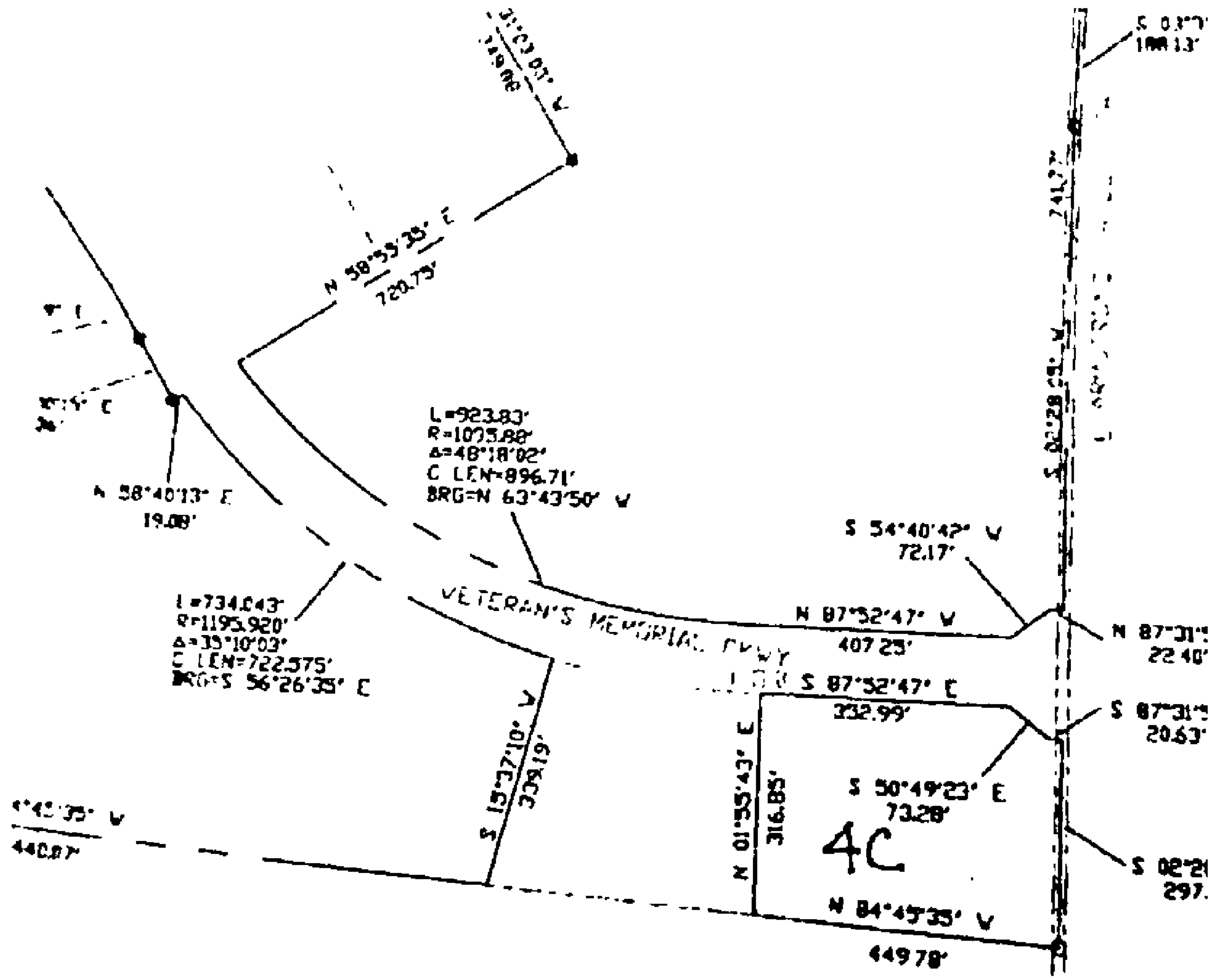
ADDENDA ITEMS

SUBJECT FRONT VIEW	SUBJECT STREET VIEW
	

SUBJECT AND COMPARABLE MAP

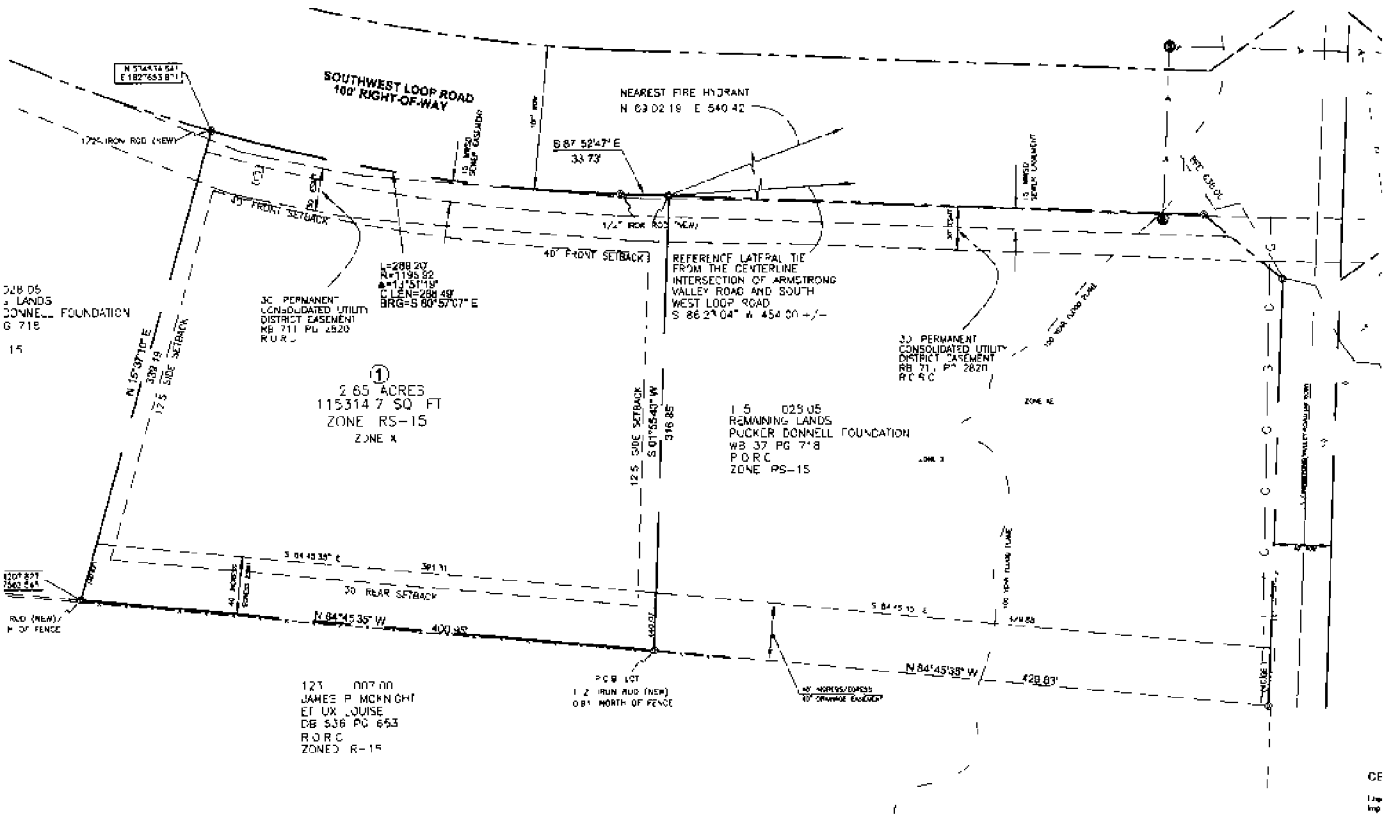


SURVEY



N 58°55'35" E
720.75'
N 58°40'13" E
19.08'
L=923.83'
R=1095.88'
Δ=48°18'02"
C LEN=896.71'
BRG=N 63°43'50" W
S 54°40'42" W
72.17'
L=734.043'
R=1195.920'
Δ=35°10'03"
C LEN=722.575'
BRG=S 56°26'35" E
VETERAN'S MEMORIAL PKWY
N 87°52'47" W
407.25'
S 87°52'47" E
332.99'
S 15°37'10" W
339.19'
N 01°55'43" E
316.85'
S 50°49'23" E
73.28'
4C
N 84°45'35" W
449.78'
440.87'

EASEMENT



The plat indicates a flood zone; however the available online FEMA maps do not appear to indicate one.

From: Zach Fuller
Sent: Monday, April 08, 2013 2:07 PM
To: gopeck@ccim.net ; Roger Stacey
Subject: RE: Rucker-Donnell Foundation Appraisals

Mr. Peck,

Yes we would like you to re-appraise the properties and complete new appraisal reports. A two to four week delivery date will be alright. Please let me know if you have any questions or need any additional information.

Thanks,

Zachary Fuller| American City Bank, 340 W Lincoln St, Tullahoma, 37388 | *www AmericanCityBank com*

(W) 931 455 0026 | *Zach Fuller@AmericanCityBank com*

From: gopeck@ccim.net [mailto:gopeck@ccim.net]
Sent: Monday, April 08, 2013 7:36 AM
To: Zach Fuller; Roger Stacey
Subject: Rucker-Donnell Foundation Appraisals

Good Morning Zach:

First, we cannot get this work back to you by 4/17 I presume that you are asking us to re-appraise these properties and complete new appraisal reports If this is the case, we are looking at two to four weeks for a delivery date, depending on how the research and data collection phase goes Let me know your thoughts at this point as we

4/18/2013

would like to help you as much as possible I have sent a copy of this email to Roger Stacey here in the office
Thanks

Gregory O Peck, CCIM, SRPA, CG-140
Gregory Peck and Associates
1535 W Northfield Blvd
15 Lincoln Square
Murfreesboro, TN 37129
Voice/Fax· 615-896-0787
Cell·615-364-8904
gopeck@ccim net

4 18 2013

CCIM
Individual Member - CCIM Institute

GREGORY PECK AND ASSOCIATES

Commercial Investment Real Estate
Representation - Valuation - Investment Ana
e-mail: gopeck@cci

Thomas N. Graves, SRA, CR-301
Frances Carroll, Broker
Gregory O. Peck, CCIM, SRPA, CG-140

March 29, 2010

American City Bank
Att: Mr. Dustin Gallagher
340 West Lincoln Street
Tullahoma, TN 37388

RE: **Summary Appraisal Report Rucker-Donnell Foundation**
Highway 99
Murfreesboro, TN

Client: American City Bank
Intended Use: Internal Decision Making/Loan Underwriting
Intended Users: American City Bank

Dear Mr. Gallagher:

At your request, we hereby certify that we have made a personal inspection of the above referenced real estate legally described within this report. The subject property consists of 105.46 acres of vacant land in western Rutherford County Tennessee.

On the basis of this study and analysis of relevant market data contained within this report and office file, and subject to the Assumptions and Limiting Conditions contained herein, we have estimated the value of the fee simple interest of the 105.46 acres tract of land, as of March 9, 2010, to be as follows:

Market Value As Is: $2,650,000

The following narrative appraisal report contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached. It should be made clear to the client, reader, and any third party, that this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation; Title XI of FIRREA; Regulation 12-CFR of the FHLBB; and, the Appraisal Institute. It should further be understood that this appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan. No loan amount was discussed with the borrower/owner, buyer, seller, or any employee of First Horizon. **As evidenced by flood maps for the area, none of the 105.46 acres are located in a 100 year flood plain.**

The exposure time and marketing time for the 105.46 acre site would probably range between one and two years. This is a complete appraisal report written in a summary format, and the appraiser is competent to complete this assignment according to USPAP. No personal property has been considered in the value reported.

It has been our pleasure to serve you and if you need any additional information, you are assured of our cooperation.

Respectfully submitted,

Gregory O. Peck, CCIM, SRPA
State Certified General Real Estate
Appraiser No. CG-140

Leslie C. White, MAI, CCIM
State Certified General Real Estate
Appraiser No. CG-1466

TABLE OF CONTENTS

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

TOTAL UNITS:	105.46 Acres
ZONING:	R15, Residential
HIGHEST AND BEST USE:	Holding for development

VALUATION:

COST APPROACH:	$N/A
MARKET APPROACH:	$2,650.000
INCOME APPROACH:	$N/A
RECONCILED VALUE:	$2,650,000
EFFECTIVE DATE OF APPRAISAL:	March 9, 2010

ASSUMPTIONS AND LIMITING CONDITIONS

Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice requires the appraiser to clearly and accurately set forth all facts, assumptions and conditions that affect the analysis, opinion and conclusions upon which the appraisal is based. In compliance therewith, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows:

1. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use. Any legal description included in the report was taken from the referenced source and is assumed to be correct.

2. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report.

3. The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser(s) assume no responsibility for economic or physical factors occurring or being discovered at some later date which may affect the opinion herein stated.

4. The valuation is reported in dollars of currency prevailing on the date of appraisal.

5. Maps, plats, and exhibits included herein 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.

6. All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties. While it is believed the information, estimates and analyses are correct, the appraiser(s) do not guarantee them and assume no liability for errors in fact, analysis or judgment.

7. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which they are connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without prior written consent and approval of the undersigned.

8. The appraiser is not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made.

9. The distribution of the total valuation in this report between land and improvements applies only under the current estimate of highest and best use. The separate valuations for land and buildings must not be used in conjunction with any other appraisal or use and are invalid if so used.

10. Certain information concerning market and operating data was obtained from others. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed.

11. Real estate values are influenced by a large number of external factors. The data contained herein is all of the data we consider necessary to support the value estimate. I have not knowingly withheld any pertinent facts, but I do not guarantee that I have knowledge of all factors that might influence the value of the subject. Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal.

12. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the subject property will sell for such amounts.

13. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.

14. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s). The appraiser(s) have no knowledge of the existence of such materials on or in the property. The appraiser(s), however, are not qualified to detect such substances. The presence of substances such as urea formaldehyde foam insulation, asbestos, 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 to discover them. The client is urged to retain an expert in this field, if desired.

15. No attempt has been made to fully investigate the property's compliance with all governmental regulations. Except as otherwise noted, it is assumed that the property is in compliance with existing zoning requirements, building codes, and fire codes; and complies with all applicable regulations relating to the Occupational Safety and Health Act (OSHA) and the Environmental Protection Act (EPA).

16. We have carefully reviewed and edited this report. In spite of that, it may include typographical errors and/or technical inaccuracies. Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected.

17. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have 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 could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

DEFINITION OF MARKET VALUE

Market Value, as defined in The Appraisal of Real Estate, may be stated as "the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property should sell in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress".

The fundamental assumptions and conditions presumed in the above definition are:

1. The buyer and seller are motivated by self-interest.

2. The buyer and seller are well informed and are acting prudently.

3. The property is exposed for a reasonable time on the open market.

4. Payment is made in cash, its equivalent, or in specified financing terms.

5 Specified financing, if any, may be the financing in place or on terms generally available for the property type in its locale on the effective appraisal date.

6. The effect, if any, on the amount of market value of atypical financing, services, fees shall be clearly and precisely revealed in the appraisal report.

The effective date of Market Value is March 9, 2010.

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal is to estimate the prospective market value of the fee simple estate. A fee simple estate is defined by the Appraisal Institute as "absolute ownership unencumbered by any other ownership or estate; subject only to the limitations of eminent domain, escheat, police power and taxation". Market Value, as defined by the Comptroller of the Currency in Regulation 12 CFR, Part 34, Section 34.42 (f), is: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale, as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated. (2) both parties are well informed or well advised, and acting in what they consider their own best interests. (3) a reasonable time is allowed for exposure in the open market. (4) payment is made in terms of cash in U. S. Dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The function of this appraisal report is to assist the client in making sound economic decisions.

SCOPE OF THE INVESTIGATION

As part of this appraisal, the appraiser has made several independent investigations and analyses. We have relied on data that is retained in our office files, which are updated on a regular basis, and other supporting data as needed.

We have studied demographic, economic, and income data provided by the Rutherford County Chamber of Commerce, the Tennessee Department of Economic and Community Development, and the South Central Tennessee Development District, and the Site To Do Business maintained by the Commercial Investment Real Estate Institute. In addition, we have reviewed numerous newspaper articles published in the Daily News Journal concerning the development of the county, area, and neighborhood.

Concerning the subject properties, we have reviewed applicable tax maps, and physically inspected the property exteriors and taken photographs. The subject is a 105.46 acre vacant tract of land.

PROPERTY IDENTIFICATION

The subject property consist of a 105.46 acre vacant tract located on the north side of State Highway 99 west of old Salem Road in western Rutherford County TN. The tract is further identified as Tax Map 123 Parcel 2 of the Rutherford County Property Assessors tax mapping system. The property is further identified in Record Book 841, at page 2000, RORC, TN. (See copy of the legal description in the Addendum for further identification)

HISTORY AND OWNERSHIP OF THE SUBJECT PROPERTY

The subject property is currently owned by The Rucker Donnell Foundation c/o Kent Burklow, Trustee. The property was acquired by the Foundation April 23, 2003 as recorded in Will Book 37, Page 718. There was no stated consideration in the transfer from James R. Donnell to the Rucker Donnell foundation. The property is currently listed with Concordia Properties in Atlanta Georgia and has been actively marketed for approximately one year at an asking price of $30,000 per acre. As of the date of appraisal there have been several inquiries but no formal contracts have been presented.

No moratoriums are known to exist that would have an adverse impact on the use or marketability of any of the properties. No option, listing or sale contracts are known to exist.

TAX ANALYSIS

The 105.46 acre tract is currently identified in the Rutherford County Tennessee Property Assessors Office as Map 123, Parcel 2.00. According to the property record card the site is appraised for a total of $494,600. The property is located outside the city limits of Murfreesboro in western Rutherford County. The current tax rate for Rutherford County is $2.74 per $100 of assessed value. Tennessee law requires that all residential and agricultural property be taxed on 25% of its local tax assessor's appraised value for real property. Therefore, the total 2009 real estate tax liability for the 105.46 acre site is ($494,600 x 25%/100 x $2.74) $3,388. The new tax rate will be set July, 2010.

The subject property is currently under "Greenbelt Regulations" which allows a significant reduction in taxes if the property exceeds 15 acres and is under active cultivation. Under the greenbelt the subject property is appraised at $141,500 and the current tax liability is (141,500 x 25%/100 x $2.74) $969.28.

AREA ANALYSIS

The locale of the property under study is Rutherford County, the City of Murfreesboro and the area that surrounds the city. The major cities in the county are Lavergne, Smyrna and Murfreesboro, the County Seat.

It should be noted that these three cities are located within a seven-mile northwest/southeast corridor of one another, and have somewhat of a shared economic base for business and industry. Two major transportation routes connect the three via Federal Highway 41/70S and Interstate 24.

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University. These four employ over 5,000 workers.

The City of Murfreesboro is located southeast of Nashville, approximately 30 miles, and is the county seat of Rutherford County. It is the site of Middle Tennessee State University, and the campus is located on the easterly side of the city. Rutherford County is one of the seven counties that, along with Davidson County, form the Nashville MSA (Metropolitan Statistical Area).

The city is served by several highways, the principal one of which is Interstate 24, passing to the south of the city. It is also served by U.S. Highways 41, 231, and 70. Interstate 840, running east/west through Rutherford County, between Murfreesboro and Smyrna, links I-40 East, I-24, I-65 South, and I-40 West.

The economy of Murfreesboro is extremely well diversified. The city has to date been very successful in attracting new industry. It is known as the dairy center of the state. Manufacturing is a major component of the economy. A breakdown of employment for Murfreesboro and Rutherford County residents, published by the Rutherford County

Chamber of Commerce, is: manufacturing-38%; service industries-19%; wholesale and retail trade- 17%; government- 15%; and other- 11%.

An industrial park is located adjacent to Interstate 24 and within the city limits of Murfreesboro. Several warehouse buildings have just been completed and occupied. Another major employer in the city is the Veterans Administration Hospital located on the north side of town. As mentioned previously, Middle Tennessee State University is located on the easterly boundary of the city.

No discussion of the area would be complete without mention of Middle Tennessee State University, which is located to the east of the subject property. Middle Tennessee State University is a four-year public university with a current enrollment of 25,000± students. MTSU is the fastest growing university in the state system and this trend is expected to continue. Numerous buildings have either recently been constructed or are slated for development in the near future. These include a new recreation facility, nursing building and mass communications building, library and the new business/aerospace building.

The sharp rise in retail development by the national chains in the area is indicative of Rutherford County's economic strength and viability in the marketplace. Murfreesboro Town Centre is another retail center that is anchored by a 121,705 SF Target Store and the entire development will has 407,000 SF of retail space. The development cost around $30,000,000. The development opened in July of 1998. Further, Middle Tennessee Medical Center has built a 79,800 SF ambulatory surgery, medical office, and comprehensive cancer center at the corner of Bell Street and North Highland Avenue. The cost of this construction was approximately $10,000,000. Currently, a new hospital is under construction in the Medical Center Parkway area.

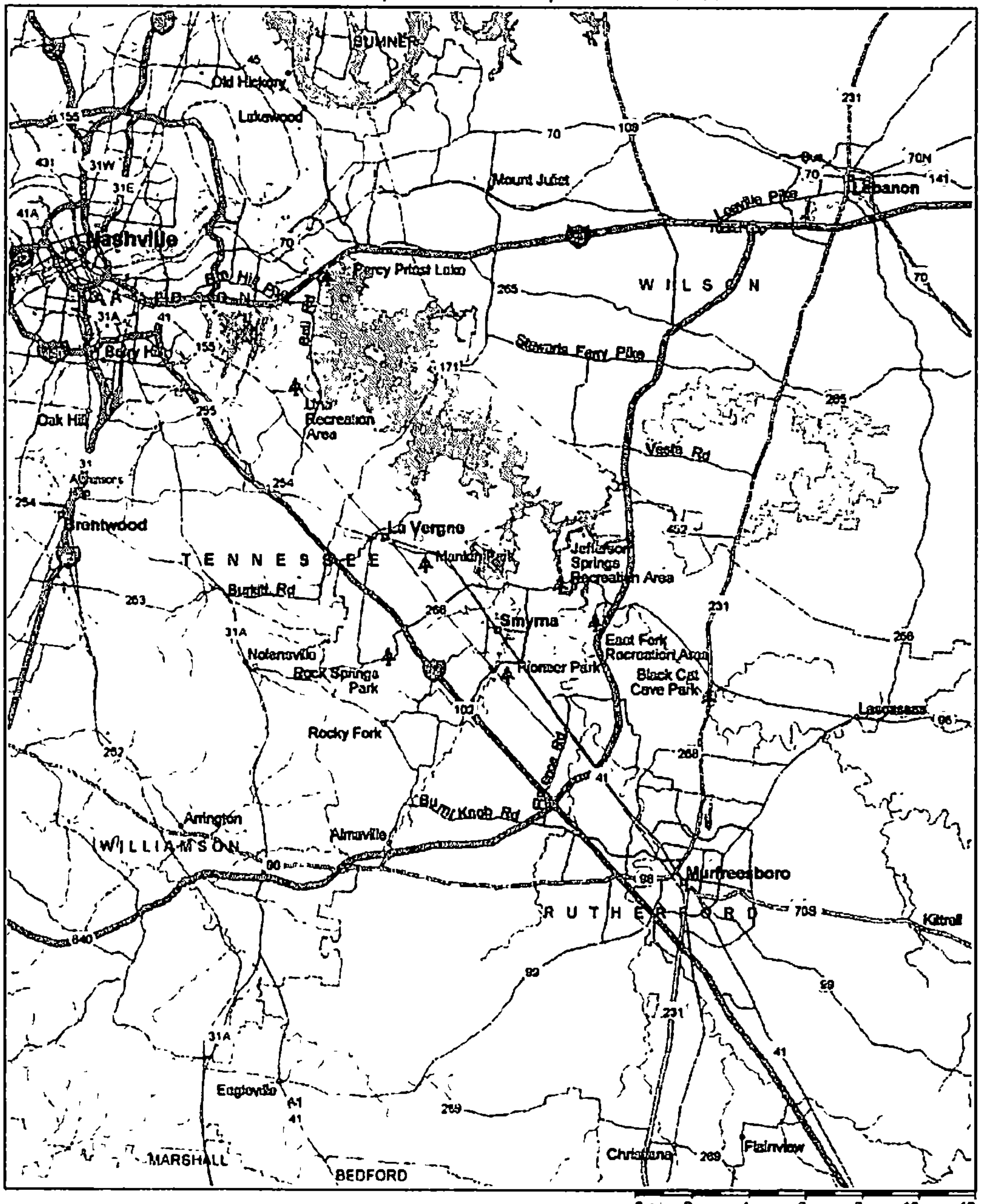
The Avenues is a new shopping mall recently opened and includes about 900,000 SF of retail space. In addition, the Stones River Mall is currently undergoing a $53,000,000 expansion. Coupled with this building activity, the property valuations from the Rutherford County Tax Assessor's Office indicate value increases every year since 1974. In addition, state and local sales tax has increased every year since 1981.

Rutherford County - Summary

In summary, the Murfreesboro and Rutherford County market is considered to represent a stable, average to middle class economy, generally growing at a stable rate in terms of populations and income. The economy is relatively stable and diverse, especially with the interjection of the Nissan Plant, which is a strong positive factor. Middle Tennessee State University (along with several other employers) is expanding, further enhancing the growth potential. An additional point to consider is that the substantial growth in income levels also has important implications for the whole spectrum of real estate values within the community. The increasing affluence of the local population eventually filters back to the purchase of additional goods and services to the enhancement of general property values and retail sales

The area is well located between Nashville and Chattanooga, with growth projected to increase into the future, including expansion of both the industrial and population basis. The area is well served by interstate transportation, which provides an excellent central location for continued industrial and employment expansion. The area has taken a progressive attitude in regard to growth and accommodations to large potential employers, indicating that the area is fertile for industrial development and expansion. Transportation arteries have been improved and the future for Murfreesboro appears positive. These factors, all acting in concert, provide growth impetus to the urban area, along with the major development incentives. The combination of these factors support the premise that Murfreesboro and Rutherford County is a reasonable area for real estate investment due to stability and continued growth over the long term.

Tennessee, United States, North America



Executive Summary with Charts

Gregory Peck And Associates

Rutherford County

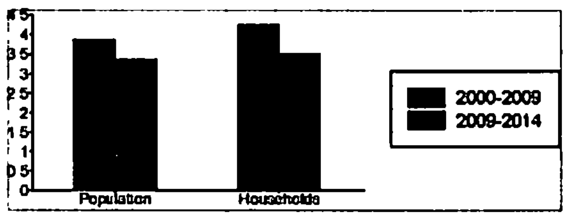
Donnell property — **Site Type: Geography**

Population and Households

The size of the market area, measured by population and households, has changed from 2000 through the forecast year as follows:

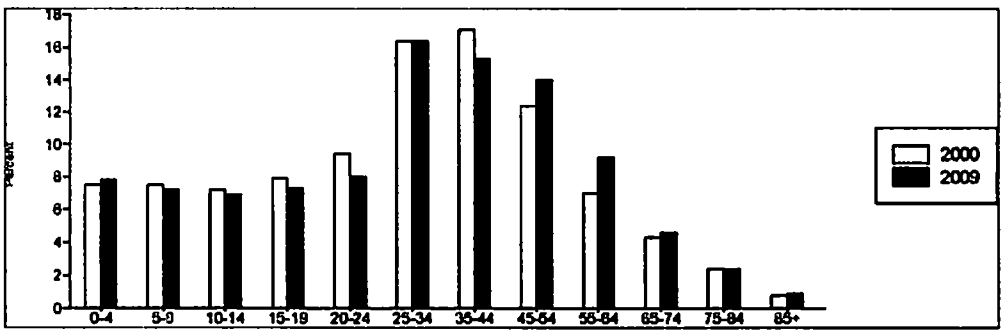
Year	Population	Households
2000	182,023	66,443
2009	258,542	97,671
2014	304,944	116,133

The difference between change in population and change in households is a result of two factors-the presence of group quarters (non-household) population in the market area and the average number of persons per household. The group quarters population in the market area was 5,772 in 2000, or 3.2 percent of the total population Average household size is 2.59 in 2009, compared to 2.65 in the year 2000.



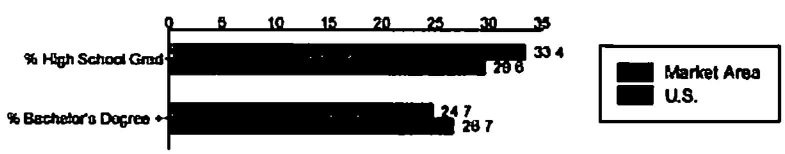
Population by Age

The median age for the United States was 35.3 in 2000 and 36.7 in the current year. In the market area, the median age of the population was 31.3, compared to 32.6 years currently By age group, the changes in the percent distribution of the market area population show the following:



Population by Education

In 2009, the educational attainment of the population aged 25 years or older in the market area can be summarized:



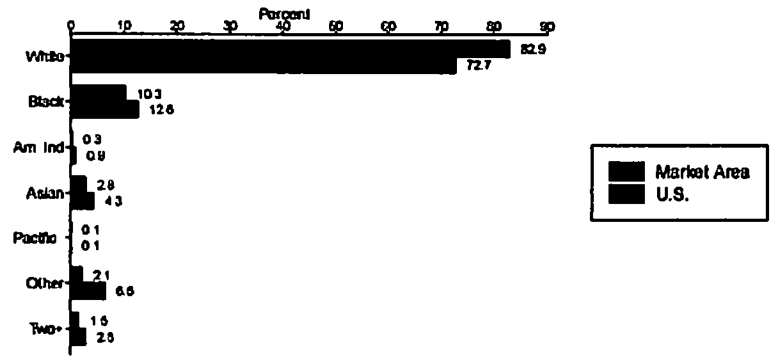
Source: U.S Bureau of the Census, 2000 Census of Population and Housing ESRI forecasts for 2009 and 2014 ESRI converted 1990 Census data into 2000 geography.

Rutherford County

Donnell property — Site Type: Geography

Population by Race/Ethnicity

Currently, the racial composition of the population in the market area breaks down as follows

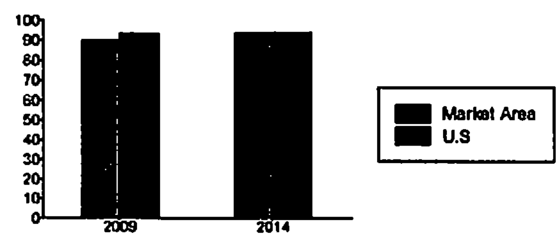


Persons of Hispanic origin represent 4.4 percent of the population in the identified market area compared to 15.0 percent of the U.S. population. Persons of Hispanic Origin may be of any race. In sum, the Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, was 35.9 in the identified market area, compared to 59.3 in the U.S. population.

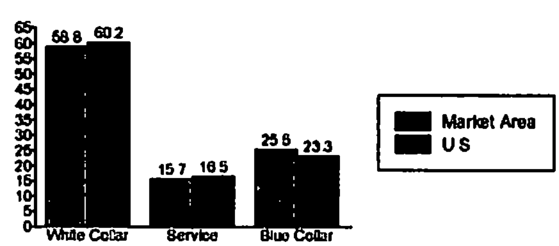
Population by Employment

In 2000, 72.8 percent of the population aged 16 years or older in the market area participated in the labor force, 0.2 percent were in the Armed Forces. Tracking the change in the labor force by unemployment status

Year	% Employed	% Unemployed
2009	89.7	10.3
2014	93.6	6.4



And by occupational status



In 2000, 83.1 percent of the market area population drove alone to work, and 2.5 percent worked at home. The average travel time to work in 2000 was 26.8 minutes in the market area, compared to the U.S. average of 25.5 minutes.

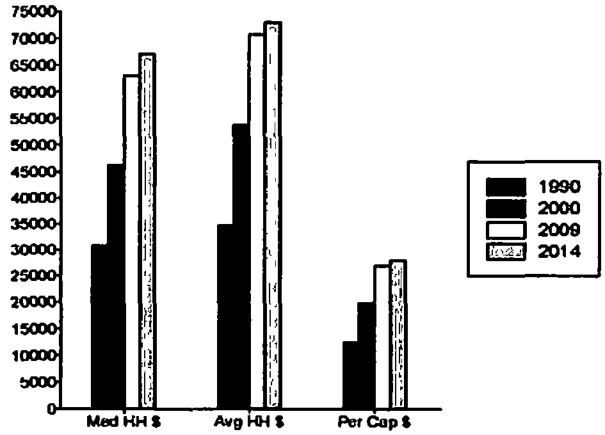
Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014. ESRI converted 1990 Census data into 2000 geography.

Rutherford County

Donnell property — **Site Type: Geography**

Income

The change in three summary measures of income-median and average household income and per capita income-are shown below from 1990 through 2014:



Housing

Currently, 64.7 percent of the 105,271 housing units in the market area are owner occupied; 28.1 percent, renter occupied; and 7.2 percent are vacant. In 2000, there were 70,616 housing units- 65 7 percent owner occupied, 28.4 percent renter occupied and 5.9 percent vacant. The annual rate of change in housing units since 2000 is 4.41 percent Median home value in the market area is $174,168, compared to a median home value of $192,285 for the U S In five years, median home value is projected to change by 4 43 percent annually to $216,313. From 2000 to the current year, median home value changed by 4 92 percent annually

Source: U S Bureau of the Census, 2000 Census of Population and Housing ESRI forecasts for 2009 and 2014 ESRI converted 1990 Census data into 2000 geography

NEIGHBORHOOD DATA AND ANALYSIS

The locale of the property under study is in the western part of Rutherford County. The four major cities in the county are Murfreesboro, LaVergne, Eagleville and Smyrna.

For purposes of this report, the term "neighborhood" is defined as follows:

> "A portion of a larger community, or an entire community in which there is homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community interest and a similarity of economic level or cultural background. Neighborhood boundaries may consist of well defined natural and man-made barriers, or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants."

Although the above definition is a comprehensive one, a more current definition of "neighborhood" is provided by the American Institute of Real Estate Appraisers in the recently published Dictionary of Real Estate Appraisal and is simply defined as "a group of complementary land uses".

The subject property is located in western Rutherford County slightly north and east of the Rockvale community and west of the city limits of Murfreesboro by approximately two miles. The immediate neighborhood surrounding the subject property extends west and south to the Rockvale community and east to the area of the St Andrews/ Hwy 99 intersection. The neighborhood is primarily rural in nature but in recent years the neighborhood has been transitioning toward more commercial and higher density residential uses. This trend is primarily occurring east of the subject property as Murfreesboro continues to expand west along Hwy 99.

The subject property and neighborhood are within the rapidly developing area west of Interstate 24. This area was targeted several years ago by city officials as where they wanted the city of Murfreesboro to expand. Infrastructure improvements including sewer and new road construction has spurred both commercial and residential development in this area. The bulk of this development has occurred east of the subject property as the city of Murfreesboro expands in a westerly direction.

West of the subject property land uses are primarily agricultural and residences on larger lots. Rockvale Elementary School is located approximately 2 miles east of the subject and the new Rockvale High School opened recently across Hwy 96 from the elementary school.

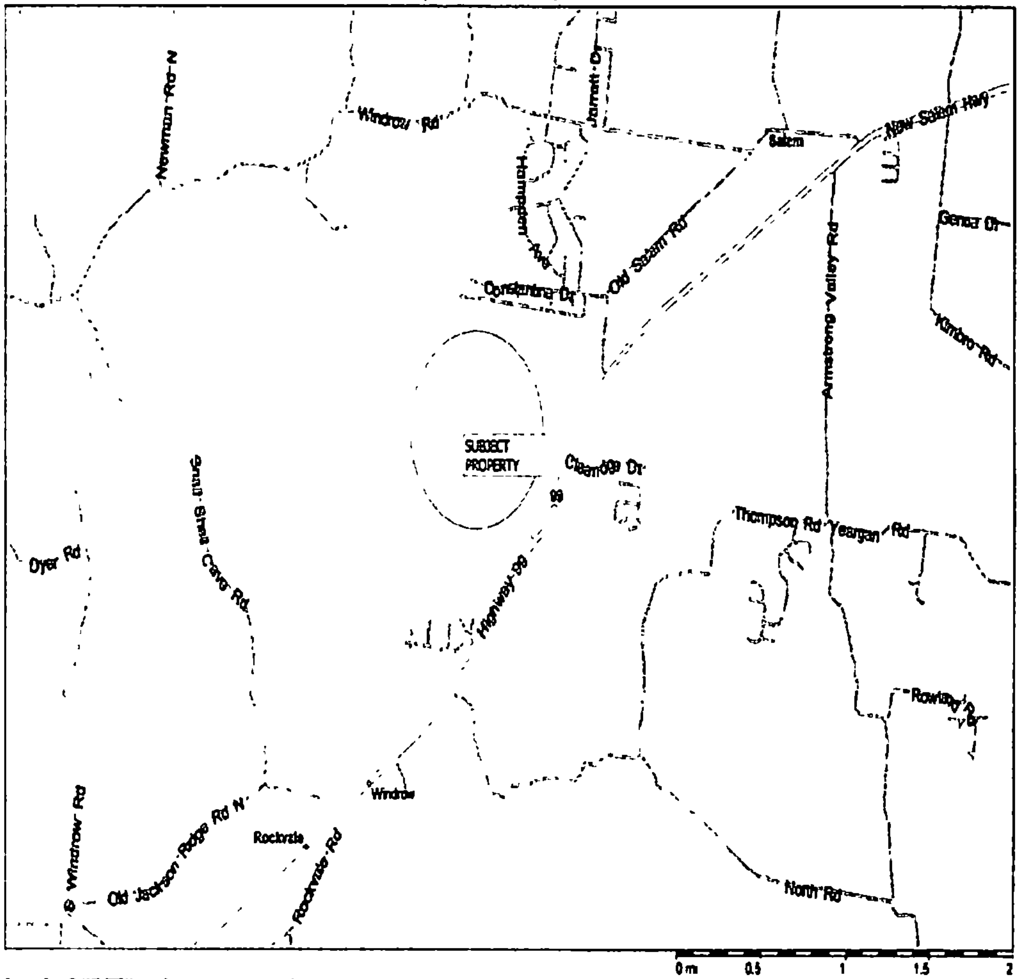
Commercial land uses moving east of the subject include WT's market, a vet clinic, a Walgreens drugstore, a self storage facility and a new Publix that is currently under construction. Recently developed single family subdivisions include Weston Park (currently owned by Pinnacle Bank), Belle Reve, Kimbo Woods and Southern Meadows. One of the larger developments in the area is Marymont Springs a 660 acre mixed use development slated for development with 1358 dwelling units on 570 acres and a Town Center with 500 units of town homes and apartments, 250,000 square feet of office and 225,000 square feet of commercial development. Marymont Springs is located on the west side of Mooreland Lane north of the subject property. Another proposed development is the Boxwood property located in the southeast quadrant of Hwy 99 and St.Andrews Drive. The 100 acre site is in the city limits and has been master planned for commercial and residential development. The property was recently purchased for $6,200,000. At the time of appraisal the property is being utilized as a private residence and farm.

A major influence on the subject neighborhood is the construction of Veterans Parkway, a four lane divided thoroughfare that will extend from State Route 840 to US Hwy 231S (Shelbyville Highway) and intersecting with both Hwy 99 and Hwy 96. The first leg from State Route 840 to Highway 96 was completed last year. The second leg, from Highway 96 to Highway 99 is currently under construction with an estimated completion date of mid 2011. Veterans Parkway will bisect the subject neighborhood.

.

Public utilities available to the site include water, sewer, electric and telephone. There are no known adverse conditions that affect the property. The entire west side of Interstate 24, including the subject neighborhood has experienced tremendous growth for all but the last two years of the previous decade. Approximately two years ago almost all development in the area stopped due to the nationwide collapse of the housing market. . It is projected that the slow pace of development will continue over the next year to two due to the nationwide recession.

Tennessee, United States, North America



ZONING ANALYSIS

The property falls within the R-15 zoning classifications of the Planning Department of Rutherford County, TN. This classification allows for the development of single family residences and Type "A" mobile homes on lots no smaller than 15,000 Square Feet with a minimum setback of 40 feet, a minimum side yard of 20 feet and a minimum rear yard of

20 feet. The minimum lot width is 75 feet. All other mobile homes must have a minimum of five acres with a minimum setback of 40 feet, a minimum side yard of 20 feet and a minimum rear yard of 20 feet. The minimum lot width is 75 feet. All other allowed uses must have a minimum size of one acre with a minimum width of 125 feet. The minimum front yard requires is 50 feet and a minimum side and rear yard of 25 feet and 50 feet respectively.

The subject property is located outside the Urban Growth Boundary of the City of Murfreesboro Tn. The Urban Growth Boundary defines the area that can be annexed in the City of Murfreesboro until 2025 reas outside the Urban Growth Area can not be annexed or provided with city services without special permission.

SITE ANALYSIS

Location:	North side of State Highway 96 west of the intersection of Overall Creek Road, Old Salem Road and State Highway 96 in western Rutherford County, Tennessee.
Size/Shape:	The subject property contains approximately 105.46 acre of farm land that is currently under cultivation. The site has approximately 870 feet of frontage on the north side of Hwy 99 and extends northward to a rear line.

Topography: No site drainage problems are known to exist and none of the site is located in a federally designated flood zone. Topography is below the grade of State Highway 99 and reasonably level.

Environmental: No environmental problems are known to exist. This appraisal is based on the assumption that there are no environmental risks or hazards present in, on or around the site.

Streets: State Highway 99 is a two-lane asphalt paved state highway with open ditches on both sides of the road and utilities in place.

Utilities: Water, electric, sewer, and telephone service are available to all of the properties. (Sanitary sewer will require special permission from the city due to the site's location outside the Urban Growth Boundary.

Zoning: The subject property is zoned R-15 and allows only for the development of single family residences and type A mobile homes on lots that are at least 15,000 square feet. All other types of mobile homes must be located on at least five acres with all other uses requiring a minimum of one acre.

The site is generally typical of other properties in their immediate neighborhood and is served by all municipal utilities to use the site to its highest and best use. No adverse easements or encroachments were noted upon inspection of the properties. A sanitary sewer easement crosses the front of the property. The easement has little or no adverse influence on the property, but serves to make the site more usable.

HAZARDOUS MATERIALS

The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property. The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property. The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

HIGHEST AND BEST USE

A fundamental proposition in land economics and an essential requirement to the value of real property is the assessment of a property's Highest and Best Use. Subject to the constraints imposed by law, prevailing market conditions, as well as the overall character of the property itself, Highest and Best Use may be defined as the optimum or most probable use/development of a property which yields the highest land value or net return to an owner/investor. The Appraisal Institutes terminology handbook states further:

> "That reasonable or probable use that will support the highest present value of the land, as of the effective date of the appraisal; -- that available use and program of future utilization/development which will maximize the potential net return of an investment over a given period of time--."

Important factors of consideration in such an analysis include legal regulations (zoning, deed restrictions, building requirements, etc.), market supply/demand conditions, neighborhood trends, and the locational and physical character of the property itself. The following analysis thus examines the subject property in light of each of these factors in order to determine which of the various alternatives are the most suitable and feasible uses.

The Highest and Best Use of the subject is typically considered from two aspects -- the Highest and Best Use of the land "As-If-Vacant" and available for development and the Highest and Best Use in light of the existing improvements, or "As-Improved".

AS-IF-VACANT:

A careful study of the physical and locational characteristics of the subject property must be analyzed and compared with economic considerations to determine which type of use (or uses) will produce the greatest economic return to the land.

In an effort to accurately estimate the Highest and Best Use of the subject property, the uses must meet four main criteria; the uses must be: (1) legally permissible; (2) physically possible; (3) financially feasible; and, (4) maximally productive.

Legally Permissible: Typically, in the absence of private restrictions, uses permissible under the applicable zoning ordinances are considered. As mentioned in the zoning section of this report, subject property is zoned R15 which allows for the subdivision of land into residential lots of 15,000 square feet or larger. The legally permissible use is a residential use that complies with zoning regulations.

Sanitary sewer traverses the property roughly parallel to Hwy 99. The availability of sewer allows for a greater density than current zoning allows. In order to access the sewer the property would need to be annexed into the city or special permission would have to be obtained to have a county subdivision served by sewer. The property lies outside the Urban Growth Boundary of the City Of Murfreesboro. The Urban Growth Boundary delineates the area outside of which the City of Murfreesboro is not allowed to expand prior to 2025. Talks with the County Planning and water/sewer departments indicate that the city water system is amenable to providing sewer and the County Planning department would support a zoning change that would allow subdivision development with a density consistent with the availability of sewer to the property.

The frontage has been considered for development by several retail developers over the years. With sewer availability, the frontage could certainly be developed commercially.

Physically Possible: Physical constraints relative to location, size, shape, topography and availability of utilities all influence the use to which a property can be developed. As detailed in this report, the subject property has the physical characteristics necessary for residential use with some commercial development along the Hwy 99 frontage

Financially Feasible and Maximally Productive: Uses that are likely to produce adequate income or a return greater than the combined income required to satisfy expenses are considered financially feasible. Among financially feasible uses, the use that provides the maximum potential rate of return, or value (given a constant rate of return), is indicative of a property's Highest and Best Use. The financially feasible and maximally productive use "as if vacant" for the subject site is discussed as follows:

Physical characteristics of the subject site are suitable for any use that can utilize a site with good ingress, egress and shape. The character of the area surrounding the subject is residential in nature. Such uses are permitted given the current zoning of the subject site and the physical features of the site, such as its size and shape permit. There exists historical demand for residential subdivisions in the neighborhood and this type use of the site is representative of the highest and best use of the site as if vacant. Therefore, the highest and best use of the subject property is for residential development consistent with the availability of sanitary sewer and the possibility of commercial development along the Hwy. 99 frontage.

AS IF IMPROVED

The subject property consists of 105.46 acres of vacant land zoned for residential development. The property does not have any improvements Thus, it is concluded that the Highest and Best use of this property is a for development with a combination of residential and commercial uses.

THE APPRAISAL PROCESS

The appraisal process is defined as a systematic analysis of the factors that bear upon the value of real estate. An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value. This process is a valuable aid to the appraiser, and has been applied to estimate the market value of the subject property as follows:

Defining the Problem: The subject property has been physically and legally described; the rights under appraisal specified; the purpose of the appraisal stated; and the value, as defined, is estimated as of a certain date.

Preliminary Survey: The plan for development of the appraisal report, including the data needed, data sources, personnel and time requirements, etc.

Data Collection and Analysis: The collection of general data of a locational and economic nature; the collection of specific data about the subject property and comparative data which would include costs, sales, rentals, and expenses; and the analysis of this data in a logical manner has been made.

Using these steps as a beginning, an application of this data analysis will be made to formulate an estimate of value through different approaches. These different approaches are classically defined as the Cost Approach; the Income Capitalization Approach, and the Direct Sales Comparison Approach. Since all information involved is drawn from the marketplace, these approaches are a part of a larger market approach. When one or more of the approaches to a value estimate is not used in completing the appraisal assignment, it should be explained.

Direct Sales Comparison Approach - is a direct comparison of the property under appraisal with other similar properties, which have sold. The most common units of comparison are price per acre, price per square foot, price per unit, price per room, price per square foot of building area, per bay, per lot, etc., and the Gross Income Multiplier Analysis (the GIM is the sales price divided by the gross income of the property that has sold). The comparable sales are analyzed for cash equivalency, time, and then compared with each other and the subject for unit mix, condition, amenities, and condition or terms of sale, etc. Based on these adjustments, a value indication is arrived at by estimating the indicated price per lot, price per square foot, price per unit, price per room and the appropriate GIM (the GIM is not adjusted). The indications of value are reconciled into an estimate of value by the Direct Sales Comparison Approach. In the case of this property only the direct comparison method of the Direct Sales Comparison Approach is utilized.

Income Capitalization Approach - is a set of procedures in which an appraiser derives a value indication for income-producing property, converting anticipated benefits into property value. This approach is not processed since the subject property as currently improved could only be leased as farm land and is not consistent with the highest and best use analysis of development of a residential subdivision.

Cost Approach - is based upon the estimated reproduction cost of the improvements, less accrued depreciation, plus land value. Depreciation includes estimates of physical deterioration due to wear and tear, functional obsolescence due to defects in design, and economic obsolescence due to changes in the political or economic conditions external to the subject. The subject does not currently have any improvements this approach is not processed.

The next step in the appraisal process, under typical circumstances, would be to consider the indicated value resulting from each approach. This would include a consideration of the relative applicability of each of the approaches, and the strengths and weaknesses of each approach would be identified and discussed. Emphasis for the final value estimate would then be placed on the most reliable and applicable solution to the specific appraisal problem at hand. This analysis of the approaches to value estimation is called reconciliation. The result is to end in a final estimate of defined value. It should be clearly understood that a value estimate is an appraiser's opinion based on his analytical ability, and is only an estimate. A determination of value is made only through the courts or other legally constituted authorities.

DIRECT SALES COMPARISON APPROACH

The Sales Comparison Approach is an "approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables" (page 265 of **The Dictionary of Real Estate Appraisal, Second Edition**).The Sales Comparison Approach relies on the principle of substitution which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property. Five sales were located in the Murfreesboro area and are believed adequate for comparison to the subject property. The data was generated from the local MLS and Rutherford County tax records and has been relied on herein. The details of each of these sales are listed below.

SALE 1

Location:	3637 Manson Pike Murfreesboro, TN
Grantor:	R. W. Smotherman
Grantee:	Puckett Station Partnership
Date of Sale:	9/05/06
Sale Price:	$2,500,000
Size:	81.5 Acres
Sale Price/Acre:	$30,675

Comments: Smaller tract located on the rapidly developing west side of Murfreesboro in an area considered somewhat superior to the subject. The site is currently being developed with Puckett Station, a residential subdivision. All utilities were available to the site at time of sale.

SALE 2

Location:	Veterans Parkway and Kimbro Road Murfreesboro, TN
Grantor:	Charles R. Holder
Grantee:	Kimbro Development Group Llc

Date of Sale:	2/03/06
Sale Price:	$2,308,725
Size:	98 Acres
Sale Price/Acre:	$23,558

Comments: Smaller tract located on the west side of Murfreesboro along the proposed Veterans Parkway. The site is approximately two miles south and east of the subject property in an area considered somewhat inferior to the subject neighborhood. The site was slated for development with Indigo subdivision, a very dense residential, development that has been delayed due to the recession. All utilities were available to the site at the time of sale.

SALE 3

Location:	1203 Kingwood Lane Murfreesboro, TN
Grantor:	Mary White Bruce
Grantee:	Trophy Development Llc
Date of Sale:	6/2/08
Sale Price:	$3,750,000
Size:	114 Acres
Sale Price/Acre:	$32,895

Comments: Similar size tract located on the west side of Murfreesboro in an area considered similar to the subject. The site is approximately four miles north and east of the subject property. All utilities were available to the site at time of sale.

SALE 4

Location:	Sulphur Springs Road Murfreesboro, TN
Grantor:	J. I. Bowers et al
Grantee:	Laurelwood Development
Date of Sale:	2/01 07
Sale Price:	$1,260,900
Size:	42.03 Acres
Sale Price/Acre:	$30,000

Comments: Smaller size tract located on the North side of Murfreesboro developed with Laurelwood a subdivision with houses in the $400,000 range. All utilities were available to the site at the time of sale.

SALE 5

Location:	Cherry Lane Drive Murfreesboro, TN
Grantor:	Liberty Heights LP
Grantee:	Creative Homes Llc
Date of Sale:	4/7/06
Sale Price:	$1,400,000

Size: 46.84 Acres

Sale Price/Acre: $28,889

Comments: Smaller size tract located on the north side of Murfreesboro that is currently being developed with townhomes. All utilities were available to the site at time of sale.

The above tract sales data range from a low of $23,558/Acre to a high of $32,896/acre. Sales 1, 2, and 3 range in size from 81.5 acres to 114 acres while sales 4, and 5 are smaller at 42.03 and 46.84 acres respectively. The sales are very consistent in sale price with the exception of sale 2 at $23,558/acre. The remaining 4 sales cluster around the $30,000/acre range.

All of the sales occurred during a time of tremendous growth both in Rutherford County and the nation as a whole. During the last 2 years home construction and development of lots in Rutherford County has dropped dramatically and sales of development land has essentially ceased. Developers have become very cautious in purchasing land for development and financing is very difficult to obtain. These factors indicate a substantial discount from previous year's sales to induce a speculator/developer to purchase raw land to hold for future development.

As previously discussed and as noted on the master plan of the entire Donnell estate a portion of the property fronting on Hwy 99 has the potential for commercial development at some point in the future. Both the size and timing for the commercial development is very difficult to quantify and therefore hard to determine an accurate estimate of value for the part of the site along Hwy 99 that has commercial potential. The fact that a part of the subject property could be developed commercially somewhat offsets the current economic climate and lack of demand for large development tracts. Based on these factors it is the appraiser's estimate the market value of the subject property at $25,000/ acre and the estimated value is calculated as follows:

105.46 Acres X $25,000/Acre =$2,636,500

$2,650,000 (R)

RECONCILIATION AND FINAL VALUE ESTIMATE

The application of the approach processed in this report resulted in the following value indications.

COST APPROACH	**$N/A**
DIRECT SALES COMPARISON APPROACH	**$2,650,000**
INCOME CAPITALIZATION APPROACH	**$N/A**

Each approach to value is a comparative analysis of the data in the market, which is significant and particular to the use of the respective approach. Thus, the accuracy and reliability of each approach depends on the quantity and quality of the market data available to it, and upon its analysis, interpretations and application by the appraiser.

The Direct Sales Comparison Approach reflects the thinking of typical buyers and sellers in the open market and most accurately reflects the concept of market value as defined in this report. Local data well supports the estimate of value derived via The Direct Sales Comparison Approach.

This value approach produces a supportable and justifiable value estimate. After taking into consideration all factors affecting value it is my opinion that the market value of the fee simple interest of subject real estate, as of March 9, 2010, was:

TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

$2,650,000

CERTIFICATION AND FINAL ESTIMATE OF VALUE

1. The statements of fact contained in this report are true and correct. The appraiser has not knowingly withheld any pertinent information.

2. The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions and conclusions.

3. We have no present or perspective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved.

4. Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimates, the attainment of a stipulated result, or the occurrence of a subsequent event.

5. Our analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

6. We have made a personal inspection of the property that is subject of this report. The inspection was made by Gregory O. Peck and Leslie C. White.

7. No one provided significant professional assistance to the persons signing this report that are not mentioned herein.

8. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, creed, color or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised.

9. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report).

10. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report. No change of any item in the appraisal report shall be made by the readers of this report, and the appraiser assumes no responsibility for any such unauthorized change.

11. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

12. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. Leslie C. White and Gregory O. Peck are currently certified under this program through December 31, 2013 and December 31, 2012 respectively.

13. Gregory O. Peck and Leslie C. White are State Certified General Real Estate Appraisers under the laws of the State of Tennessee. This appraisal was made in compliance with the current regulations of the Tennessee Real Estate Appraiser Commission, which allows this report to be regarded as a Certified Appraisal.

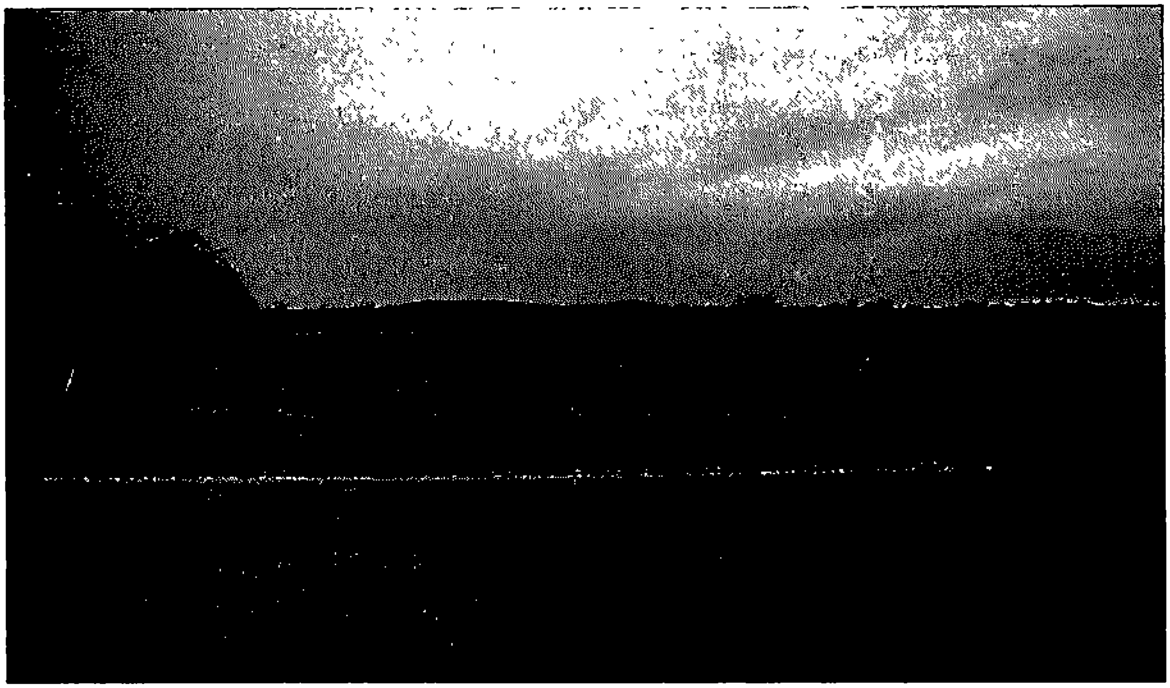
That as a result of the investigation and analysis made in connection with this appraisal report, it is my professional opinion that the market value of the Real Estate, as of March 9, 2010, was:

TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLA

($2,650,000)

Leslie C. White, MAI, CCIM, CG - 1466

Gregory O. Peck, CCIM, SRPA, CG-140



West end of subject looking north

Subject on left and Highway 99 looking east

Middle of subject looking north

East end of subject looking north

LEGAL DESCRIPTION (TRACT 2)

Being a certain tract or parcel of land lying and being in the Twelfth Civil District of Rutherford County, Tennessee located on Tax Map 123 as Parcel 2.00 and is the James R. Donnell Property recorded in DB 308, PG 411 and is more particularly described as follows:

Beginning at a ½" Rebar (N) with Wiser Cap in the west right-of-way of State Route 99, this being the southeast corner of the property described herein and the northeast corner of Henderson (DB 510, PG 252); thence leaving the aforementioned right-of-way and with Henderson and the center of an Old Lane N 82°53'06" W a distance of 1688.58' to a ½" Rebar (N) with Wiser Cap in the center of the aforesaid Old Lane, this being the northwest corner of Henderson; thence leaving Henderson and with Smith (DB 318, PG 330) and a fence the following courses and distances: N 08°29'02" E a distance of 639.38' to a ½" Rebar (N) with Wiser Cap, this being the northeast corner of Smith; N 76°50'32" W a distance of 2110.91' to a ½" Rebar (N) with Wiser Cap at the intersection of two fences, this being the southwest corner of the property described herein; thence leaving Smith and with Williams (DB 172, PG 121) and a fence the following courses and distances: N 13°19'40" E a distance of 95.14' to a 10" Cedar Stump; N 28°54'01" E a distance of 340.99' to a 18" Cedar Snag; N 00°07'33" E a distance of 261 78' to a 8" Cedar; N 30°29'41" E a distance of 271.20' to a 1" Iron Pipe (O), this being the northeast corner of Williams, thence leaving Williams and with Allred (DB 259, PG 016) and a fence the following courses and distances: N 32°19'01" E a distance of 32.74' to 1" Iron Pipe (O); S 52°57'15" E a distance of 37.70' to a Wooden Fence Post; S 76°31'39" E a distance of 547.71' to a 1" Iron Pipe (O), this being the southeast corner of Allred and the southwest corner of Pearson (DB 259, PG 016); thence leaving Allred and with Pearson and a fence for two calls: S 76°33'31" E a distance of 947.75' to a ½" Rebar (O), this being the southeast corner of Pearson; N 06°25'00" E a distance of 112.13' to a ½" Rebar (N) with Wiser Cap; thence leaving Pearson and with Weaver (RB 006, Page 2672) and a fence S 77°25'10" E a distance of 1964.73' to a ½" Rebar (O), this being the northeast corner of the property described herein and the northwest corner of Dement (DB 334, PG 218); thence leaving Weaver and with Dement and a fence the following courses and distances: S 35° 57'40" W a distance of 422.00' to a ½" Rebar (O); S 06°38'03" W a distance of 334.33' to a ½" Rebar (O); S 82°37'48" E a distance of 474.45' to a Concrete Monument (O) in the west right-of-way of State Route 99; thence leaving Dement and with the aforementioned right-of-way S 22°02'03" W a distance of 241.87' to a Concrete Monument (O); S 19°53'40" W a distance of 627.95' to the point of beginning containing 105.46 acres, more or less, according to a survey performed by Wiser Company on December 13, 2004.

QUALIFICATIONS

OF
GREGORY O. PECK, CCIM, SRPA, CG-140

SCOPE OF BUSINESS AND PROFESSIONAL ACTIVITY

General practice with the majority of appraisal assignments relating to market value of all types of commercial, industrial, investment, and residential properties in the Middle Tennessee area. Appraisal assignments are categorized under three headings: specific value answer and/or recommendation; probable value range based on limiting conditions and assumptions, and the appraisal of easements and partial acquisitions. Eminent Domain: special experience in condemnation valuation from the following road widening and new road projects, Old Hickory Blvd., and Dickerson Pike, Nashville, TN., Great Neck Road, Virginia Beach, VA., Memorial Blvd., Highway 96, Highway 231 South, Mercury Blvd., John Bragg Highway, Thompson Lane, and Interstate 840 in Rutherford County, TN. General Contractor: purchased, redeveloped and sold Section III of Timberlake S/D; developed and sold vacant land at Old Nashville Highway and Florence Road; built 65 +/- single family homes, and successfully developed, built and sold Park Place Condominiums. Division of Property Assessment – Registered Agent – have advised and represented property owners on Ad Valorem property tax matters since 1974. Valuation consultant to Rutherford County, TN. Tax Assessor's Office.

PROFESSIONAL EXPERIENCE

Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants (1978 to present)
Chief Appraiser of a Federal Savings & Loan Association (1977 to 1978)
Staff Appraiser with Lewis Garber & Associates, Independent Real Estate Appraisers and Consultants (1974 to 1976)
Staff Appraiser with H. L. Yoh Company, mass appraisal specialists of cities, counties, and municipalities (1972 to 1974)

EDUCATION

Bachelor of Science Degree, 1969: Middle Tennessee State University, Murfreesboro, Tennessee
Post Graduate Studies: University of Tennessee, Nashville, Tennessee: Middle Tennessee State University, Murfreesboro, Tennessee
Continuing Education Programs: Appraisal Institute, Commercial Investment Real Estate Institute, Appraisal Section, National Association of Realtors, International Right-of-Way Association, National Association of Realtors, and the Tennessee Real Estate Appraiser Commission

Past Member – National Faculty of the Appraisal Institute for Course 110, Appraisal Principles; Course 120, Appraisal Procedures, and Course 210, Residential Case Studies.

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. I am currently certified under this program through December 31, 2007.

PROFESSIONAL AFFILIATIONS

CCIM	Member of Commercial Investment Real Estate Institute Past President - Middle Tennessee Chapter
SRPA	Member of the Appraisal Institute
SRA	Member of the Appraisal Institute – Past President, Nashville Chapter 78
SRWA	Senior Member, International Right-of-Way Association National Professional of the Year Finalist – 1986

Tennessee Affiliate Brokers License Number 240946
Tennessee State Certified General Real Estate Appraiser Number CG-140
Tennessee Division of Property Assessment-Registered Agent Number 0092

PARTIAL LIST OF CLIENTS

Corporations and Companies

MacMillan-Bloedel, LTD, Canada, ARA Services, Chalk Line, Inc., Homequity, Executrans, Executive Relocation, Merrill Lynch Relocation Management, Equitable, General Electric, Kroger Company, Eaton Corporation, E. I. DuPont de Nemours & Company, Firestone Tire and Rubber Company, General Motors, Trans-America Relocation, Brunswick Corporation, Phillips Petroleum Company, American Steel Foundries, Dairymen, Inc., Maremont Corporation, Kraftco Corporation, Exxon Corporation, Americorp Relocation Management, John Deere Company, Masonite Corporation, W. R. Grace and Company, United States Steel Corporation, CSX/Louisville and Nashville Railroad, Southeastern Box Corporation, State Farm Insurance Company, National Residential, Inc., Relocation Realty Service Corporation, Roadway Express, Relocation Resources, Lincoln Service Corporation, Koppers Company, Reichold Chemical, Gen-Rel Relocation, Coldwell Banker, Chem-Exec, Empire Relocation, Travelers, Baptist Hospital, and others

Financial Institutions

First Tennessee Bank National Association, Chiao Tung Bank of Silicon Valley, Bank of America, First American National Bank, AMRESCO/Institutional, SunTrust Bank, California Federal Savings & Loan, Republic National Bank of Dallas, Bank of America, BankOne-Dallas, Miami National Bank, Midsouth Bank, Volunteer State BankFarmersville Bank of Texas, Union Planters National Bank, Pinnacle National Bank, National Bank of Canada, and others

Insurance and Mortgage Companies

Southeastern Mortgage, Rutherford Bank & Trust, CNA/Insurance Company, Regions Mortgage, Inc., Mid-State Financial, Pacific Southwest Bank, First Investment Company, Franklin American Mortgage, Right Mortgage Company, Churchill Mortgage Company, Harbourton Mortgage Company, First Bank and Trust, NationsBank Mortgage Corporation, and others

Governmental Agencies

National Park Service, Veterans Administration, Loan Guaranty Division, Federal National Mortgage Corporation, Federal Deposit Insurance Corporation, Tennessee Valley Authority, Tennessee Attorney Generals Office, United States Postal Service, U. S. Department of Housing and Urban Development, United States Department of the Interior, Tennessee Department of Finance and Administration, Middle Tennessee State University, Tennessee Department of Transportation, United States General Services Administration, Resolution Trust Corporation, Rutherford County, TN., City of Tullahoma, City of Murfreesboro, Tax Assessor's Office for Rutherford County, Tennessee, and others

Have done work for various individuals, attorneys, accountants, and have given expert testimony before various commissions, Circuit, Chancery and United States Federal Courts

Leslie C. White, MAI, CCIM, SRA
lwhite@ccim.net

PROFESSIONAL DESIGNATION:

MAI (Member, The Appraisal Institute)
SRA (Residential Member - The Appraisal Institute)
CCIM (Certified Commercial Investment Member)

STATE CERTIFICATIONS/LICENSES:

Tennessee Certified General Appraiser – CG 1466
Georgia General Appraiser – CG 278
TN Licensed Real Estate Broker - #254870

EMPLOYMENT:

October 1995 – Present:	The Parks Group Commercial Real Estate
August 1994 – September1995:	Prudential Roland & Wilson Real Estate
March 1992 – July 1994:	Southeastern Consulting Group
October 1990 – March 1992	Wilson K. Mason Company
August 1998 – September 1990	Charter Consulting Group
April 1987 – July 1998	Jim Harper and Associates
June, 1983 -- March 1987	John McCracken & Associates, Inc.

EDUCATION:

Middle Tennessee State University - MA in Finance (August 1980).
Middle Tennessee State University – MA in Psychology (August 1975)
Middle Tennessee State University – BS in Psychology (May 1972)

GENERAL APPRAISAL EXPERIENCE:

Appraisal experience has been varied, ranging from single family residences to major investment grade real estate such as multi-tenant office buildings, shopping centers, malls, industrial properties, apartments, etc. throughout the Eastern US.

CLIENTS SERVED:

Barclays American Mortgage Corporation
Banc One
Bank of Baltimore
Barclays American Financial Corporation
Bonnet Resources Corp.
CitiCorp Real Estate
Comerica Bank
Continental Wingate Assoc.
CrestStar Bank
Dobson and Johnson Inc.
Dominion Bank
Edens and Avant, Inc.
Federal Deposit Insurance Corporation
First City Bank
First Gibraltar FSB
First Tennessee Bank
First Union National Bank
Fleet Real Estate Funding Corporation
Hibernia National Bank
Jefferson-Pilot Life Insurance Company
Krupp Mortgage Company
Mid-South Bank & Trust Company – Third National Bank
NationsBank Corporation
Nationwide Capital/HomeFed Bank
NCNB Texas National Bank
Phoenix Mutual Life Insurance
Protective Life Insurance Company
Richardson Corporation
SouthTrust Bank of Middle Tennessee
Sovran Bank/Central South
Starmount Company
State Street Partners
Sunbelt Savings FSB
Ted Welch Investments
Third National Bank
United Companies Financial Corporation
University of Tennessee

SUMMARY APPRAISAL REPORT

of:
1410 Armstrong Valley Road (Lot 4B)
Murfreesboro, TN 37128

for:
Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

Appraised by:

GREGORY PECK & ASSOCIATES
1535 W. Northfield Boulevard, Suite 15
Murfreesboro, Tennessee 37129

Date of appraisal:
April 19, 2013

GREGORY PECK AND ASSOCIATES

Commercial Investment Real Estate

Representation - Valuation - Investment Analysis - Feasibility

E-mail: gopeck@ccim.net

Thomas N. Graves, SRA, CR-301
Roger A. Stacey, MA, Broker, TR#4543
Frances Carroll, Broker
Gregory O. Peck, CCIM, SRPA, CG-140

June 17, 2013

Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

RE **1410 Armstrong Valley Road (Lot 4B)**
Murfreesboro, TN 37128
Summary Appraisal Report

Client :	**Zachary Fuller**
Intended Use:	**Internal decision making by client**
Intended User:	**American City Bank**

Mr Fuller

At your request, we hereby certify that we have made a personal interior and exterior inspection of the above referenced real estate which is legally described within this report

On the basis of this study and analysis of relevant market data contained within this report and office file, and subject to the Assumptions and Limiting Conditions contained herein, we have estimated the market value of the as-is, fee-simple interest of the property to be as follows

market value, fee-simple, as-is:	**$655,000**
as of :	**April 19, 2013**

The following narrative appraisal report contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached **The subject property is located on FEMA map 470165, panel 0265H, dated 01/05/2007. The map appears to indicate that a portion of the site is located in established flood zone AE. However, the appraisers are not qualified to determine whether the subject actually is or is not within a federally designated flood zone and do not assume any liability for the accuracy of this statement.**

The subject property consists of 25 2 acres and is located just outside and west of the city limits of Murfreesboro, TN Based on reviewed sale data from www loopnet com, the exposure time and marketing time for the property would probably exceed twelve months The following narrative appraisal report is a complete appraisal report written in a summary format and contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached, the appraisers are competent to complete this assignment according to USPAP It should be made clear to the client, reader, and any third party, that every effort has been made to prepare this appraisal, and the appraisers signing this report believe that this report is, in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, Title XI of FIRREA, Regulation 12-CFR of the FHLBB, and, the Appraisal Institute It should further be understood that this appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan No loan amount was discussed with the borrower/owner, buyer, seller, or any employee of Client or intended user

It is extremely important that the reader of any appraisal report understand that an appraisal is only able to provide a snapshot view in time of an opinion of value of a property that would result in the sale and transfer of the property that is the subject of the report, only on the precise effective date of the report and exactly as it exists on that one precise day in time Generally, it attempts to answer the question, "what would be required by the typical market participant shopping for such a property in order to consummate a successful sale and transfer of the subject property on the effective date of the report?"

No personal property has been considered in the value reported, and the cost and income approaches to value are not processed and are not necessary to produce a credible value estimate

The appraisers have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the last three year period immediately preceding the acceptance of this assignment Gregory Peck did appraise this property in March of 2010

It has been our pleasure to serve you and if you need any additional information, you are assured of my cooperation

Respectfully submitted,

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

TABLE OF CONTENTS

Page

I. INTRODUCTION

SUMMARY of IMPORTANT FACTS and CONCLUSIONS

LOCATION	1410 Armstrong Valley Road Murfreesboro, TN 37128
OWNER OF RECORD	Rucker-Donnell Foundation
LAND AREA	25 2+/- acres, lying at the SWQ of Veterans Parkway and S R 99 (New Salem Highway)
IMPROVEMENTS	Subject is currently unimproved
ZONING	RM - medium-density residential
HIGHEST AND BEST USE	Holding for development
VALUATION	Cost N A Market $655,000 Income N A
RECONCILED VALUE	$655,000
EFFECTIVE DATE OF APPRAISAL	April 19, 2013

ASSUMPTIONS AND LIMITING CONDITIONS

Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice requires the appraiser to clearly and accurately set forth all facts, assumptions and conditions that affect the analysis, opinion and conclusions upon which the appraisal is based In compliance therewith, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows

1 Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use Any legal description included in the report was taken from the referenced source and is assumed to be correct

2 No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report

3 The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal The appraiser(s) assume(s) no responsibility for economic or physical factors occurring or being discovered at some later date which may affect the opinion herein stated

4 The valuation is reported in dollars of currency prevailing on the date of appraisal

5 Maps, plats, and exhibits included herein 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

6 All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties While it is believed the information, estimates and analyses are correct, the appraiser(s) does (do) not guarantee them and assume(s) no liability for errors in fact, analysis or judgment

7 Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which they are connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public

relations media, news media, sales media or any other public means of communication without prior written consent and approval of the undersigned

8 The appraisers are not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made

9 The distribution of the total valuation in this report between land and improvements applies only under the current estimate of highest and best use The separate valuations for land and buildings must not be used in conjunction with any other appraisal or use and are invalid if so used

10 Certain information concerning market and operating data was obtained from others This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct However, such information is not guaranteed

11 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

12 Opinions of value contained herein are estimates There is no guarantee, written or implied, that the subject property will sell for such amounts

13 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable No responsibility is assumed for such conditions or for engineering which may be required to discover such factors

14 Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s) The appraiser(s) have no knowledge of the existence of such materials on or in the property The appraiser(s), however, are not qualified to detect such substances The presence of substances such as urea formaldehyde foam insulation, asbestos, 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 to discover them The client is urged to retain an expert in this field, if desired

15 No attempt has been made to fully investigate the property's compliance with all governmental regulations Except as otherwise noted, it is assumed that the property is in compliance with existing zoning requirements, building codes, and fire codes, and complies with all applicable regulations relating to the Occupational Safety and Health Act (OSHA) and the Environmental Protection Act (EPA)

16 We have carefully reviewed and edited this report In spite of that, it may include typographical errors and/or technical inaccuracies Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected

17 The Americans with Disabilities Act ("ADA") became effective January 26, 1992 We have 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 could reveal that the property is not in compliance with one or more of the requirements of the Act If so, this fact could have a negative effect upon the value of the property Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property

18 Every effort has been made to prepare this appraisal, and the appraisers believe that the report is, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

19 This appraisal report is for the real estate only, not including, furniture, fixtures and equipment

20 The liability of Gregory Peck and Associates, employees and the appraisers named herein is limited to the client only and only up to the amount of the fee actually received for the assignment Further, there is no accountability, obligation or liability to any third party If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property

21 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

22 All economic and political factors affecting the facts in this report are assumed to remain in a posture at least as favorable as-existing on the specified "Effective Date" of the report unless stated otherwise in the body of the report

23 Acceptance of and/or use of this report constitutes the acceptance of the foregoing Standard Limitations and Conditions of this Report

24 This report complies with Standard Rule 2-2(b) (viii) as all analytical and descriptive data contained herein is specific to the appraisal and final value estimate of the subject property

DEFINITION OF MARKET VALUE

Market Value, as defined in The Appraisal of Real Estate, may be stated as "the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property should sell in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress"

The fundamental assumptions and conditions presumed in the above definition are

1. The buyer and seller are motivated by self-interest
2. The buyer and seller are well informed and are acting prudently
3. The property is exposed for a reasonable time on the open market
4. Payment is made in cash, its equivalent, or in specified financing terms
5. Specified financing, if any, may be the financing in place or on terms generally available for the property type in its locale on the effective appraisal date
6. The effect, if any, on the amount of market value of atypical financing, services, fees shall be clearly and precisely revealed in the appraisal report

The effective date of Market Value is April 19, 2013

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal is to estimate the as-is market value of the fee simple interest of the subject property, as of the date of inspection A fee simple estate is defined by the Appraisal Institute as "absolute ownership unencumbered by any other interest or estate, subject only to the limitations of eminent domain, escheat, police power, and taxation " Market Value, as defined by the Comptroller of the Currency in Regulation 12 CFR, Part 34, Section 34 42 (f), is The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus Implicit in this definition is the consummation of a sale, as of a specified date and the passing of title from seller to buyer under conditions whereby (1) buyer and seller are typically motivated, (2) both parties are well informed or well advised, and acting in what they consider their own best interests, (3) a reasonable time is allowed for exposure in the open market, (4) payment is made in terms of cash in U S Dollars or in terms of financial arrangements comparable thereto, and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

The function of the report is to establish an as-is, fee-simple, market value estimate to aid the client in decision making (intended use)

SCOPE OF THE INVESTIGATION

As part of this appraisal, the appraisers have made several independent investigations and analyses We have relied on data that is retained in our office files, which are updated on a regular basis, and other supporting data as needed The property is unimproved and is located at

1410 Armstrong Valley Road (Lot 4B) , Murfreesboro, TN 37128

We have studied demographic, economic and income data provided by the Rutherford County Property Assessor's Office, State of Tennessee Comptroller of the Treasury, Rutherford County Economic Development Board, Tennessee government website tn gov, Rutherford County Chamber of Commerce, and the Site To Do Business, maintained by the Commercial Investment Real Estate Institute, among other data sites

Concerning the subject property, we have reviewed available, applicable tax maps and deeds, and physically inspected the property, and taken photographs We researched and investigated vacant land sales that would be applicable in establishing a land value for the subject Numerous transfers were studied, and we relied on the sales that best represent the highest and best use estimate of the subject property Details of the sales used are contained in the following report

II. Factual Descriptions

SUBJECT DISTRICT AERIAL MAP

PROPERTY IDENTIFICATION

The subject property consists of 25 2+/- acres located on the southern R O W of Veterans Parkway at its intersection with New Salem Highway, State Route 99, in southwestern Rutherford County, Tennessee The tract is further identified as Tax Map

115 part of Parcel 028 05 of the Rutherford County Property Assessor's tax mapping system The property is further identified in Will Book 37 Page 718, RORC, TN (see copy of legal description in the Addendum for further identification)

HISTORY AND OWNERSHIP OF THE SUBJECT PROPERTY

The subject property is currently owned by the Rucker Donnell Foundation (according to Will Book 37 Page 718) No moratoriums are known to exist that would have an adverse impact on the use or marketability of the property No option, listing or sale contract is known to exist

TAX ANALYSIS

The Subject is located on Tax Map 115, and is part of parcel 028 05 The 2013 tax rate for Rutherford County is $2 4652 per $100 of assessed value Tennessee law requires that residential property be taxed at a rate of 25% of its local tax assessor's appraised value for real property According to the property record data on Rutherford County's website and Courthouse Retrieval System, the property, as residential, is appraised at $713,400, therefore, the total 2013 tax liability, as residential, for the entire site is ($713,400 x 25% – 100 x 2 4652) $4,396 68 It is important to recognize that this amount is applicable to three physically separate tracts of land which are identified by the same tax parcel ID number (Veterans Parkway bisected the original tract) lots 4A, 4B and 4C

The Subject property is currently benefitting from "Greenbelt Regulations" (record book 289 page 1161) which allows for a significant reduction in taxes if the property is at least 15 acres in size and currently being cultivated for agriculture production, and generating an average of $1,500/year in income from agricultural activity Under "greenbelt" classification, the subject property is assessed at $136,600, therefore, the total 2013 tax liability, as residential, for the entire site is ($136,600 x 25% − 100 x 2 4652) $841 87

AREA ANALYSIS

The locale of the property under study is Rutherford County and the community of Rockvale The major cities in the county are Lavergne, Smyrna and Murfreesboro, the County Seat

It should be noted that these three cities are located within a seven-mile northwest/southeast corridor of one another, and have somewhat of a shared economic base for business and industry Two major transportation routes connect the three via Federal Highway 41/70S and Interstate 24

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The community of Rockvale is traditionally a farming community It is characterized by large acreage agricultural tracts and single-family residential dwellings Here and there, you will find a commercial property operating but they are not numerous The community of Rockvale is located to the southwest of Murfreesboro As Murfreesboro continues on its path of development and growth, its impact on Rockvale is that of families moving to Rockvale to distance themselves from the progressive urbanization of the city of Murfreesboro In time, Rockvale is projected to become more like a suburb of Murfreesboro rather than the rural farming community that it has traditionally been

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The City of Murfreesboro is located southeast of Nashville, approximately 30 miles, and is the county seat of Rutherford County It is the site of Middle Tennessee State University, and the campus is located on the easterly side of the city Rutherford County is one of the seven counties that, along with Davidson County, form the Nashville MSA (Metropolitan Statistical Area)

The city is served by several highways, the principal one of which is Interstate 24, passing to the south of the city It is also served by U S Highways 41, 231, and 70 Interstate 840, running east/west through Rutherford County, between Murfreesboro and Smyrna, links I-40 East, I-24, I-65 South, and I-40 West

The economy of Murfreesboro is extremely well diversified The city has to date been very successful in attracting new industry Manufacturing is a major component of the economy A recent breakdown of employment for Murfreesboro and Rutherford County residents, published by the Rutherford County Chamber of Commerce, is manufacturing-38%, service industries-19%, wholesale and retail trade- 17%, government-15%, and other- 11%

A relatively new industrial park is located adjacent to Interstate 24 and within the city limits of Murfreesboro, on Joe B Jackson Parkway Several warehouse buildings have recently been completed and occupied, including the Amazon com distribution facility Interstate Warehousing will expand its current facility here by 130,000 SF while adding 31 new jobs to its current workforce NHK Seating has built a $54,000,000 manufacturing facility on Joe B Jackson Parkway Construction finalized in October 2011 and plans were to employ up to 224 workers In other industrial areas of Murfreesboro, General Mills has been in the process of a $132,000,000 expansion of its plant on Butler Drive to increase production for its Yoplait product lines Nissan North America is in the process of constructing a $1 4 Billion lithium-ion battery plant in Smyrna, which will supply batteries for the LEAF vehicle, additionally, they began production of the LEAF vehicle at the plant in 2012 and the ROGUE will begin to be produced at the Smyrna plant in 2013 Another major employer in the city of Murfreesboro is the Veterans Administration Hospital located on the north side of town As mentioned previously, Middle Tennessee State University is located on the easterly boundary of the city

No discussion of the area would be complete without mention of Middle Tennessee State University, which is located to the east of the subject property Middle Tennessee State University is a four-year public university with a current enrollment of more than 25,000 students for fall of 2012 MTSU is the fastest growing university in the state system and currently the largest undergraduate university (based on student enrollment) in Tennessee Numerous buildings have either recently been constructed or are slated for development in the near future These include an addition to the recreation facility, nursing building and mass communications building, library and the new business/aerospace building, the university is enjoying a relatively significant ongoing construction process Other Murfreesboro-area higher education facilities include Tennessee Technology Center Murfreesboro and Daymar Institute, a privately held Junior college

The sharp rise in retail development by the national chains in the area is indicative of Rutherford County's economic strength and viability in the marketplace Murfreesboro Town Centre is another retail center that is anchored by a 121,705 SF Target Store and the entire development will has 407,000 SF of retail space The development cost around $30,000,000 The development opened in July of 1998 Not far away, a new 70-acre, 600,000+/- SF hospital facility (Middle Tennessee Medical Center) has opened on Medical

Center Parkway, which spurred a surge of retail and office growth in this area dubbed the "Gateway", the Gateway is also home to the Avenue and many other retail and office properties Total 2009 retail sales for Rutherford County were $4,487,286,711

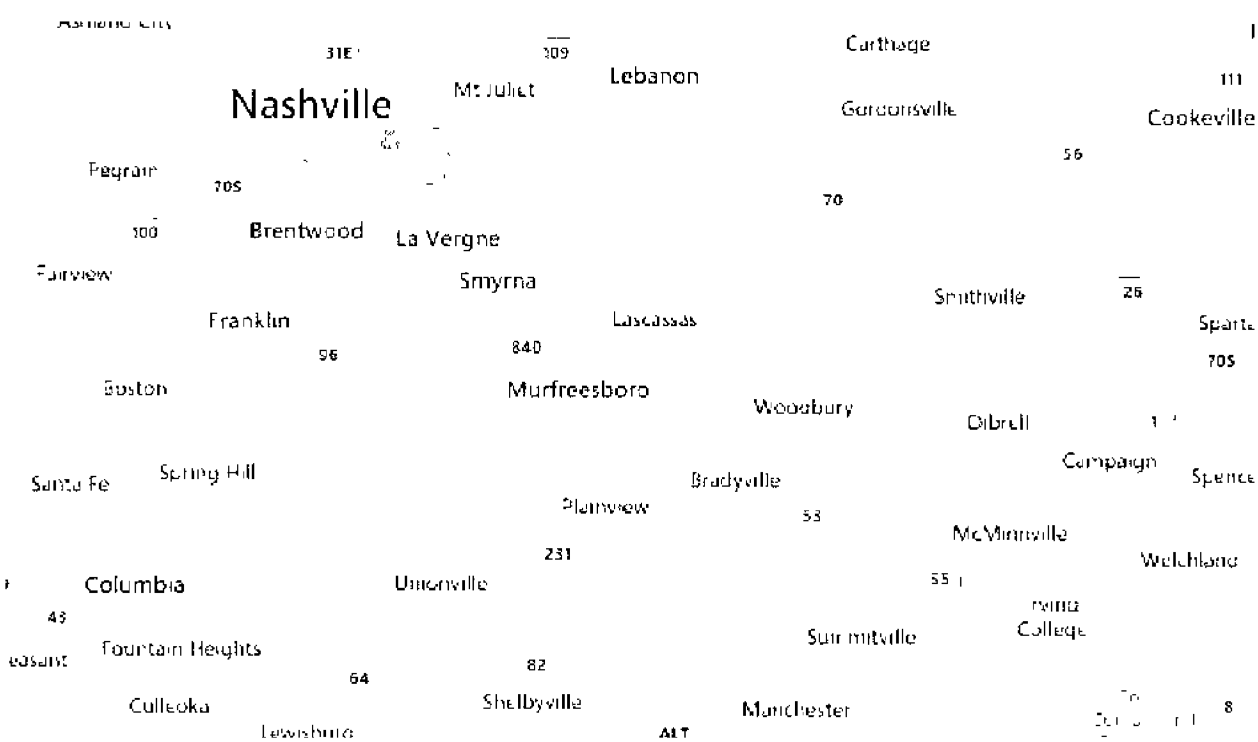
The Avenues is a relatively new outdoor shopping mall recently opened and includes about 900,000 SF of retail space with major national anchor tenants including Best Buy, Old Navy, World Market, Joseph A Bank, and a list of many, many more retail businesses In addition, the Stones River Mall, in 2008, underwent a $53,000,000 expansion Coupled with this building activity, the property valuations from the Rutherford County Tax Assessor's Office indicate value increases every year since 1974 In addition, state and local sales tax revenues have increased every year since 1981

<u>Rutherford County - Summary</u>

In summary, the Murfreesboro and Rutherford County market is considered to represent a stable, average to middle class economy, generally growing at a stable rate in terms of populations and income The economy is relatively stable and diverse, especially with the interjection of the Nissan Plant, which is a strong positive factor Middle Tennessee State University (along with several other employers) is expanding, further enhancing the growth potential An additional point to consider is that the substantial growth in income levels also has important implications for the whole spectrum of real estate values within the community The increasing affluence of the local population eventually filters back to the purchase of additional goods and services to the enhancement of general property values and retail sales

The area is well located between Nashville and Chattanooga, with growth projected to increase into the future, including expansion of both the industrial and population basis The area is well served by interstate transportation, which provides an excellent central location for continued industrial and employment expansion The area has taken a progressive attitude in regard to growth and accommodations to large potential employers, indicating that the area is fertile for industrial development and expansion Transportation arteries have been improved and the future for Murfreesboro appears positive These factors, all acting in concert, provide growth impetus to the urban area, along with the major development incentives The combination of these factors support the premise that Murfreesboro and Rutherford County is a reasonable area for real estate investment due to stability and continued growth over the long term

AREA LOCATION MAP



AREA DEMOGRAPHICS

Executive Summary with Charts

Prepared by Gregory Peck

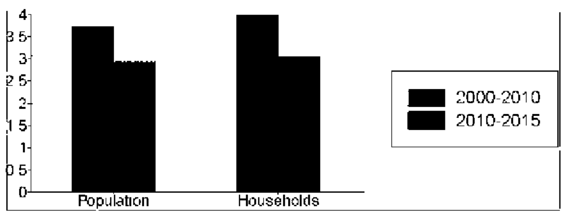
Rutherford County
Executive Summary Report

Population and Households

The size of the market area, measured by population and households, has changed from 2000 through the forecast year as follows

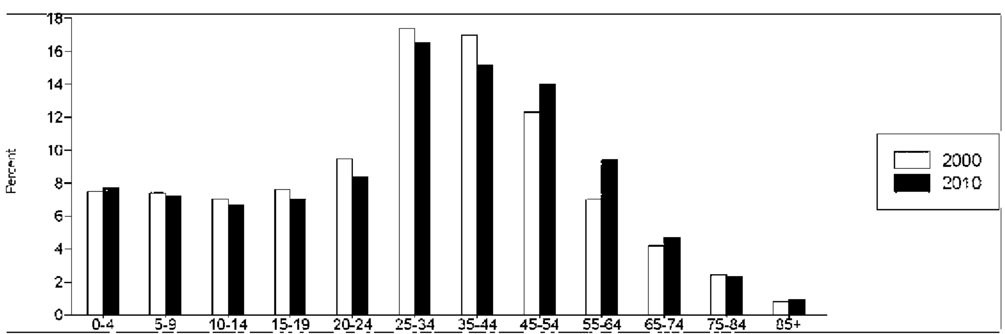
Year	Population	Households
2000	206,309	77,078
2010	299,983	114,980
2015	346,604	133,604

The difference between change in population and change in households is a result of two factors-the presence of group quarters (non-household) population in the market area and the average number of persons per household The group quarters population in the market area was 5,831 in 2000, or 2 8 percent of the total population Average household size is 2 56 in 2010, compared to 2 60 in the year 2000



Population by Age

The median age for the United States was 35 3 in 2000 and 36 7 in the current year In the market area the median age of the population was 31 2, compared to 32 9 years currently By age group, the changes in the percent distribution of the market area population show the following



Population by Education

In 2010 the educational attainment of the population aged 25 years or older in the market area can be summarized

Source U S Bureau of the Census, 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

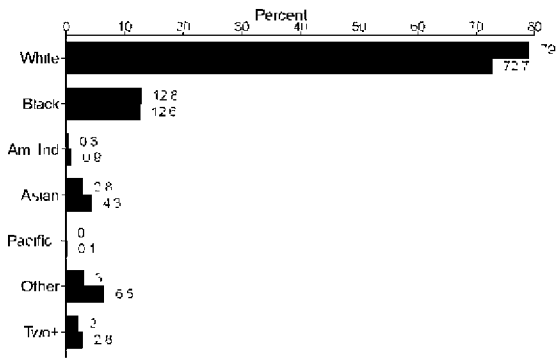
Executive Summary with Charts

Prepared by Gregory Peck

Rutherford County
Executive Summary Report

Population by Race/Ethnicity

Currently the racial composition of the population in the market area breaks down as follows

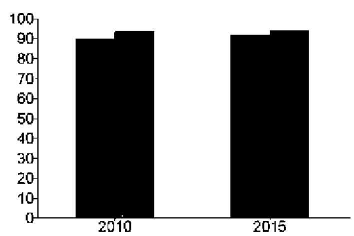


Persons of Hispanic origin represent 6 5 percent of the population in the identified market area compared to 15 0 percent of the U S population Persons of Hispanic Origin may be of any race In sum, the Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, was 43 8 in the identified market area, compared to 59 3 in the U S population

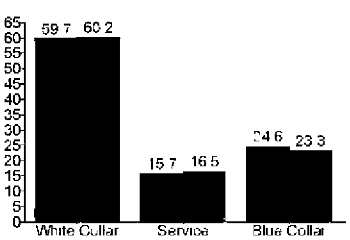
Population by Employment

In 2000, 73 4 percent of the population aged 16 years or older in the market area participated in the labor force, 0 2 percent were in the Armed Forces Tracking the change in the labor force by unemployment status

Year	%Employed	%Unemployed
2010	89 5	10 5
2015	91 8	8 2



And by occupational status



In 2000, 83 4 percent of the market area population drove alone to work, and 2 4 percent worked at home The average travel time to work in 2000 was 26 8 minutes in the market area, compared to the U S average of 25 5 minutes

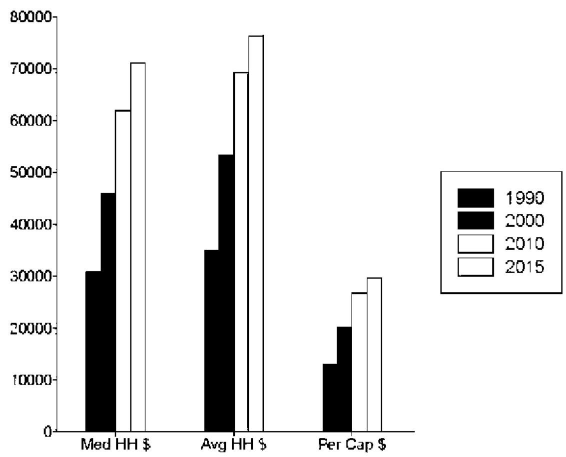
Source U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Executive Summary with Charts

Prepared by Gregory Peck

Income

The change in three summary measures of income-median and average household income and per capita income-are shown below from 1990 through 2015



Housing

Currently, 62 2 percent of the 124,339 housing units in the market area are owner occupied, 30 3 percent, renter occupied, and 7 5 percent are vacant In 2000, there were 82,140 housing units- 63 0 percent owner occupied, 30 8 percent renter occupied and 6 2 percent vacant The annual rate of change in housing units since 2000 is 4 13 percent Median home value in the market area is $168,424, compared to a median home value of $157,913 for the U S In five years, median home value is projected to change by 4 15 percent annually to $206 374 From 2000 to the current year, median home value changed by 4 11 percent annually

Source. U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

NEIGHBORHOOD DATA AND ANALYSIS

The locale of the property under study is in the community of Rockvale

For the purposes of this report, the term "neighborhood" is defined as follows

> "A portion of a larger community, or an entire community in which there is homogeneous grouping of inhabitants, buildings, or business enterprises Inhabitants of a neighborhood usually have a more than casual community interest and a similarity of economic level or cultural background Neighborhood boundaries may consist of well-defined natural and man-made barriers, or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants "

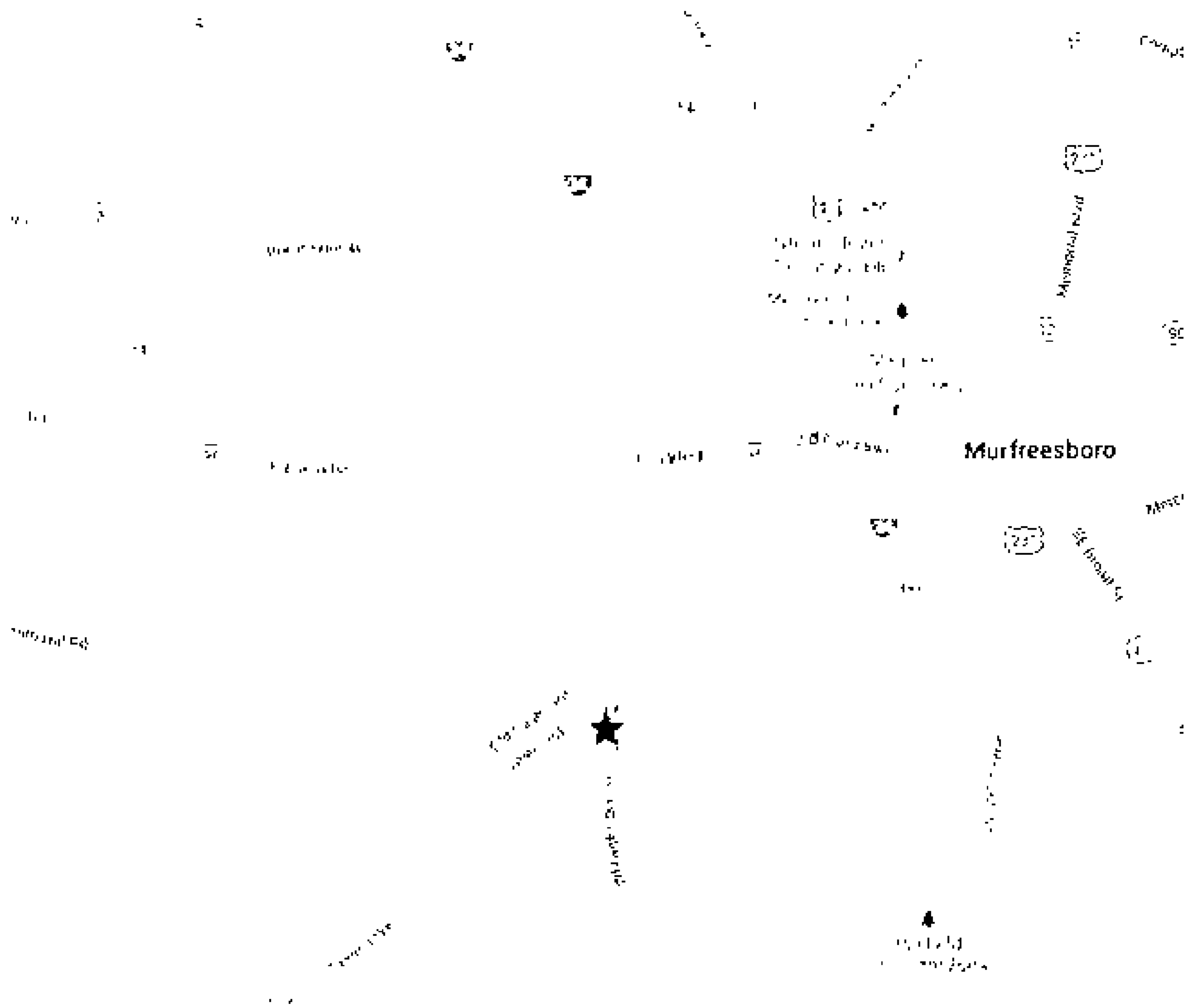
Although the above definition is a comprehensive one, a more current definition of "neighborhood" is provided by the American Institute of Real Estate Appraisers in the recently published Dictionary of Real Estate Appraisal and is simply defined as "a group of complementary land uses"

The subject property is located in the southwestern portion of Rutherford County, on S R 99 at its intersection with the relatively new Veterans Parkway S R 99 (New Salem Highway) is a state highway Veterans Parkway, on the other hand, is intended to serve, in the future, as a major traffic artery serving the southwestern portion of Rutherford County and the communities of Murfreesboro, Rockvale and Eagleville This road was recently constructed and much of the land fronting it is still agricultural in nature, which attests to the history of the Rockvale community Nevertheless, the areas around Veterans Parkway are transitioning to suburban These areas will be characterized primarily by single-family detached residences on smaller, city, subdivision-style lots The frontier nature of this transition zone where Murfreesboro is extending into what was formerly agricultural Rockvale makes it difficult to establish a concrete neighborhood boundary using similar or dissimilar property types or uses, zoning is also an impractical tool for determining neighborhood boundaries However, roughly, the neighborhood is comprised of the area south of State Route 840, following Veterans Parkway on both sides, extending to Salem Pike (S R 99), then to Barfield Road is the general area currently existing as a transition zone neighborhood It consists of all of properties lying in this relatively irregular area The neighborhood is predominantly in a transitional/growth stage of development

This is primarily an agricultural and rural area characterized by farms and single-family residences Land use in the neighborhood has consisted mainly of agriculture use with a few commercial uses located primarily along major thoroughfares and specifically at crossroads along those thoroughfares Public utilities available are water, electric and telephone, and in some portions which have been annexed by the city, sewer is available

Topography in the immediate vicinity is relatively level with some hills Utilities in the area are sufficient for land to develop A proposed 700 acre park is currently in the planning stages for this area Therefore, the neighborhood, in conclusion, is adequately located for various types of development, and it is transitioning due to many different development projects

Neighborhood Boundary Map



ZONING ANALYSIS

The subject property is zoned RM, medium-density residential district This district is designed to provide suitable areas for medium density residential development where sufficient urban-type services and facilities are provided or where such services can be facilitated prior to development Generally, the residential development will consist of single family detached dwellings and accessory structures This district also includes community facilities, public utilities, and agricultural activities The application of this district is appropriate in the suburban or urban character areas of the adopted comprehensive plan According to current Rutherford County Zoning Ordinance, the only uses permitted by right are single-family detached dwelling, small community assembly and crop and animal raising[1]

Within the district, the minimum lot size for single-family detached dwelling is 15,000 square feet Minimum lot width at the setback line is 75 feet, for residential use (150 feet for other uses), front setback is 40 feet, side setback is 10 feet, rear setback is 20 feet, maximum lot coverage is 25% with a maximum building height of 35 feet It is assumed that the property is in compliance with the current zoning ordinance

1 See http www rutherfordcountytn gov planning documents zoning_adopted_111512 pdf , accessed on 04 22 2013

SITE ANALYSIS

Location — The subject is irregular in shape lying along the southern Right of Way of Veterans Parkway at the SWQ of its intersection with S R 99 Its location is outside the city limits of Murfreesboro

Size — Data provided by the client indicates that the site area is 25 2+/- acres, in the general shape of an irregular polygon The property fronts approximately 1,444+/- feet along the southern R O W of Veterans Parkway and approximately 692+/- feet along the southern R O W of S R 99 (New Salem Highway) No updated survey or plat map was provided that would indicate a more accurate size and shape of the parcel

Improvements — The site is unimproved

Topography — Topography is at or below the grade of Veterans Parkway Drainage appears adequate

Street — Veterans Parkway is a 4-lane asphalt paved county street, drainage is provided by curb and gutter S R 99 is an asphalt-paved, 4-lane state road, drainage is provided by open ditches

Utilities — Water, electric and telephone utilities are available to the subject According to City of Murfreesboro available data, there is a sewer line that ends at the westernmost corner of the site along Veterans Parkway, however, the entire site lies outside the service area of the city and connection to and extension of it will require special permission from the city[1]

Zoning — The subject property is zoned RM, medium-density residential

Flood Zone — Portions of the subject site appear to be within a flood hazard area, zone AE, according to FEMA map 470165, panel 0265H, dated 01/05/2007, however, the appraisers are not qualified to determine whether the subject actually is or is not within a flood hazard area and do not assume any liability for the accuracy of this statement

1 See http mwsdmaps murfreesborotn gov gisapps MWSD index html, accessed on 06 14 2013

Access to the site is by way of a direct access off of Veterans Parkway or S R 99 The site is typical of other properties in the neighborhood, being acreage land used for agriculture purposes It is served by necessary municipal utilities to use the site to its highest and best use No adverse easements or encroachments were noted upon inspection of the property, city of Murfreesboro Water and Sewer data indicates a sewer line existing near the property The sewer line could serve to benefit the site in a proposed future development project

HAZARDOUS MATERIALS

The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraisers inspection The appraisers have no knowledge of the existence of such materials on or in the property The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them

III. Analysis of Data and Opinions of the Appraiser

HIGHEST AND BEST USE

A fundamental proposition in land economics and an essential requirement to the value of real property is the assessment of a property's Highest and Best Use Subject to the constraints imposed by law, prevailing market conditions, as well as the overall character of the property itself, Highest and Best Use may be defined as the optimum or most probable use/development of a property which yields the highest land value or net return to an owner/investor The Appraisal Institutes terminology handbook states further

> "that reasonable or probable use that will support the highest present value of the land, as of the effective date of the appraisal, -- that available use and program of future utilization/development which will maximize the potential net return of an investment over a given period of time-- "

At the outset, it should be pointed out to the reader of this report that highest and best use is (1) a basic premise of value, (2) it is not an absolute fact found in the market, and (3) it reflects the appraiser(s) opinion of the best use of a property based on an analysis of prevailing and available market conditions and data Important factors of consideration in such an analysis include legal regulations (zoning, deed restrictions, building requirements, etc), market supply/demand conditions, neighborhood trends, and the locational and physical character of the property itself The following analysis thus examines the subject property in light of each of these factors in order to determine which of the various alternatives are the most suitable and feasible uses

Since land can be limited by the presence of improvements, highest and best use may be estimated as though the land were vacant and available to be improved to its highest income potential, and it's most profitable use based on the current and existing improvements The first premise, as if the land were vacant, attempts to answer the question of what new improvements should be constructed on the site The second premise refers to the optimal use that could be made of a property, including its existing improvements

In estimating highest and best use, consideration is given to physical features of the site and/or buildings, legal contractual and economic restrictions, and supply and demand

The Highest and Best Use of the subject is typically considered from two aspects -- the Highest and Best Use of the land "As-If-Vacant" and available for development and the Highest and Best Use in light of the existing improvements, or "As-Improved"

AS-IF-VACANT:

A careful study of the physical and locational characteristics of the subject property must be analyzed and compared with economic considerations to determine which type of use (or uses) will produce the greatest economic return to the land An estimate of the market value of the land, as if vacant, was made by comparing it to sales of vacant tracts having similar development potential, due to their similar overall physical and zoning characteristics

In an effort to accurately estimate the Highest and Best Use of the subject property, the uses must meet four main criteria, the uses must be (1) legally permissible, (2) physically possible, (3) financially feasible, and, (4) maximally productive

Legally Permissible Typically, in the absence of private restrictions, uses permissible under the applicable zoning ordinances are considered As mentioned in the zoning section of this report, subject property is zoned medium-density, single-family residential which allows for the division of the land into residential lots of 15,000 SF or larger, with prior county planning approval The only legally permissible uses are residential or agricultural (See Zoning Analysis in this report)

As noted herein, sanitary sewer line does extend near the corner of the along Veteran Parkway The availability of sewer could allow for greater density than current zoning permits, it might also permit a request to rezone the site for commercial use However, to access the sewer, the property would need to be annexed into the city or special permission would have to be obtained to permit a county subdivision served by city sewer The property lies inside the urban growth boundary of the city of Murfreesboro This "boundary" limits the areas that the city is allowed to annex up to year 2025

Physically Possible Physical constraints relative to location, size, shape, topography and availability of utilities all influence the use to which a property can be developed As detailed in this report, the subject property has the physical characteristics necessary for potential residential uses and development according to the current zoning ordinance

Financially Feasible and Maximally Productive Uses that are likely to produce adequate income or a return greater than the combined income required to satisfy expenses are considered financially feasible Among financially feasible uses, the use that provides the maximum potential rate of return, or value (given a constant rate of return) is indicative of a property's Highest and Best Use The financially feasible and maximally productive use "as if vacant" for the subject site is discussed as follows

physical characteristics of the subject site are suitable for any use that can utilize a site with good ingress, egress and shape The character of the area surrounding the subject is residential (with larger acreage tracts being agriculture use in nature) in nature Such uses are permitted given the current zoning of the subject site and the physical features of the site, such as its size and shape permit Prior to the economic downturn that commenced in 2007, there was strong historical demand for residential subdivisions in the immediate vicinity of the subject That demand has since diminished significantly Lending for speculative residential development also has all but disappeared There has been activity by investors to purchase unused acreage of planned residential developments around the Subject, but nearby sales of acreage tracts with no pre-existing planning or development were not found in any data source available Nevertheless, holding for development remains the highest and best use as the site is inside of a developing area with attractive frontage along what will become a major traffic artery – its appeal should be high, current continuing interim use is agricultural

<u>AS IMPROVED:</u>

The site is unimproved except for vegetation and seasonal crop plantings, these contribute no value to the property The Subject is currently zoned for single-family residential development There currently exists is no submitted or approved rezoning request with the county or proposed subdivision plan In the absence of contributing structural improvements and in consideration of the current zoning, legal conformity, surrounding uses and location of the subject property, its most financially feasible and maximally productive use, “as improved”, is considered to be a holding for future development, with a continued interim use of agriculture

THE APPRAISAL PROCESS

The appraisal process is defined as a systematic analysis of the factors that bear upon the value of real estate An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value This process is a valuable aid to the appraiser, and has been applied to estimate the market value of the subject property as follows

Defining the Problem the subject property has been physically and legally described, the rights under appraisal have been specified, the purpose of the appraisal stated, and the value, as defined, is estimated as of a certain date

Preliminary Survey the plan for development of the appraisal report, including the data needed, data sources, personnel and time requirements, etc

Data Collection and Analysis The collection of general data of a locational and economic nature, the collection of specific data about the subject property and comparative data which could include costs, sales, rentals, and expenses, and the analysis of this data in a logical manner has been made

Using these steps as a beginning, an application of this data analysis will be made to formulate an estimate of value through different approaches These different approaches are classically defined as the *Cost Approach*, *Sales Comparison Approach* and *Income Capitalization Approach* Since all information involved is drawn from the marketplace, these approaches are a part of a larger market approach When one or more of the approaches to a final value estimate is not used in completing the appraisal assignment, it should be explained

Sales Comparison Approach - is a direct comparison of the property under appraisal with other similar properties which have sold The most common units of comparison are price per acre, price per square foot, price per unit, price per room, price per square foot of building area, per bay, per lot, etc The comparable sales are analyzed for cash equivalency, time, and then compared with each other and the subject for unit mix, condition, amenities, and condition or terms of sale, etc Based on these adjustments, a value indication is arrived at by estimating the indicated price per square foot or other price per unit The indications of value are reconciled into an estimate of value by the Sale Comparison Approach This approach is processed

Income Capitalization Approach - is a set of procedures in which an appraiser derives a value indication for income-producing property, converting anticipated benefits into property value This conversion is accomplished by estimating the current economic rent that the property being appraised could command This would be arrived at by comparing the rents of competing properties similar to the subject and then estimating what economic rent would be for the subject This monthly or annual rent is then translated into an estimate of the gross income From the gross income is deducted the anticipated vacancy and credit losses that a subject could be expected to incur, in arriving at an effective gross income By reviewing the operating expenses of a subject and comparing those expenses with actual operating expenses of similar properties, a reconstructed operating expense statement is developed The operating expenses are then deducted from the effective gross income to arrive at the estimate of net operating income The net operating income would then be converted into an indication of value through the application of the appropriate capitalization method Included in the processing of a net income into an indication of value, is the abstraction of an appropriate capitalization rate (direct capitalization) from the market where possible and appropriate Because the property is unimproved acreage, this approach is not processed nor is it necessary to provide a credible value estimate The typical market participant, a developer, would not contemplate such a purchase using the income approach applicable to vacant agricultural land

Cost Approach - is based upon the estimated reproduction cost of the improvements, less accrued depreciation, plus land value Depreciation includes estimates of physical deterioration due to wear and tear, functional obsolescence due to defects in design, and economic obsolescence due to changes in the political or economic conditions external to the subject Due to the absence of any improvements, this approach is not processed and not necessary to provide a credible value estimate Moreover, the typical market participant, developers, for this type of property would not rely on the cost approach when contemplating such a purchase

The next step in the appraisal process, under typical circumstances, would be to consider the indicated value resulting from each approach This would include a consideration of the relative applicability of each of the approaches, and the strengths and weaknesses of each approach would be identified and discussed Emphasis for the final value estimate would then be placed on the most reliable and applicable solution to the specific appraisal problem at hand This analysis of the approaches to value estimation is called reconciliation The result is to end in a final estimate of defined value It should be clearly understood that a value estimate is an appraiser's opinion based on his analytical ability, and is only an estimate A determination of value is made only through the courts or other legally constituted authorities

SALES COMPARISON APPROACH

According to the Dictionary of Real Estate Appraisal, Second Edition, this analysis is an "approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying the appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables" The sales comparison approach relies on the theory of substitution which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property

In researching acreage tract transactions, the similarities were restricted to agricultural, farm and residential tracts from 10 to 80 acres, having sold within the 36-month time frame immediately preceding the inspection of the property, this yielded approximately 101 transactions These results were then narrowed by eliminating any obvious non-arm's length transactions, of those, any details in public records that indicated any hint of atypical arm's-length elements were eliminated This list was next narrowed by eliminating all sales that were below $10,000/Acre - the overwhelming majority of these were purchases for use as consumption (single-family residence home site) or for production (farm use) and thus not representative of the typical market participant for the Subject, investment The entire list of remaining 14 researched sales is included below

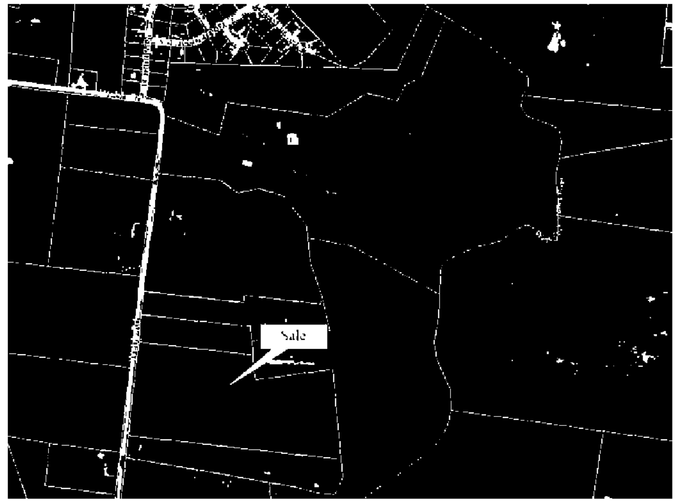
ACREAGE TRACT SALES

	Property Address	Last Sale Price	Last Sale Date	Property Type	Acres	$/Acre
1	Webb Rd Murfreesboro, TN	$245,000	7/11/2012	Residential	18 39	$13,322 46
[redacted]						
10	Central Valley Rd Murfreesboro, TN	$160,000	12/17/2012	Residential	10 98	$14,571 95
11	Barfield Crescent Rd Murfreesboro, TN	$110,000	4/22/2011	Residential	10 02	$10,978 04
12	Almaville Rd Murfreesboro, TN	$500,000	8/30/2011	Agricultural	43 76	$11,425 96
13	7608 Florence Rd Smyrna, TN	$708,500	3/26/2013	Agricultural	62	$11,427 42
14	3275 St Andrews Dr Murfreesboro, TN	$1,169,035	5/4/2010	Agricultural	44 45	$26,300 00

The above list of sales is not presented or arranged in any particular order However, the highlighted sales are properties that were the balance of unused land and/or lots in existing single-family residential developments The above list is believed to be reflective of market price/unit paid for acreage tracts which were purchased for investment The non-highlighted transactions are properties located near developing areas or other residential developments and are considered to be substantially similar to the Subject in that aspect

The investor acreage-sales data ranged from $10,978/acre to $26,300/acre for acreage tracts similarly-zoned to the Subject The above chart indicates the sales from the list that were single-family-residential (except for sale #6 which was zoned commercial), investor-purchased, acreage tracts The sales represent properties most similar to the Subject in the most probable aspects from an investor point of view location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The details of these sales are below

Webb Road
Murfreesboro, Tennessee 37128



Property Type Agricultural

Property Subtype Investment/development

MAP/PARCEL 148 014 07 & 137 040 03

PROPERTY INFORMATION

Site Area (Acres)	18 39	Site Area (SqFt)	801,068 4
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	07/11/2012
Sale Price	$245,000	Sale Price per acre	$13,322 46
Grantor	James L Nobles & Lou Ann Zelenik		
Grantee	Timothy E Potter and Rebecca Potter		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM – medium density residential in Rutherford County Zoning Ordinance Property has approximately 1,000+/- feet of frontage on Webb Road This property is outside the city limits of Murfreesboro No approved or proposed development plan was found for this property

Twelve Corners S/D
Cainsville Pike
Lascassas, Tennessee 37085

Property Type Residential/agricultural

Property Subtype Investment/development

MAP/PARCEL 039-007 02, 039N-A-002 00, 003 00, 005 00, 006 00, 007 00, 008 00, 009 00, 010 00, 011 00, 015 00, 016 00, 017 00, 018 00, 020 00,021 00, 022 00, 023 00, 024 00, 025 00, 027 00,028 00, 035 00, 036 00, 038 00, 039 00, 040 00, 041 00, 042 00, 043 00, 073 00, 0113 00, 0114 00, 0118 00, 044-005 03, 005 04

PROPERTY INFORMATION

Site Area (Acres)	53.6	Site Area (SqFt)	2,334,816
Zoning	RL - residential	Utilities	W/E/T/STEP System

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	01/31/2013
Sale Price	$640,000	Sale Price per acre	$11,940
Grantor	Capitol Bank N A		
Grantee	Spivey & Hollingshead Construction, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RL – low density residential in Rutherford County Zoning Ordinance. Property has minimal frontage on any main traffic artery but each lot has frontage on existing development streets and future road frontage on these streets as they are extended in the future. This property is outside the city limits of Murfreesboro. This is the balance of land for a recorded/approved single-family, detached subdivision development. Many lots were acquired in this transfer as well as the balance of land slated for future development. Step System for the development was already in place as well as roads for the finished portions of the subdivision.

Sunray Drive
Murfreesboro, Tennessee 37127

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 126 050 07, 126K A 024 00, 126K A 001 01, 126K A 021 00, 126K A 020 00, 126K A 019 00, 126K A 018 00, 126K A 017 00, 126K A 016 00, 126K A 015 00, 126K A 014 00, 126K A 013 00, 126K A 012 00, 126K A 011 00, 126K A 010 00, 126K A 009 00, 126K A 008 00, 126K A 007 00, 126K A 006 00, 126K A 005 00, 126K A 004 00

PROPERTY INFORMATION

Site Area (Acres)	28.33	Site Area (SqFt)	1,234,054.8
Zoning	PRD - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	09/13/2012
Sale Price	$420,000	Sale Price per acre	$14,825.27
Grantor	Prince, Diane M., SUC TR, The Gary R Prince Revocable Trust		
Grantee	Floyd and Obrien Loyd Venture		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned PRD (Planned Residential Development) in the City of Murfreesboro Zoning Ordinance. This property is inside the city limits of Murfreesboro with sewer on-site. This is a planned residential development meaning that a formal plan of a single-family, detached, residential development was submitted for and received approval by the City of Murfreesboro. This was the sale of several platted and approved lots and the balance of undeveloped acreage for the development.

Rucker Lane
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 100 010 01

PROPERTY INFORMATION

Site Area (Acres)	28.79	Site Area (SqFt)	1,254,092.4
Zoning	RM - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	01/13/2013
Sale Price	$325,000	Sale Price per acre	$11,288.64
Grantor	Scottish Glen Partnership, LLC		
Grantee	RZM, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM single-family residential in the Rutherford County Zoning Ordinance. This property abuts the city limits and is the balance of undeveloped acreage for the Scottish Glen subdivision. Sewer is on site serving the developed area of Scottish Glen.

1901 Pullman Drive
Smyrna, Tennessee 37167

Property Type Residential

Property Subtype Investment/development

MAP/PARCEL 033 007 05

PROPERTY INFORMATION

Site Area (Acres)	14 58	Site Area (SqFt)	635,104 8
Zoning	R3 - Residential	Utilities	W/E/T/G

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	03/15/2013
Sale Price	$155,000	Sale Price per acre	$10,631
Grantor	Wilson Bank & Trust		
Grantee	Lauderbach, George P II, Etux		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned R3 – medium density residential in the Town of Smyrna Zoning Ordinance This property is inside the city limits of Smyrna No approved development plan was found for this property It represents the remaining unused acreage in the St John's Place subdivision Water and gas lines are to the site

4270 Manchester Pike
Murfreesboro, Tennessee 37127

Property Type Commercial

Property Subtype Investment/development

MAP/PARCEL 126 050 02, 126 050 05

PROPERTY INFORMATION

Site Area (Acres)	28.83	Site Area (SqFt)	1,288,834.8
Zoning	CH – commercial	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	04/13/2012
Sale Price	$600,000	Sale Price per acre	$20,811.65
Grantor	Green Bank		
Grantee	Richland South, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned CH commercial highway in the city of Murfreesboro Zoning Ordinance. Property has approximately 520+/- feet of frontage on Manchester Pike and approximately 730+/- feet of frontage on Joe B. Jackson Parkway. This property is inside the city limits of Murfreesboro.

Florence Road
Smyrna, Tennessee 37167

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 035H A 028 00, 035H A 029 00, 035H A 030 00, p/o 035 083 00, 035H A 032 00, 035H A 033 00, 035H A 034 00, p/o 035 083 00,

PROPERTY INFORMATION

Site Area (Acres)	62.81	Site Area (SqFt)	2,736,003.6
Zoning	R3 - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/14/2011
Sale Price	$1,200,000	Sale Price per acre	$19,106.15
Grantor	J&F Development		
Grantee	Spivey & Hollingshead Construction, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned R3 medium density residential in the city of Smyrna Zoning Ordinance. Property has approximately 1,800+/- feet of frontage on Florence Road and other frontage in the form of lot widths for the established residential lots. This property is inside the city limits of Smyrna. This is a private party transaction for the balance of unused lots and undeveloped acreage for a residential development.

Crescent Ridge Drive
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL p/o 124 059 00

PROPERTY INFORMATION

Site Area (Acres)	48 167	Site Area (SqFt)	2.098.154 52
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	02/10/2011
Sale Price	$600.000	Sale Price per acre	$12.456 66
Grantor	Halloran Ross Investments		
Grantee	New South Developers, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in the Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for the balance of undeveloped acreage for a residential development

Compton Road
Murfreesboro, Tennessee 37130

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 068A D 062 00, 068 001 00

PROPERTY INFORMATION

Site Area (Acres)	43 91	Site Area (SqFt)	1,912,719 6
Zoning	RS 12 - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/1/2012
Sale Price	$756,629 37	Sale Price per acre	$756,629 37
Grantor	Adams & Parks Investments		
Grantee	New South Developers, LLC		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RS 12 medium density residential in the city of Murfreesboro Zoning Ordinance This property is inside the city limits of Murfreesboro This is a private party transaction for the balance of undeveloped acreage for a residential development

Central Valley Road
Murfreesboro, Tennessee 37129

Property Type Residential

Property Subtype Consumption/home site

MAP/PARCEL 025 037 02

PROPERTY INFORMATION

Site Area (Acres)	10 98	Site Area (SqFt)	478,288 8
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	12/17/2012
Sale Price	$160,000	Sale Price per acre	$14,571 95
Grantor	Ralph C Forsythe & Barbara C Forsythe		
Grantee	Tolly J Alsup & Roger D Alsup		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for a single family home site

Barfield Crescent Road
Murfreesboro, Tennessee 37128

Property Type Residential

Property Subtype Consumption/home site

MAP/PARCEL 124 061 03

PROPERTY INFORMATION

Site Area (Acres)	10 02	Site Area (SqFt)	436.471 2
Zoning	RM - residential	Utilities	W/E/T

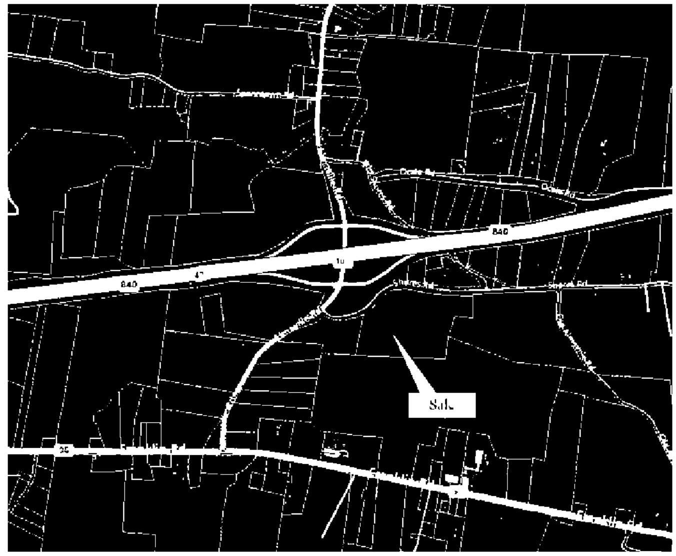
SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	04/22/2011
Sale Price	$110.000	Sale Price per acre	$10.978 04
Grantor	Steve & Melissa Burnett		
Grantee	Sherry Butts		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro This is a private party transaction for a single family home site

Almaville Road
Murfreesboro, Tennessee 37128



Property Type: Farm

Property Subtype: Investment/development

MAP/PARCEL: 095 011.00, 095 012.00

PROPERTY INFORMATION

Site Area (Acres)	43.76	Site Area (SqFt)	1,906,185.6
Zoning	RM - residential	Utilities	W/E/T

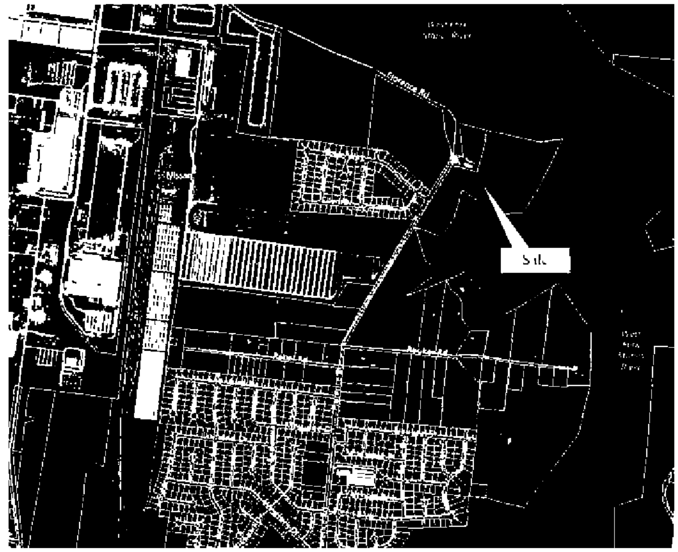
SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	08/30/2011
Sale Price	$500,000	Sale Price per acre	$11,425.96
Grantor	John F. Crawley, SR., Marian E. Crawley, Sharan Taylor (Sharan Venable)		
Grantee	Nayankumar Khushalb Patel & Shital N. Patel		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM medium density residential in Rutherford County Zoning Ordinance. This property is outside the city limits of Murfreesboro. This is a private party transaction for land that lies just off if I-840 at its interchange with Almaville Road.

7608 Florence Road
Smyrna, Tennessee 37167



Property Type Agriculture

Property Subtype Investment/development

MAP/PARCEL 035 081 03

PROPERTY INFORMATION

Site Area (Acres)	62	Site Area (SqFt)	2,700,720
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	03/26/2013
Sale Price	$708,500	Sale Price per acre	$11,427.42
Grantor	George L. Rooker & Robert L. Rooker, Jr		
Grantee	Elite Development Partnership (James T. Johnson Sr. & James T. Johnson, Jr.)		
Value Interest	Fee Simple		

COMMENTS

Transaction verified by stated consideration in deed. Zoned RM medium density residential in Rutherford County Zoning Ordinance. This property is outside the city limits of Murfreesboro. This is a private party transaction for land that back up to the Army Corps of Engineers property along the West Fork of the Stones River.

3275 Saint Andrews Drive
Murfreesboro, Tennessee 37128

Property Type Agriculture

Property Subtype Investment/development

MAP/PARCEL 114 020 00

PROPERTY INFORMATION

Site Area (Acres)	44 45	Site Area (SqFt)	1,936,242
Zoning	RM - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	05/04/2010
Sale Price	$1,169,035	Sale Price per acre	$26,300
Grantor	Smith Brothers Properties		
Grantee	St Andrews, LLC (ref Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

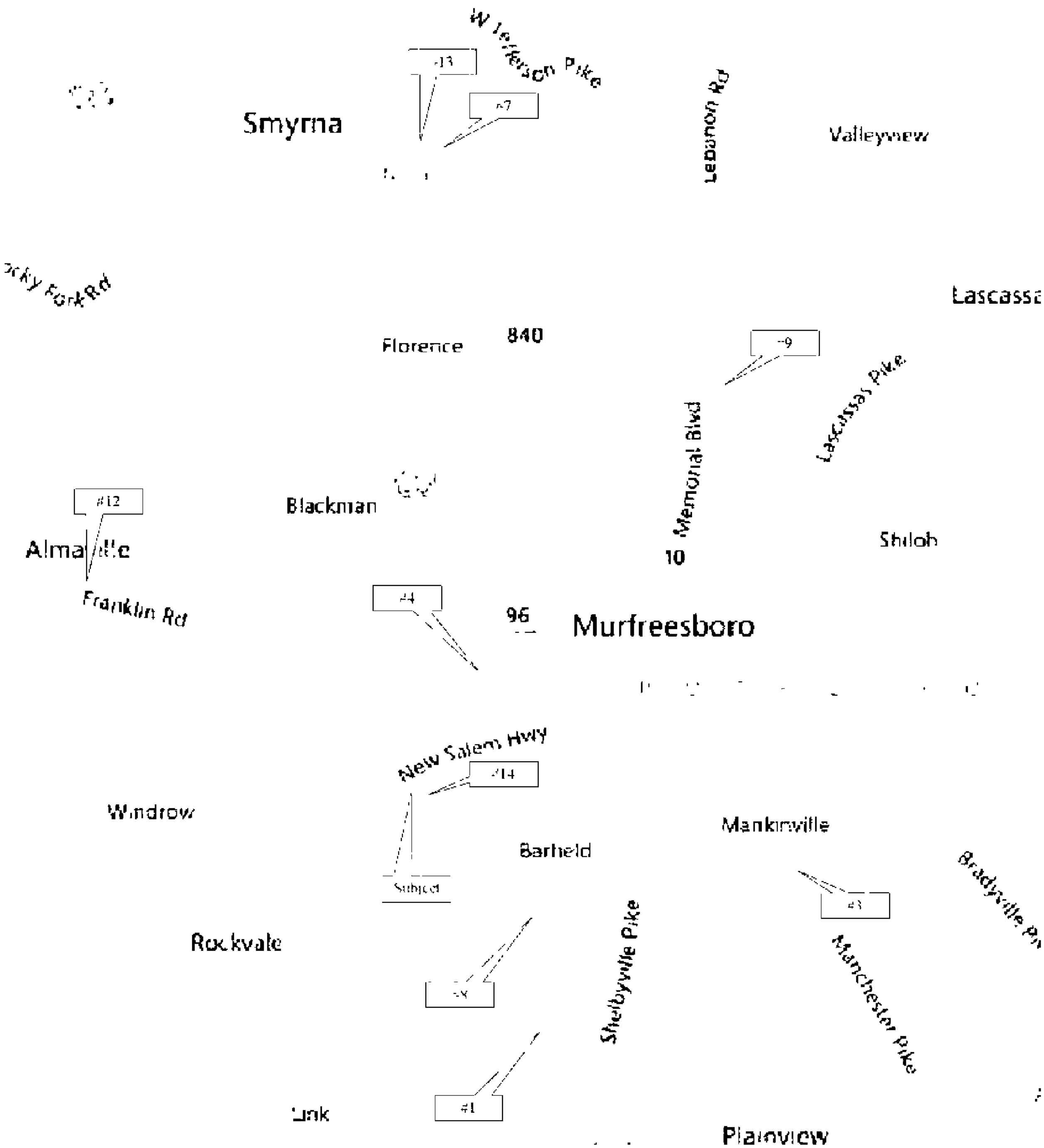
Transaction verified by stated consideration in deed Zoned RM medium density residential in Rutherford County Zoning Ordinance This property is outside the city limits of Murfreesboro but abuts it, with a city sewer line crossing the tract This is a private party transaction for land that lies at the intersection of Saint Andrews Drive and Veterans Parkway The site fronts approximately 1,300+/- feet along Saint Andrews Drive and approximately 560+/- feet along Veterans Parkway

These fourteen sales represent the best available sales that are the closest in size to the Subject, from all Rutherford County land sales searched in available online data sources (www realtracs net, www loopnet com, www crsdata net)   As can be seen from the above sales, three of the transactions were sales from a financial institution after foreclosure – these should probably be eliminated as two indicate a price/unit mostly below that of the remaining sales (a bank does not usually satisfy the definition of "typical market participant" in a transaction because its motivations are usually different from those of private parties) and the third was commercially zoned property   It is worth noting, however, that all appear to have been well marketed by local real estate agents and were readily available to be purchased by any willing party   Nevertheless, due to this possibly indicating a trend for REO transactions, the focus will be narrowed to only the private party sales   The sales of tracts that were of a consumption nature will also be ignored as we only want to compare to investment-grade properties   The investment sales were next ranked for overall comparison to the Subject   The following spreadsheet indicates the rankings

INVESTMENT LAND SALE RANKING ANALYSIS

	Property Address	Last Sale Price	Last Sale Date	Property Type	Acres	$/Acre
4	Rucker Ln Murfreesboro, TN	$325,000	1/3/2013	Farm	28 79	$11,288 64
12	Almaville Rd Murfreesboro, TN	$500,000	8/30/2011	Agricultural	43 76	$11,425 96
13	7608 Florence Rd Smyrna, TN	$708,500	3/26/2013	Agricultural	62	$11,427 42
8	Crescent Ridge Dr Murfreesboro, TN	$600,000	2/10/2011	Farm	48 17	$12,456 66
1	Webb Rd Murfreesboro, TN	$245,000	7/11/2012	Residential	18 39	$13,322 46
3	Sunray Dr Murfreesboro, TN	$420,000	9/13/2012	Farm	28 33	$14,825 27
9	Compton Rd Murfreesboro, TN	$756,629	10/1/2012	Farm	43 91	$17,231 36
7	Florence Rd Smyrna, TN	$1,200,000	10/14/2011	Farm	62 81	$19,106 15
[redacted]						
14	3275 St Andrews Rd Murfreesboro, TN	$1,169,035	5/4/2010	Agricultural	44 45	$26,300 00

<u>**Location Map of Ranked Sales**</u>



The majority of these sales were of acreage tracts that were either in the midst of single-family residential development process, had received local governmental approval for single-family residential development or were a speculative investment for future use as single family detached residential development Each property offers good features that speculative investors value location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility

These sales offer a range from $11,288 64/Acre to $26,300/Acre, the mathematical mean is $15,264 88/Acre As mentioned earlier, the sales involving a financial institution as the seller should likely be avoided as the motivation of the seller is atypical to that of a private party, and the ability to sell at a discount is something that the private party rarely shares in common with a bank The sales that were of properties not likely to be or not possible to be developed were also omitted That leaves nine private-party transactions for consideration It is worth restating that all of these sales were private party transactions and not sales of assets (a k a REO properties) by financial institutions All of these properties offer many of the good features a speculative investor values location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The Subject offers many of these same features developability, utilities, street access, road frontage, visibility However, the location of the Subject is considered superior to most of these sales since it lies in the area where the city of Murfreesboro is expanding and developing more than any other area of the county These sales and the Subject make a good grouping of similar and reasonable substitutes for the typical investor-market participant

Comparable 14 was purchased by a New York entity that has invested over eleven million dollars into single-family subdivision land in the vicinity of the Subject It lies at the next intersection down Veterans Parkway from the Subject The greatest advantages this site has over the Subject is that there appears to be only a small portion of its area affected by a flood hazard area (the entire area of the Subject lying around the intersection of S R 99 and Veterans Parkway, its best frontage acreage, appears to be affected by an established flood zone) and it currently abuts single-family residential developments offering the possibility of expansion of an existing development The area of effect of the flood zone will likely need be a concern on the Subject parcel, this is something that would be considered by any speculative investor Nevertheless, the Subject commands a far better location than sale 14 It lies at a signalized intersection of what will become a major traffic artery in the future In the world of speculative land investment for Murfreesboro, the Subject should lie near the top of the list for future rezoning and development Considering the magnitude of potential future development in the immediate vicinity, the Subject should command a high price when considering all of the positive attributes

In consideration of the available sale data, the market value of the Subject should lie near that of sale 14 The available remaining sales data are all considered to be inferior to the Subject in terms of location, at a minimum The Subject lies at a signalized intersection of two major thoroughfares, the acreage is in the vicinity of many successful residential subdivision developments, all utilities are on site or near by to develop the site to its fullest potential, it has very good frontage on both traffic arteries All things considered, a price/unit similar to that of comparable sale 14 is reasonable We will therefore use $26,000/acre as the most reasonable, current and applicable market-derived price/unit, when considering the Subject parcel

Applying the $26,000/Acre to the subject would yield the following indication of value

$26,000.00 x 25.20 = $655,200

Thus the value via the sales comparison approach is

$655,000 ®
Six Hundred Fifty Five Thousand Dollars

RECONCILIATION AND FINAL VALUE ESTIMATE

In the typical appraisal assignment, reconciliation is the weighing process of the strengths, weaknesses, and applicability of the approaches utilized in appraising the subject property

In the course of our investigation involving the market value estimate for the subject property, one of the three generally recognized approaches to value was developed and indicated the following estimates of market value

Cost Approach	**N.A.**
Market Approach	**$655,000**
Income Approach	**N.A.**

Each approach to value is a comparative analysis of the data in the market which is significant and particular to the use of the respective approach Thus, the accuracy and reliability of each approach depends on the quantity and quality of the market data available to it, and upon its analysis, interpretations and application by the appraiser

The Market Approach produces a supportable and justifiable value estimate An adequate quantity of data was reviewed and available for comparison The Income Capitalization Approach and the Cost Approach are not processed and not necessary to produce a credible value estimate No typical market participant (investor/developer) for vacant land similar to the Subject would use the income approach applicable to agriculture land when contemplating this type of purchase Additionally, an investor would not use the cost approach when contemplating such a purchase, the cost approach would not produce a credible value opinion The Sales

Comparison Approach is exactly the way a typical buyer or seller would considered this property if it were to be purchased or sold

It is worth noting that the Subject has many features that make it a good candidate for single-family residential development Sales of reasonably similar properties were found that support the price/unit applied to the Subject property – these support the theory of substitution The sales relied on were considered to be most similar to the Subject in terms of appeal as the transactions reflect the perceived market-value in terms of price/acre of speculative single-family, detached residential development acreage in the vicinity of the Subject It is assumed that the owners of the Subject property are knowledgeable of the local market, and as this is a prerequisite for market value, then it is reasonable to assume that the seller would not be willing to sell the Subject property for less than the price/unit of other investment-grade, single-family residential development parcels that have sold in the near vicinity (again, assuming the Seller is under no duress or need to sell) The data further indicates a value a typical market participant is willing to pay for reasonably similar tracts

After taking into consideration the most pertinent factors affecting value, it is our opinion that the market value of the as-is, fee simple estate of the subject is

$655,000

Six Hundred Fifty Five Thousand Dollars

as of :

April 19, 2013

CERTIFICATION AND FINAL ESTIMATE OF VALUE

1 The statements of fact contained in this report are true and correct The appraiser has not knowingly withheld any pertinent information

2 The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions and conclusions

3 I/We have no present or perspective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved

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

5 Every effort has been made to develop our analysis, opinions and conclusions and to prepare this appraisal -and the appraisers believe that these are- in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

6 Both individuals signing this report have made a personal inspection of the property that is subject of this report

7 No one provided significant professional assistance to the persons signing this report that are not mentioned herein

8 The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, creed, color or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised

9 All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report)

10 All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report No change of any item in the appraisal report shall be made by the readers of this report, and the appraiser assumes no responsibility for any such unauthorized change

11 The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan

12 The Appraisal Institute conducts a voluntary program of continuing education for its designated members Members who meet the minimum standards of this program are awarded periodic educational certification Gregory O Peck is currently certified under this program through December 31, 2016

13 Gregory O Peck is a State Certified General Real Estate Appraisers under the laws of the State of Tennessee Roger A Stacey is a State Registered Real Estate Appraiser Trainee under the laws of the State of Tennessee This appraisal was made in compliance with the current regulations of the Tennessee Real Estate Appraiser Commission, which allows this report to be regarded as a Certified Appraisal

14 I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment

15 I/We have no bias with respect to the property that is the subject of this report or to the parties involved

That as a result of the investigation and analysis made in connection with this appraisal report, it is our professional opinion that the as-is, fee-simple, market value of the subject property, as of

April 19, 2013

is

$655,000

******* Six Hundred Fifty Five Thousand Dollars *******

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

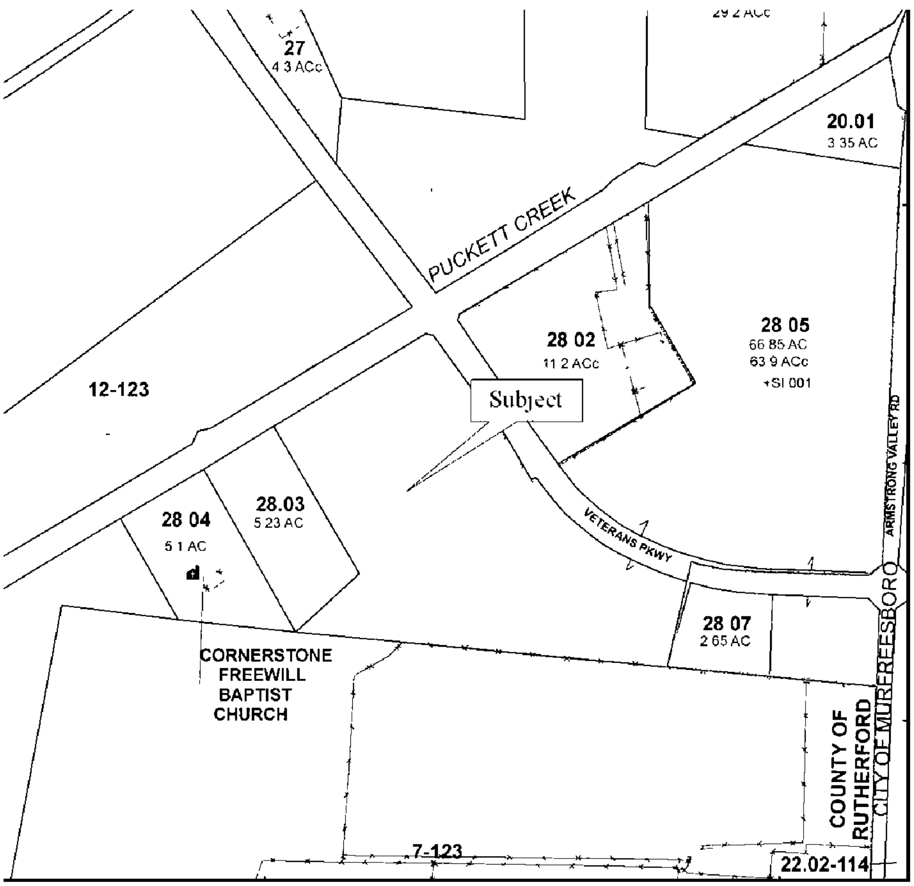
Roger A Stacey, MA
State Registered Appraiser Trainee #4543

IV. Addenda

SUBJECT PHOTOGRAPHS

View of front of Subject property

Street view (subject is on the right hand of the road)



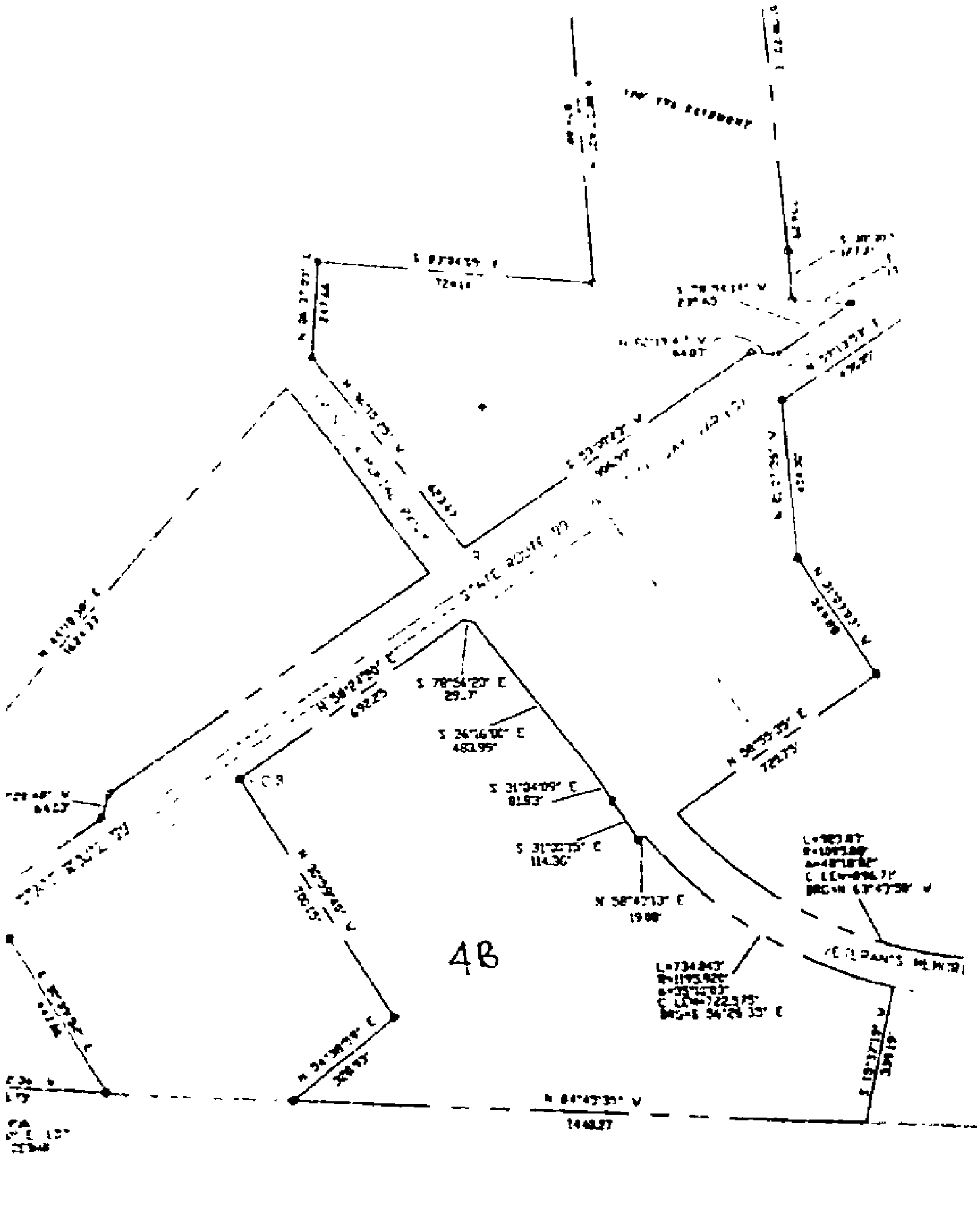
Tax map

LEGAL DESCRIPTION

LEGAL DESCRIPTION (TRACT 4)

Being a certain tract or parcel of land lying and being in the Twelfth Civil District of Rutherford County, Tennessee located on Tax Map 123 as a portion of Parcel 12 00 and is the James R Donnell Property recorded in DB 304, PG 557, DB 219, PG 265, DB 174, PG 028 and is more particularly described as follows

Beginning at a P K Nail (O) in the center of Armstrong Valley Road, this being the northeast corner of the property described herein and the southeast corner of Jones (DB 450, PG 694), thence with the aforementioned center of road the following courses and distances S 06°15'42" W a distance of 83 82', S 07°42'10" W a distance of 329 70', S 07 17'26" W a distance of 95 87', S 05 '02'45" W a distance of 95 33', S 03 31'14" W a distance of 188 13', S 02 28'05" W a distance of 1226 85' to a point, this being the southeast corner of the property described herein and the northeast corner of McKnight (DB 536, PG 653), thence with McKnight and a fence N 84 45'35" W a distance of 2290 80' to a ½" Rebar (O), this being the southwest corner of the property described herein and the southwest corner of Dodd (DB 495, PG 403), thence leaving McKnight and the fence and with Dodd for two calls N 54°38'59" E a distance of 320 93' to a ½" Rebar (O), N 30 59'40" W a distance of 700 15' to a ½" Rebar (O) in the south right-of-way of State Route 99, this being the northwest corner of the property described herein and the northeast corner of Dodd, thence leaving Dodd and with the aforementioned right-of-way N 58 24'20 ' E a distance of 757 73' to a ½" Rebar (O), this being the northwest corner of Turney (DB 495, PG 465), thence leaving the right-of-way of State Route 99 and with Turney the following courses and distances S 31 '04'09" E a distance of 584 00' to a ½" Rebar (O), S 30' 59'56" E a distance of 114 29' to a ½" Rebar (O), N 58' 55'35" E a distance of 740 82' to a ½" Rebar (O), N 31 03'03" W a distance of 349 88' to a ½" Rebar (O), N 01' 07'36 ' W a distance of 404 00' to a ½" Rebar (O) in the south right-of-way of State Route 99, this being the northeast corner of Turney, thence leaving Turney and with the aforementioned right-of-way N 59' 13'53 ' E a distance of 430 05' to a ½" Rebar (N) with Wiser Cap, thence leaving the right-of-way of State Route 99 and with Jones and a fence S 82 56'18" E a distance of 702 32' to the point of beginning containing 71 63 acres, more or less, according to a survey performed by Wiser Company on December 13, 2004


STATE ROUTE 99
S 78°56'23" E
S 26°16'00" E
483.95'
S 31°04'09" E
81.93'
S 31°22'15" E
114.36'
N 58°47'13" E
4B

ENGAGEMENT LETTER

Fw: Rucker-Donnell Foundation Appraisals

gopeck@ccim.net< gopeck@ccim net> Thu, Apr 18, 2013 at 8 26 AM
Reply-To gopeck@ccim net
To Roger Stacey <1031stacey@gmail com>

From: Zach Fuller
Sent: Monday, April 08, 2013 2.07 PM
To: gopeck@ccim.net ; Roger Stacey
Subject: RE: Rucker-Donnell Foundation Appraisals

Mr. Peck,

Yes we would like you to re-appraise the properties and complete new appraisal reports. A two to four week delivery date will be alright. Please let me know if you have any questions or need any additional information.

Thanks,

Zachary Fuller| American City Bank, 340 W Lincoln St, Tullahoma, 37388 | *www AmericanCityBank com*

(W) 931 455 0026 | *Zach Fuller@AmericanCityBank com*

From: gopeck@ccim.net [mailto:gopeck@ccim.net]
Sent: Monday, April 08, 2013 7:36 AM
To: Zach Fuller; Roger Stacey
Subject: Rucker-Donnell Foundation Appraisals

Good Morning Zach:

First, we cannot get this work back to you by 4/17 I presume that you are asking us to re-appraise these properties and complete new appraisal reports If this is the case, we are looking at two to four weeks for a delivery date, depending on how the research and data collection phase goes Let me know your thoughts at this point as we

would like to help you as much as possible I have sent a copy of this email to Roger Stacey here in the office
Thanks

Gregory O Peck, CCIM, SRPA, CG-140
Gregory Peck and Associates
1535 W Northfield Blvd
15 Lincoln Square
Murfreesboro, TN 37129
Voice/Fax 615-896-0787
Cell·615-364-8904
gopeck@ccim net

QUALIFICATIONS of the APPRAISER

GREGORY O. PECK, CCIM, SRPA, CG-140

SCOPE OF BUSINESS AND PROFESSIONAL ACTIVITY

General practice with the majority of appraisal assignments relating to market value of all types of commercial, industrial, investment, and residential properties in the Middle Tennessee area Appraisal assignments are categorized under three headings specific value answer and/or recommendation, probable value range based on limiting conditions and assumptions, and the appraisal of easements and partial acquisitions Eminent Domain special experience in condemnation valuation from the following road widening and new road projects, Old Hickory Blvd , and Dickerson Pike, Nashville, TN , Great Neck Road, Virginia Beach, VA , Memorial Blvd , Highway 96, Highway 231 South, Mercury Blvd , John Bragg Highway, Thompson Lane, and Interstate 840 in Rutherford County, TN General Contractor purchased, redeveloped and sold Section III of Timberlake S/D, developed and sold vacant land at Old Nashville Highway and Florence Road, built 65 +/- single family homes, and successfully developed, built and sold Park Place Condominiums Division of Property Assessment – Registered Agent – have advised and represented property owners on Ad Valorem property tax matters since 1974 Valuation consultant to Rutherford County, TN Tax Assessor's Office

PROFESSIONAL EXPERIENCE

Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants
Chief Appraiser of a Federal Savings & Loan Association
Staff Appraiser with Lewis Garber & Associates, Independent Real Estate Appraisers and Consultants
Staff Appraiser with H L Yoh Company, mass appraisal specialists of cities, counties, and municipalities

EDUCATION

B S Degrees, Middle Tennessee State University, Murfreesboro, Tennessee
Post Graduate Studies University of Tennessee, Nashville, Tennessee Middle Tennessee State University, Murfreesboro, Tennessee
Continuing Education Programs Appraisal Institute, Commercial Investment Real Estate Institute, Appraisal Section, National Association of Realtors, International Right-of-Way Association, National Association of Realtors, and the Tennessee Real Estate Appraiser Commission

Past Member – National Faculty of the Appraisal Institute for Course 110, Appraisal Principles, Course 120, Appraisal Procedures, and Course 210, Residential Case Studies

PROFESSIONAL AFFILIATIONS

CCIM	Member of Commercial Investment Real Estate Institute Past President - Middle Tennessee Chapter
SRPA	Member of the Appraisal Institute
SRA	Member of the Appraisal Institute - Past Pres Chapter 78
SRWA	Senior Member, International Right-of-Way Association National Professional of the Year Finalist

Tennessee Affiliate Brokers License Number 240946
Tennessee State Certified General Real Estate Appraiser Number CG-140
Tennessee Division of Property Assessment-Registered Agent Number 0092

PARTIAL LIST OF CLIENTS

Corporations and Companies

MacMillan-Bloedel, LTD, Canada, ARA Services, Chalk Line, Inc , Homequity, Executrans, Executive Relocation, Merrill Lynch Relocation Management, Equitable, General Electric, Kroger Company, Eaton Corporation, E I DuPont de Nemours & Company, Firestone Tire and Rubber Company, General Motors, Trans-America Relocation, Brunswick Corporation, Phillips Petroleum Company, American Steel Foundries, Dairymen, Inc , Maremont Corporation, Kraftco Corporation, Exxon Corporation, Americorp Relocation Management, John Deere Company, Masonite Corporation, W R Grace and Company, United States Steel Corporation, CSX/Louisville and Nashville Railroad, Southeastern Box Corporation, State Farm Insurance Company, National Residential, Inc , Relocation Realty Service Corporation, Roadway Express, Relocation Resources, Lincoln Service Corporation, Koppers Company, Reichold Chemical, Gen-Rel Relocation, Coldwell Banker, Chem-Exec, Empire Relocation, Travelers, Baptist Hospital, and others

Financial Institutions

First Tennessee Bank National Association, Chiao Tung Bank of Silicon Valley, Bank of America, First American National Bank, AMRESCO/Institutional, SunTrust Bank, California Federal Savings & Loan, Republic National Bank of Dallas, Bank of America, BankOne-Dallas, Miami National Bank, Midsouth Bank, Volunteer State Bank, Farmersville Bank of Texas, Union Planters National Bank, Pinnacle National Bank, National Bank of Canada, and others

Insurance and Mortgage Companies

Southeastern Mortgage, Rutherford Bank & Trust, CNA/Insurance Company, Regions Mortgage, Inc , Mid-State Financial, Pacific Southwest Bank, First Investment Company, Franklin American Mortgage, Right Mortgage Company, Churchill Mortgage Company, Harbourton Mortgage Company, First Bank and Trust, NationsBank Mortgage Corporation, and others

Governmental Agencies

National Park Service, Veterans Administration, Loan Guaranty Division, Federal National Mortgage Corporation, Federal Deposit Insurance Corporation, Tennessee Valley Authority, Tennessee Attorney Generals Office, United States Postal Service, U S Department of Housing and Urban Development, United States Department of the Interior, Tennessee Department of Finance and Administration, Middle Tennessee State University, Tennessee Department of Transportation, United States General Services Administration, Resolution Trust Corporation, Rutherford County, TN , City of Tullahoma, City of Murfreesboro, Tax Assessor's Office for Rutherford County, Tennessee, and others

Have done work for various individuals, attorneys, accountants, and have given expert testimony before various commissions, Circuit, Chancery and United States Federal Courts

Roger A. Stacey, MA, TR-4543

Professional Experience

- Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants (2009 to present)
- Blackfriar Commercial, Managing Broker (2012 to present)
- Sims Commercial, LLC, Managing Broker (2007 to 2012)
- General real estate agent (1999 to 2007)

Professional Affiliations

- Tennessee Real Estate Broker License Number 272999
- Tennessee State Real Estate Appraiser Trainee Number TR-4543
- AFA – Certified Valuation Specialist in Real Estate

Employment :

- **1999 to Present** Self-employed, independent contractor – providing valuation and marketing expertise to real property owners and purchasers throughout the Middle-Tennessee area
- **1997 to 1999** Custodial Account Administrator, Banker's Trust / Deutsch Bank – responsible for oversight and management of foreign entities investing in the U S markets Clientele included Banque Pasche, Banque Internationale de Luxembourg, Royal Bank of Scotland, Royal Bank of Canada, Banco Dello Statto, Monetary Authority of Singapore, Government of Singapore, Banque Suisse, ING among others Daily trade amounts for which Roger was responsible typically exceeded $6 million U S

Education:

- The University of Tennessee, Knoxville, Knoxville, TN – Master of Arts
- Middle Tennessee State University, Murfreesboro, TN – Bachelor of Science
- Continuing Education Programs The Appraisal Institute, National Association of Realtors, Tennessee Real Estate Education System, American Financial Association

General Appraisal Experience:

Appraisal experience, including but not limited to vacant land tracts (individual lots to large acreage tracts), single-tenant commercial properties, industrial properties, multi-tenant commercial properties, investment properties, right of way and easement acquisition

Partial List of Clients:

The Town of Smyrna, TN, the City of Murfreesboro, TN, National Park Service and U S Department of the Interior, the State of Tennessee Department of General Services, Middle

Tennessee State University, First Horizon National Corporation, First Tennessee Bank, Regions Bank, The Bank of Tullahoma, Pinnacle National Bank, American City Bank, Midsouth Bank, Pathway Lending, CB&S Bank, Farm Credit Services of Mid America, Citizens Bank of Blount County, Heritage South Credit Union, in addition to work for various individuals, churches and attorneys

SUMMARY APPRAISAL REPORT

of:
137+/- Acres on Highway 99
Rockvale, TN 37153

for:
Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

Appraised by:

GREGORY PECK & ASSOCIATES
1535 W. Northfield Boulevard, Suite 15
Murfreesboro, Tennessee 37129

Date of appraisal:

June 27, 2013

GREGORY PECK AND ASSOCIATES

Commercial Investment Real Estate

Representation - Valuation - Investment Analysis - Feasibility

E-mail: gopeck@ccim.net

Thomas N. Graves, SRA, CR-301
Roger A. Stacey, MA, Broker, TR#4543
Frances Carroll, Broker
Gregory O. Peck, CCIM, SRPA, CG-140

July 18, 2013

Zachary Fuller
American City Bank
340 West Lincoln Street
Tullahoma, TN 37388

RE **Summary Appraisal Report**

Client :	**Zachary Fuller**
Intended Use:	**Internal decision making by client**
Intended User:	**American City Bank**

Mr Fuller

At your request, we hereby certify that we have made a personal inspection of the above referenced real estate which is legally described within this report

On the basis of this study and analysis of relevant market data contained within this report and office file, and subject to the Assumptions and Limiting Conditions contained herein, we have estimated the market value of the as-is, fee-simple interest of the property to be as follows

market value, fee-simple, as-is: $2,260,000
as of : June 27, 2013

The following narrative appraisal report contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached **The subject property is located on FEMA map 470165, panel 0265H, dated 01/05/2007. The map appears to indicate that large portions of the site are located in established flood zone. However, the appraisers are not qualified to determine whether the subject actually is or is not within a federally designated flood zone and do not assume any liability for the accuracy of this statement. No updated survey of the Subject was provided or available for review, therefore, determination of any encroachments since the December 2004 Wiser Company survey is not possible.**

The subject property consists of an estimated 137+/- acres and is located outside and west of the city limits of Murfreesboro, TN, this acreage is estimated because the survey provided predates the construction of Veterans Parkway, that project acquired an estimated 1 5+/- acres (we estimated this figure from measurements on www crsdata net digital mapping system) Based on reviewed sale data from www loopnet com sales, the exposure time and marketing time for the property would probably exceed twelve months

As it currently exists and adhering to the definition of "as-is" on the date of inspection, to sell the 137+/- acres, as a whole, the above value indication is the anticipated current market value The value is based on a market-derived price/unit from sales of reasonable substitute properties in the market that the Subject would be expected to compete in

After numerous requests for the data, we were unable to acquire the complete terms of the existing cell tower lease that affects the Subject property Without the income data, we cannot calculate the present value of the future income, therefore, the income approach is not processed and the cell tower and its lease are ignored in the report If, in the future, this information becomes available and you desire to have the income approach processed, we will be glad to assist you

It is extremely important that the reader of any appraisal report understand that an appraisal is only able to provide a snapshot view in time, of an opinion of value, of a property, that would result in the sale and transfer of the property that is the subject of the report - only on the precise effective date of the report and exactly as it exists on that one precise day in time Generally, it attempts to answer the question, "what would be required by the typical market participant shopping for such a property in order to consummate a successful sale and transfer of the subject property on the effective date of the report?"

The following narrative appraisal report is a complete appraisal report written in a summary format and contains some of the more pertinent data assembled and relates the analysis and logic in support of the conclusions reached, the appraisers are competent to complete this assignment according to USPAP It should be made clear to the client, reader, and any third party, that every effort has been made to prepare this appraisal, and the appraisers signing this report believe that this report is, in compliance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation, Title XI of FIRREA, Regulation 12-CFR of the FHLBB, and, the Appraisal Institute It should further be understood that this appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan No loan amount was discussed with the borrower/owner, buyer, seller, or any employee of Client or intended user

No personal property has been considered in the value reported, and the cost and income approaches to value are not processed and are not necessary to produce a credible value estimate

The appraisers have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the last three year period immediately preceding the acceptance of this assignment

It has been our pleasure to serve you and if you need any additional information, you are assured of my cooperation

Respectfully submitted,

Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

TABLE OF CONTENTS

Page

I. INTRODUCTION

SUMMARY of IMPORTANT FACTS and CONCLUSIONS

LOCATION	137+/- Acres on Highway 99 Rockvale, TN 37153
OWNER OF RECORD	Rucker-Donnell Foundation
LAND AREA	137+/- acres, lying on the western R O W of Highway 99
IMPROVEMENTS	Subject is currently unimproved agricultural land
ZONING	RM - medium-density residential
HIGHEST AND BEST USE	Holding for development
VALUATION	Cost N A Market $2,260,000 Income N A
RECONCILED VALUE	$2,260,000
EFFECTIVE DATE OF APPRAISAL	June 27, 2013

ASSUMPTIONS AND LIMITING CONDITIONS

Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice requires the appraiser to clearly and accurately set forth all facts, assumptions and conditions that affect the analysis, opinion and conclusions upon which the appraisal is based In compliance therewith, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows

1 Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use Any legal description included in the report was taken from the referenced source and is assumed to be correct

2 No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, notwithstanding the fact that such matters may be discussed in the report

3 The date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal The appraiser(s) assume(s) no responsibility for economic or physical factors occurring or being discovered at some later date which may affect the opinion herein stated

4 The valuation is reported in dollars of currency prevailing on the date of appraisal

5 Maps, plats, and exhibits included herein 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

6 All information and comments pertaining to this and other properties included in the report represent the personal opinion of the appraiser(s), formed after examination and study of the subject and other properties While it is believed the information, estimates and analyses are correct, the appraiser(s) does (do) not guarantee them and assume(s) no liability for errors in fact, analysis or judgment

7 Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s) or the firm with which they are connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public

relations media, news media, sales media or any other public means of communication without prior written consent and approval of the undersigned

8 The appraisers are not required to give testimony or to appear in court by reason of this appraisal, unless prior arrangements have been made

9 The distribution of the total valuation in this report between land and improvements applies only under the current estimate of highest and best use The separate valuations for land and buildings must not be used in conjunction with any other appraisal or use and are invalid if so used

10 Certain information concerning market and operating data was obtained from others This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct However, such information is not guaranteed

11 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

12 Opinions of value contained herein are estimates There is no guarantee, written or implied, that the subject property will sell for such amounts

13 It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable No responsibility is assumed for such conditions or for engineering which may be required to discover such factors

14 Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser(s) The appraiser(s) have no knowledge of the existence of such materials on or in the property The appraiser(s), however, are not qualified to detect such substances The presence of substances such as urea formaldehyde foam insulation, asbestos, 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 to discover them The client is urged to retain an expert in this field, if desired

15 No attempt has been made to fully investigate the property's compliance with all governmental regulations Except as otherwise noted, it is assumed that the property is in compliance with existing zoning requirements, building codes, and fire codes, and complies with all applicable regulations relating to the Occupational Safety and Health Act (OSHA) and the Environmental Protection Act (EPA)

16 We have carefully reviewed and edited this report In spite of that, it may include typographical errors and/or technical inaccuracies Any errors and omissions which are subsequently discovered and which alter the conclusions will be promptly corrected

17 The Americans with Disabilities Act ("ADA") became effective January 26, 1992 We have 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 could reveal that the property is not in compliance with one or more of the requirements of the Act If so, this fact could have a negative effect upon the value of the property Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property

18 Every effort has been made to prepare this appraisal, and the appraisers believe that the report is, in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

19 This appraisal report is for the real estate only, not including, furniture, fixtures and equipment

20 The liability of Gregory Peck and Associates, employees and the appraisers named herein is limited to the client only and only up to the amount of the fee actually received for the assignment Further, there is no accountability, obligation or liability to any third party If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property

21 Real estate values are influenced by a large number of external factors The data contained herein is all of the data we consider necessary to support the value estimate We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors that might influence the value of the subject Due to rapid changes in the external factors, the value estimate is considered reliable only as of the date of the appraisal

22 All economic and political factors affecting the facts in this report are assumed to remain in a posture at least as favorable as existing on the specified "Effective Date" of the report unless stated otherwise in the body of the report

23 Acceptance of and/or use of this report constitutes the acceptance of the foregoing Standard Limitations and Conditions of this Report

24 This report complies with Standard Rule 2-2(b) (viii) as all analytical and descriptive data contained herein is specific to the appraisal and final value estimate of the subject property

DEFINITION OF MARKET VALUE

Market Value, as defined in The Appraisal of Real Estate, may be stated as “the most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property should sell in a competitive and open market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress”

The fundamental assumptions and conditions presumed in the above definition are

1 The buyer and seller are motivated by self-interest

2 The buyer and seller are well informed and are acting prudently

3 The property is exposed for a reasonable time on the open market

4 Payment is made in cash, its equivalent, or in specified financing terms

5 Specified financing, if any, may be the financing in place or on terms generally available for the property type in its locale on the effective appraisal date

6 The effect, if any, on the amount of market value of atypical financing, services, fees shall be clearly and precisely revealed in the appraisal report

The effective date of Market Value is June 27, 2013

PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of this appraisal is to estimate the as-is market value of the fee simple interest of the subject property, as of the date of inspection A fee simple estate is defined by the Appraisal Institute as "absolute ownership unencumbered by any other interest or estate, subject only to the limitations of eminent domain, escheat, police power, and taxation " Market Value, as defined by the Comptroller of the Currency in Regulation 12 CFR, Part 34, Section 34 42 (f), is The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus Implicit in this definition is the consummation of a sale, as of a specified date and the passing of title from seller to buyer under conditions whereby (1) buyer and seller are typically motivated, (2) both parties are well informed or well advised, and acting in what they consider their own best interests, (3) a reasonable time is allowed for exposure in the open market, (4) payment is made in terms of cash in U S Dollars or in terms of financial arrangements comparable thereto, and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

The function of the report is to establish an as-is, fee-simple, market value estimate to aid the client in decision making

SCOPE OF THE INVESTIGATION

As part of this appraisal, the appraisers have made several independent investigations and analyses We have relied on data that is retained in our office files, which are updated on a regular basis, and other supporting data as needed The property is unimproved and is located at

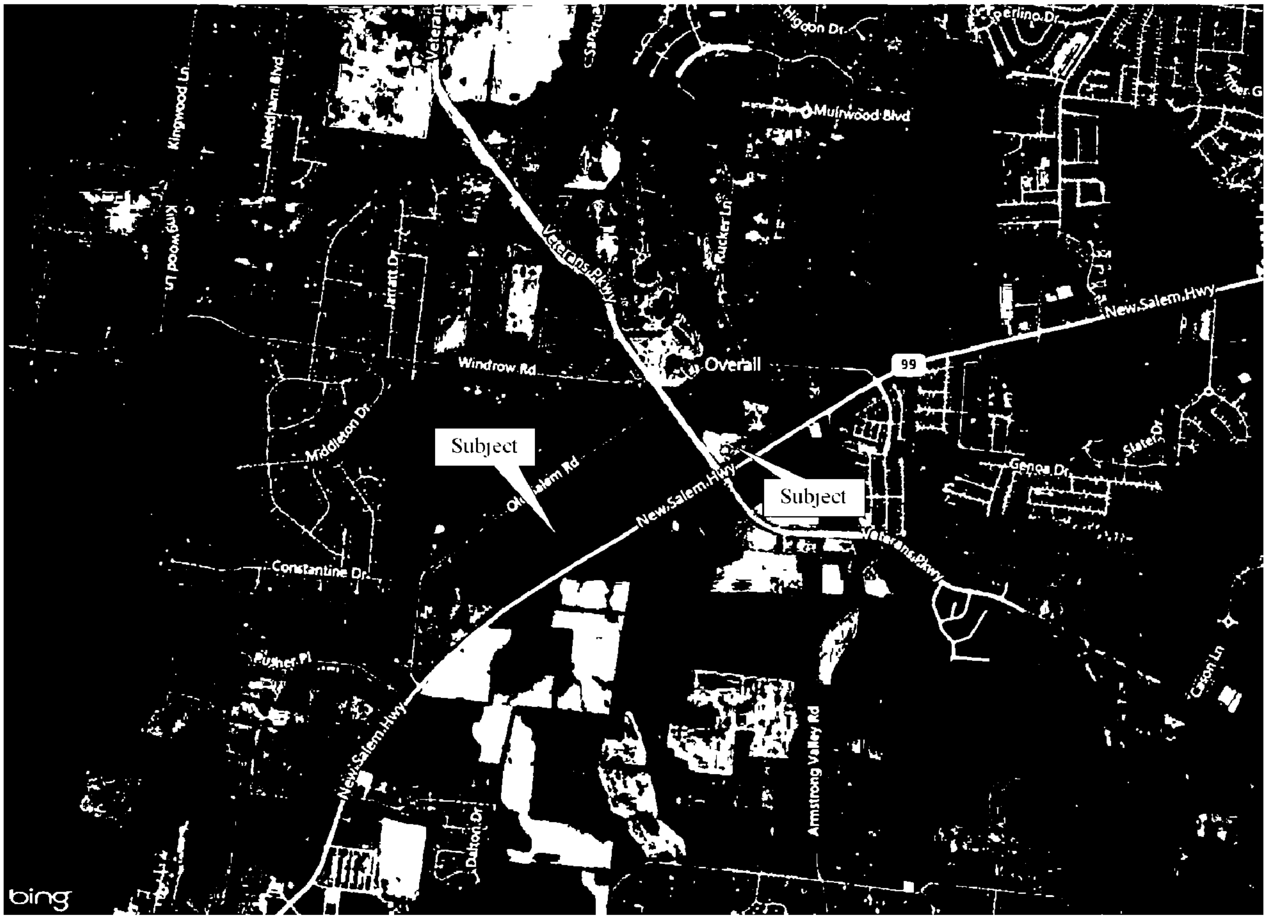
137+/- Acres on Hıghway 99 Rockvale, TN 37153

We have studied demographic, economic and income data provided by the Rutherford County Property Assessor's Office, State of Tennessee Comptroller of the Treasury, Rutherford County Economic Development Board, Tennessee government website tn gov, Rutherford County Chamber of Commerce, and the Site To Do Business, maintained by the Commercial Investment Real Estate Institute, among other data sites

Concerning the subject property, we have reviewed available, applicable tax maps and deeds, and physically inspected the property, and taken photographs We researched and investigated vacant land sales that would be applicable in establishing a land value for the subject Numerous transfers were studied, and we relied on the sales that best represent the highest and best use estimate of the subject property Details of the sales used are contained in the following report

II. Factual Descriptions

SUBJECT DISTRICT AERIAL MAP



PROPERTY IDENTIFICATION

The subject property consists of 137+/- acres located on the western R O W of State Highway 99, at its intersection with Veterans Parkway, in southwestern Rutherford County Tennessee The tract is further identified as Tax Map 123 part of Parcel 012 00 of the Rutherford County Property Assessor's tax mapping system The property is further identified in Deed Book 304 Page 557, Deed Book 219 Page 265, Deed Book 174 Page 028, RORC, TN (see copy of legal description in the Addendum for further identification)

HISTORY AND OWNERSHIP OF THE SUBJECT PROPERTY

The subject property is currently owned by the Rucker Donnell Foundation This tract is subject to a cell tower easement recorded in Record book 246 Page 1994 and a land lease for said tower No moratoriums are known to exist that would have an adverse impact on the use or marketability of the property No option, listing or sale contract is known to exist

TAX ANALYSIS

The Subject is located on Tax Map 123, parcel 012 00 The 2013 tax rate for Rutherford County is $2 4652 per $100 of assessed value Tennessee law requires that residential property be taxed at a rate of 25% of its local tax assessor's appraised value for real property According to the property record data on Rutherford County's website and Courthouse Retrieval System, the property, as residential, is appraised at $4,489,038 (this is for several different acreage tracts combined under one parcel) Therefore, the total 2013 tax liability, as residential, for the 137+/- acre site, as a portion of a larger parent tract, is ($4,489,038 x 25% − 100 x 2 4652) $27,665 94

The Subject property is currently benefitting from "Greenbelt Regulations" which allows for a significant reduction in taxes if the property is at least 15 acres in size and currently being cultivated for agriculture production Under "greenbelt" classification, the subject property is appraised for $703,500 Therefore, the total 2013 tax liability, under greenbelt classification, for the 105 46 acre site is ($703,500 x 25% − 100 x 2 4652) $4,335 67

AREA ANALYSIS

The locale of the property under study is Rutherford County and the community of Rockvale The major cities in the county are Lavergne, Smyrna and Murfreesboro, the County Seat

It should be noted that these three cities are located within a seven-mile northwest/southeast corridor of one another, and have somewhat of a shared economic base for business and industry Two major transportation routes connect the three via Federal Highway 41/70S and Interstate 24

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The community of Rockvale is traditionally a farming community It is characterized by large acreage agricultural tracts and single-family residential dwellings Here and there, you will find a commercial property operating but they are not numerous The community of Rockvale is located to the southwest of Murfreesboro As Murfreesboro continues on its path of development and growth, its impact on Rockvale is that of families moving to Rockvale to distance themselves from the progressive urbanization of the city of Murfreesboro In time, Rockvale is projected to become more like a suburb of Murfreesboro rather than the rural farming community that it has traditionally been

The largest private employers in Rutherford County, in addition to Nissan, consist of Bridgestone, the VA Hospital, Ingram Publishing, and Middle Tennessee State University These four employ over 5,000 workers

The City of Murfreesboro is located southeast of Nashville, approximately 30 miles, and is the county seat of Rutherford County It is the site of Middle Tennessee State University, and the campus is located on the easterly side of the city Rutherford County is one of the seven counties that, along with Davidson County, form the Nashville MSA (Metropolitan Statistical Area)

The city is served by several highways, the principal one of which is Interstate 24, passing to the south of the city It is also served by U S Highways 41, 231, and 70 Interstate 840, running east/west through Rutherford County, between Murfreesboro and Smyrna, links I-40 East, I-24, I-65 South, and I-40 West

The economy of Murfreesboro is extremely well diversified The city has to date been very successful in attracting new industry Manufacturing is a major component of the economy A recent breakdown of employment for Murfreesboro and Rutherford County residents, published by the Rutherford County Chamber of Commerce, is manufacturing-38%, service industries-19%, wholesale and retail trade- 17%, government-15%, and other- 11%

A relatively new industrial park is located adjacent to Interstate 24 and within the city limits of Murfreesboro, on Joe B Jackson Parkway Several warehouse buildings have recently been completed and occupied, including the Amazon com distribution facility Interstate Warehousing will expand its current facility here by 130,000 SF while adding 31 new jobs to its current workforce NHK Seating has built a $54,000,000 manufacturing facility on Joe B Jackson Parkway Construction finalized in October 2011 and plans were employ up to 224 workers In other industrial areas of Murfreesboro, General Mills has been in the process of a $132,000,000 expansion of its plant on Butler Drive to increase production for its Yoplait product lines Nissan North America is in the process of constructing a $1 4 Billion lithium-ion battery plant in Smyrna, which will supply batteries for the LEAF vehicle, additionally, they began production of the LEAF vehicle at the plant in 2012 and the ROGUE will begin to be produced at the Smyrna plant in 2013 Another major employer in the city of Murfreesboro is the Veterans Administration Hospital located on the north side of town As mentioned previously, Middle Tennessee State University is located on the easterly boundary of the city

No discussion of the area would be complete without mention of Middle Tennessee State University, which is located to the east of the subject property Middle Tennessee State University is a four-year public university with a current enrollment of more than 25,000 students for fall of 2012 MTSU is the fastest growing university in the state system and currently the largest undergraduate university (based on student enrollment) in Tennessee Numerous buildings have either recently been constructed or are slated for development in the near future These include an addition to the recreation facility, nursing building and mass communications building, library and the new business/aerospace building, the university is enjoying a relatively significant ongoing construction process Other Murfreesboro-area higher education facilities include Tennessee Technology Center Murfreesboro and Daymar Institute, a privately held Junior college

The sharp rise in retail development by the national chains in the area is indicative of Rutherford County's economic strength and viability in the marketplace Murfreesboro Town Centre is another retail center that is anchored by a 121,705 SF Target Store and the entire development will has 407,000 SF of retail space The development cost around $30,000,000 The development opened in July of 1998 Not far away, a new 70-acre, 600,000+/- SF hospital facility (Middle Tennessee Medical Center) has opened on Medical Center Parkway, which spurred a surge of retail and office growth in this area dubbed the "Gateway", the Gateway is also home to the Avenue and many other retail and office properties Total 2009 retail sales for Rutherford County were $4,487,286,711

The Avenues is a relatively new outdoor shopping mall recently opened and includes about 900,000 SF of retail space with major national anchor tenants including Best Buy, Old Navy, World Market, Joseph A Bank, and a list of many, many more retail businesses In addition, the Stones River Mall, in 2008, underwent a $53,000,000 expansion Coupled with this building activity, the property valuations from the Rutherford County Tax Assessor's Office indicate value increases every year since 1974 In addition, state and local sales tax revenues have increased every year since 1981

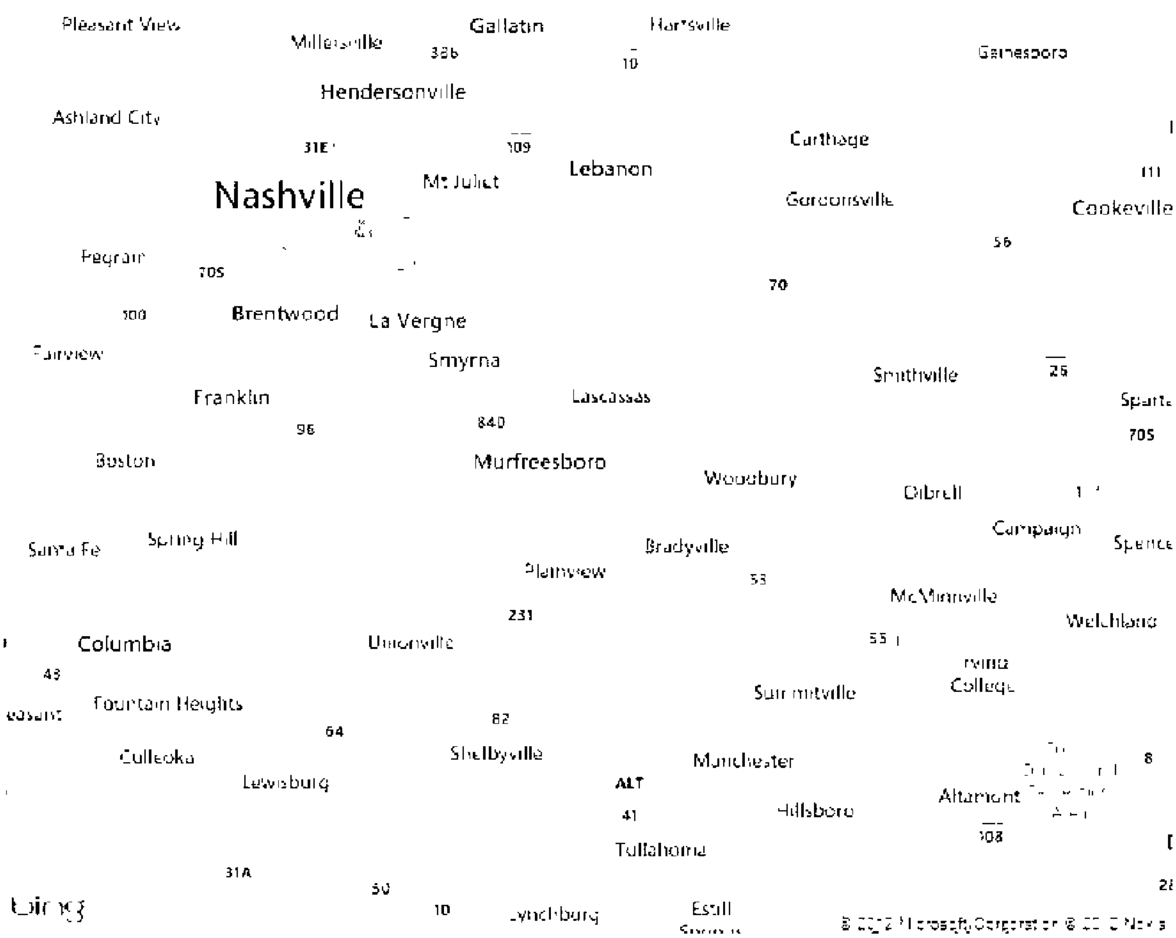
Rutherford County - Summary

In summary, the Murfreesboro and Rutherford County market is considered to represent a stable, average to middle class economy, generally growing at a stable rate in terms of populations and income The economy is relatively stable and diverse, especially with the interjection of the Nissan Plant, which is a strong positive factor Middle Tennessee State University (along with several other employers) is expanding, further enhancing the growth potential An additional point to consider is that the substantial growth in income levels also has important implications for the whole spectrum of real estate values within the community The increasing affluence of the local population eventually filters back to the purchase of additional goods and services to the enhancement of general property values and retail sales

The area is well located between Nashville and Chattanooga, with growth projected to increase into the future, including expansion of both the industrial and population basis

The area is well served by interstate transportation, which provides an excellent central location for continued industrial and employment expansion The area has taken a progressive attitude in regard to growth and accommodations to large potential employers, indicating that the area is fertile for industrial development and expansion Transportation arteries have been improved and the future for Murfreesboro appears positive These factors, all acting in concert, provide growth impetus to the urban area, along with the major development incentives The combination of these factors support the premise that Murfreesboro and Rutherford County is a reasonable area for real estate investment due to stability and continued growth over the long term

AREA LOCATION MAP



AREA DEMOGRAPHICS

Executive Summary with Charts

Prepared by Gregory Peck

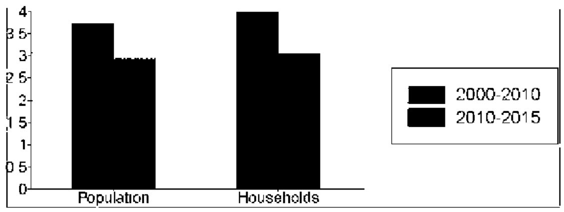
Rutherford County
Executive Summary Report

Population and Households

The size of the market area, measured by population and households, has changed from 2000 through the forecast year as follows

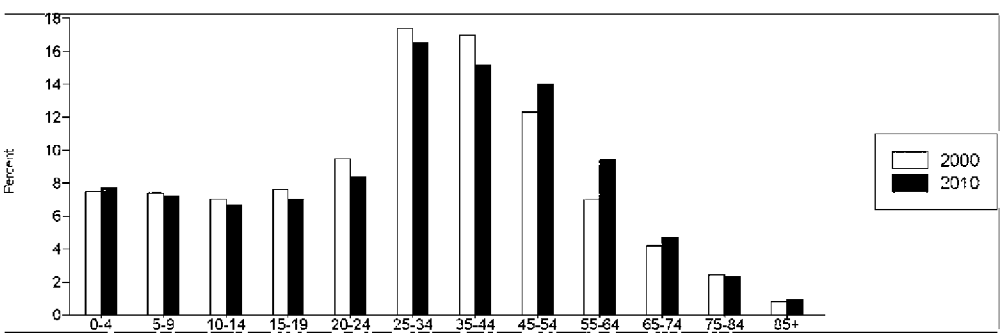
Year	Population	Households
2000	206,309	77,078
2010	299,983	114,980
2015	346,604	133,604

The difference between change in population and change in households is a result of two factors-the presence of group quarters (non-household) population in the market area and the average number of persons per household The group quarters population in the market area was 5,831 in 2000, or 2 8 percent of the total population Average household size is 2 56 in 2010, compared to 2 60 in the year 2000



Population by Age

The median age for the United States was 35 3 in 2000 and 36 7 in the current year In the market area the median age of the population was 31 2, compared to 32 9 years currently By age group, the changes in the percent distribution of the market area population show the following



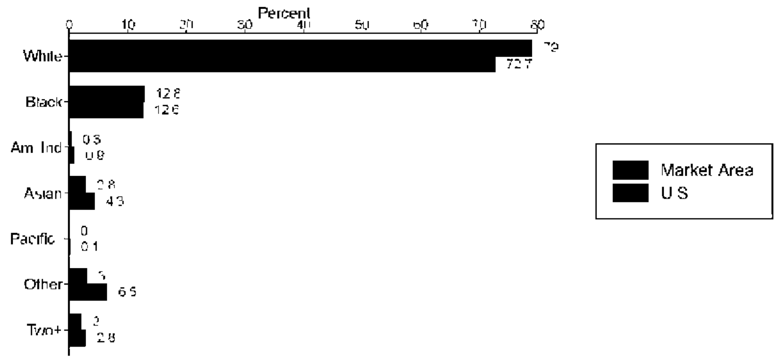
Population by Education

In 2010 the educational attainment of the population aged 25 years or older in the market area can be summarized

Source U S Bureau of the Census, 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Population by Race/Ethnicity

Currently the racial composition of the population in the market area breaks down as follows

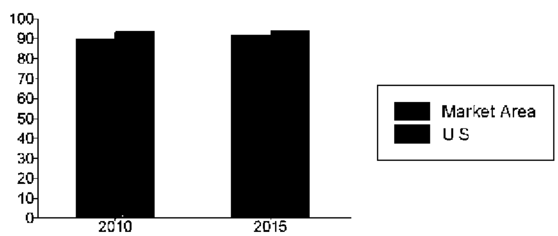


Persons of Hispanic origin represent 6 5 percent of the population in the identified market area compared to 15 0 percent of the U S population Persons of Hispanic Origin may be of any race In sum, the Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, was 43 8 in the identified market area, compared to 59 3 in the U S population

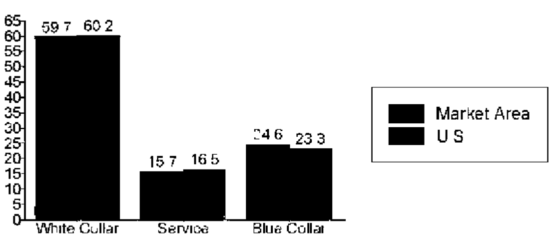
Population by Employment

In 2000, 73 4 percent of the population aged 16 years or older in the market area participated in the labor force, 0 2 percent were in the Armed Forces Tracking the change in the labor force by unemployment status

Year	%Employed	%Unemployed
2010	89 5	10 5
2015	91 8	8 2



And by occupational status

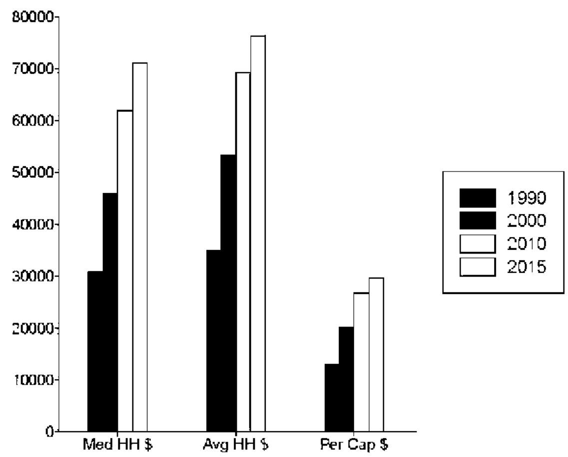


In 2000, 83 4 percent of the market area population drove alone to work, and 2 4 percent worked at home The average travel time to work in 2000 was 26 8 minutes in the market area, compared to the U S average of 25 5 minutes

Source U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

Income

The change in three summary measures of income-median and average household income and per capita income-are shown below from 1990 through 2015



Housing

Currently, 62 2 percent of the 124,339 housing units in the market area are owner occupied, 30 3 percent, renter occupied, and 7 5 percent are vacant In 2000, there were 82,140 housing units- 63 0 percent owner occupied, 30 8 percent renter occupied and 6 2 percent vacant The annual rate of change in housing units since 2000 is 4 13 percent Median home value in the market area is $168,424, compared to a median home value of $157,913 for the U S In five years, median home value is projected to change by 4 15 percent annually to $206 374 From 2000 to the current year, median home value changed by 4 11 percent annually

Source, U S Bureau of the Census 2000 Census of Population and Housing Esri forecasts for 2010 and 2015 Esri converted 1990 Census data into 2000 geography

NEIGHBORHOOD DATA AND ANALYSIS

The locale of the property under study is in the community of Rockvale

For the purposes of this report, the term "neighborhood" is defined as follows

> "A portion of a larger community, or an entire community in which there is homogeneous grouping of inhabitants, buildings, or business enterprises Inhabitants of a neighborhood usually have a more than casual community interest and a similarity of economic level or cultural background Neighborhood boundaries may consist of well-defined natural and man-made barriers, or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants "

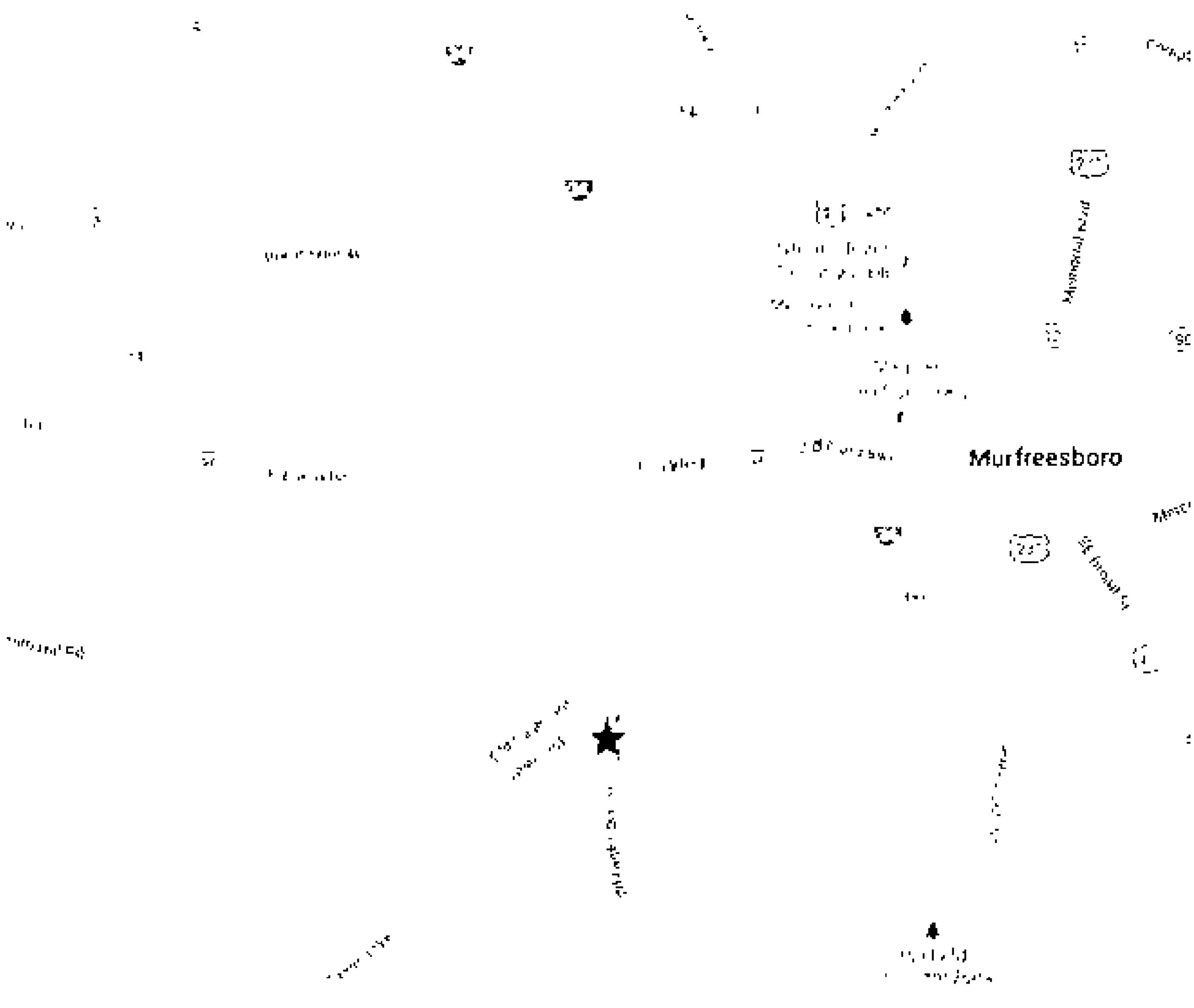
Although the above definition is a comprehensive one, a more current definition of "neighborhood" is provided by the American Institute of Real Estate Appraisers in the recently published Dictionary of Real Estate Appraisal and is simply defined as "a group of complementary land uses"

The subject property is located in the southwestern portion of Rutherford County, on S R 99 (New Salem Highway) at its intersection with the relatively new Veterans Parkway New Salem Highway (State Highway 99) is the main traffic artery serving the southwestern portion of Rutherford County and the communities of Rockvale and Eagleville Veterans Parkway, on the other hand, is intended to serve, in the future, as a major traffic artery serving the southwestern portion of Rutherford County and the communities of Murfreesboro, Rockvale and Eagleville This road was recently constructed and much of the land fronting it is still agricultural in nature, which attests to the history of the Rockvale community Nevertheless, the areas around Veterans Parkway are transitioning to suburban These areas will be characterized primarily by single-family detached residences on smaller, city, subdivision-style lots The frontier nature of this transition zone where Murfreesboro is extending into what was formerly agricultural Rockvale makes it difficult to establish a concrete neighborhood boundary using similar or dissimilar property types or uses, zoning is also an impractical tool for determining neighborhood boundaries However, roughly, the neighborhood is comprised of the area south of State Route 840, following Veterans Parkway on both sides, extending to Salem Pike (S R 99), then to Barfield Road is the general area currently existing as a transition zone neighborhood It consists of all of properties lying in this relatively irregular area The neighborhood is predominantly in a transitional/growth stage of development

This is primarily an agricultural and rural area characterized by farms and single-family residences Land use in the neighborhood has consisted mainly of agriculture use with a few commercial uses located primarily along major thoroughfares and specifically at crossroads along those thoroughfares Public utilities available are water, electric and telephone, and in some portions which have been annexed by the city, sewer is available

Topography in the immediate vicinity is relatively level with some hills Utilities in the area are sufficient for land to develop Therefore, the neighborhood, in conclusion, is adequately located for various types of development, and it is transitioning due to many different development projects

Neighborhood Boundary Map



ZONING ANALYSIS

The subject property is zoned RM, medium-density residential district This district is designed to provide suitable areas for medium density residential development where sufficient urban-type services and facilities are provided or where such services can be facilitated prior to development Generally, the residential development will consist of single family detached dwellings and accessory structures This district also includes community facilities, public utilities, and agricultural activities The application of this district is appropriate in the suburban or urban character areas of the adopted comprehensive plan According to current Rutherford County Zoning Ordinance, the only uses permitted by right are single-family detached dwelling, small community assembly and crop and animal raising[1]

Within the district, the minimum lot size for single-family detached dwelling is 15,000 square feet Minimum lot width at the setback line is 75 feet, for residential use (150 feet for other uses), front setback is 40 feet, side setback is 10 feet, rear setback is 20 feet, maximum lot coverage is 25% with a maximum building height of 35 feet It is assumed that the property is in compliance with the current zoning ordinance

1 See http www rutherfordcountytn gov planning documents zoning_adopted_111512 pdf , accessed on 04 22 2013

SITE ANALYSIS

Location	The subject is highly irregular in shape lying along the western Right of Way of State Highway 99 (aka New Salem Highway) and on either side of its intersection with Veterans Parkway Its location is outside the city limits of Murfreesboro
Size	The most recent survey indicates that the site area is 139 01 acres, with Veterans Parkway since having taken an estimated 1 5+/- acres leaving an estimated remainder of 137+/- acres, in the general shape of a highly irregular polygon The property fronts approximately 7,167+/- feet along the western R O W of State Highway 99, there is also approximately 3,096+/- feet along the southern R O W of Old Salem Road, according to the most recent survey No more recent survey or plat map was provided that would indicate a more accurate size and shape of the parcel
Improvements	There are a few insignificant agricultural-use improvements on the property that contribute no value under the highest and best use, and are therefore, ignored in the valuation process
Topography	Topography is below the grade of Highway 99 then rising Drainage appears adequate
Street	The frontage road (S R 99) is a two-lane asphalt paved state highway, drainage is provided by open ditches The frontage along Veterans Parkway is a 4-lane, asphalt paved city road with concrete curb and gutter, with central medians, the frontage on Old Salem Road is a 2-lane, asphalt-paved county road, drainage is provided by open ditches
Utilities	Water, electric, telephone utilities are available to the subject According to City of Murfreesboro available data, there is a sewer line crossing the property, however, the site lies outside the service area of the city and connection to it would require special permission from the city[1]
Zoning	The subject property is appropriately zoned
Flood Zone	Large Portions of the subject site appear to be within a 100 year flood hazard area, according to FEMA map 470165, panel 0265H, dated 01/05/2007, however, the appraisers are not qualified to determine whether the subject actually is or is not within a flood hazard area and do not assume any liability for the accuracy of this statement

1 See http mwsdmaps murfreesborotn gov gisapps MWSD index html , accessed on 04 22 2013

Access to the site is by way of a direct access off of Highway 99 or from Old Salem Road The site is typical of other properties in the neighborhood, being acreage land used for agriculture purposes It is served by necessary municipal utilities to use the site to its highest and best use No adverse easements or encroachments were noted upon inspection of the property, city of Murfreesboro Water and Sewer data indicates a sewer line existing on the property The sewer line and easement have no measurable adverse influence on the property, but potentially could serve to benefit the site in a proposed future development project

HAZARDOUS MATERIALS

The existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraisers inspection The appraisers have no knowledge of the existence of such materials on or in the property The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property The value estimated is based on the assumption that no such condition on or in the property or in proximity would cause a loss in value No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them

III. Analysis of Data and Opinions of the Appraiser

HIGHEST AND BEST USE

A fundamental proposition in land economics and an essential requirement to the value of real property is the assessment of a property's Highest and Best Use Subject to the constraints imposed by law, prevailing market conditions, as well as the overall character of the property itself, Highest and Best Use may be defined as the optimum or most probable use/development of a property which yields the highest land value or net return to an owner/investor The Appraisal Institutes terminology handbook states further

> "that reasonable or probable use that will support the highest present value of the land, as of the effective date of the appraisal, -- that available use and program of future utilization/development which will maximize the potential net return of an investment over a given period of time-- "

At the outset, it should be pointed out to the reader of this report that highest and best use is (1) a basic premise of value, (2) it is not an absolute fact found in the market, and (3) it reflects the appraiser(s) opinion of the best use of a property based on an analysis of prevailing and available market conditions and data Important factors of consideration in such an analysis include legal regulations (zoning, deed restrictions, building requirements, etc), market supply/demand conditions, neighborhood trends, and the locational and physical character of the property itself The following analysis thus examines the subject property in light of each of these factors in order to determine which of the various alternatives are the most suitable and feasible uses

Since land can be limited by the presence of improvements, highest and best use may be estimated as though the land were vacant and available to be improved to its highest income potential, and it's most profitable use based on the current and existing improvements The first premise, as if the land were vacant, attempts to answer the question of what new improvements should be constructed on the site The second premise refers to the optimal use that could be made of a property, including its existing improvements

In estimating highest and best use, consideration is given to physical features of the site and/or buildings, legal contractual and economic restrictions, and supply and demand

The Highest and Best Use of the subject is typically considered from two aspects -- the Highest and Best Use of the land "As-If-Vacant" and available for development and the Highest and Best Use in light of the existing improvements, or "As-Improved"

AS-IF-VACANT:

A careful study of the physical and locational characteristics of the subject property must be analyzed and compared with economic considerations to determine which type of use (or uses) will produce the greatest economic return to the land An estimate of the market value of the land, as if vacant, was made by comparing it to sales of vacant tracts having similar development potential, due to their similar overall physical and zoning characteristics

In an effort to accurately estimate the Highest and Best Use of the subject property, the uses must meet four main criteria, the uses must be (1) legally permissible, (2) physically possible, (3) financially feasible, and, (4) maximally productive

Legally Permissible Typically, in the absence of private restrictions, uses permissible under the applicable zoning ordinances are considered As mentioned in the zoning section of this report, subject property is zoned medium-density, single-family residential which allows for the division of the land into residential lots of 15,000 SF or larger The only legally permissible uses are residential or agricultural (See Zoning Analysis in this report)

As noted herein, sanitary sewer line does cross the property roughly parallel to Highway 99 along Puckett Creek The availability of sewer could allow for greater density than current zoning permits However, to access the sewer, the property would need to be annexed into the city or special permission would have to be obtained to permit a county subdivision served by city sewer The property does lie within the urban growth boundary of the city of Murfreesboro This “boundary” limits the areas that the city is allowed to annex up to year 2025

Physically Possible Physical constraints relative to location, size, shape, topography and availability of utilities all influence the use to which a property can be developed As detailed in this report, the subject property has the physical characteristics necessary for potential residential uses and development according to the current zoning ordinance

Financially Feasible and Maximally Productive Uses that are likely to produce adequate income or a return greater than the combined income required to satisfy expenses are considered financially feasible Among financially feasible uses, the use that provides the maximum potential rate of return, or value (given a constant rate of return) is indicative of a property’s

Highest and Best Use The financially feasible and maximally productive use “as if vacant” for the subject site is discussed as follows

physical characteristics of the subject site are suitable for any use that can utilize a site with good ingress, egress and shape The character of the area surrounding the subject is residential (with larger acreage tracts being agriculture use in nature) in nature Such uses are permitted given the current zoning of the subject site and the physical features of the site, such as its size and shape permit Prior to the economic downturn that commenced in 2007, there was strong historical demand for residential subdivisions in the immediate vicinity to the north of the subject That demand has since disappeared Lending for speculative residential development also has all but disappeared Nevertheless, holding for development remains the highest and best use as the site is close enough to developing areas to be appealing, interim use is agricultural

AS IMPROVED:

The subject property consists of approximately 137+/- acres of unimproved land zoned for single-family residential development In the absence of improvements and in consideration of the zoning, legal conformity, surrounding uses and location of the subject property, it’s most financially feasible and maximally productive use, “as improved”, is considered to be a holding for future development, with a continued interim use of agriculture The acreage lying to the east of Veterans Parkway and North of S R 99 is encumbered by a lease to a cell tower company According to the recorded lease, (Record book 246 Page 1994) the tower and ingress/egress easement occupy 1 07 acres The problem with the configuration is that the ingress easement leads from Old Salem Road to the tower down a long, winding gravel drive This easement, acting in conjunction with the established flood hazard area along Puckett Creek, for all practical purposes, severely impacts the developability of all the acreage lying between this easement and S R 99 With Veterans Parkway now existing closer to the cell tower, it might be prudent to investigate the viability of swapping the current easement for a shorter easement leading off of Veterans Parkway or off of S R 99 Doing this would increase the viability of the impacted acreage to serve as the back yards of residential subdivision lots, as seen in other developments in Rutherford County Additionally, there is a T V A easement on the site for power transmission lines This is considered to have no impact on the appeal or developability of the Subject as proven on in many existing residential developments in Rutherford County

THE APPRAISAL PROCESS

The appraisal process is defined as a systematic analysis of the factors that bear upon the value of real estate An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value This process is a valuable aid to the appraiser, and has been applied to estimate the market value of the subject property as follows

Defining the Problem the subject property has been physically and legally described, the rights under appraisal have been specified, the purpose of the appraisal stated, and the value, as defined, is estimated as of a certain date

Preliminary Survey the plan for development of the appraisal report, including the data needed, data sources, personnel and time requirements, etc

Data Collection and Analysis The collection of general data of a locational and economic nature, the collection of specific data about the subject property and comparative data which could include costs, sales, rentals, and expenses, and the analysis of this data in a logical manner has been made

Using these steps as a beginning, an application of this data analysis will be made to formulate an estimate of value through different approaches These different approaches are classically defined as the *Cost Approach*, *Sales Comparison Approach* and *Income Capitalization Approach* Since all information involved is drawn from the marketplace, these approaches are a part of a larger market approach When one or more of the approaches to a final value estimate is not used in completing the appraisal assignment, it should be explained

Sales Comparison Approach - is a direct comparison of the property under appraisal with other similar properties which have sold The most common units of comparison are price per acre, price per square foot, price per unit, price per room, price per square foot of building area, per bay, per lot, etc The comparable sales are analyzed for cash equivalency, time, and then compared with each other and the subject for unit mix, condition, amenities, and condition or terms of sale, etc Based on these adjustments, a value indication is arrived at by estimating the indicated price per square foot or other price per unit The indications of value are reconciled into an estimate of value by the Sale Comparison Approach This approach is processed

Income Capitalization Approach - is a set of procedures in which an appraiser derives a value indication for income-producing property, converting anticipated benefits into property value This conversion is accomplished by estimating the current economic rent that the property being appraised could command This would be arrived at by comparing the rents of competing properties similar to the subject and then estimating what economic rent would be for the subject This monthly or annual rent is then translated into an estimate of the gross income From the gross income is deducted the anticipated vacancy and credit losses that a subject could be expected to incur, in arriving at an effective gross income By reviewing the operating expenses of a subject and comparing those expenses with actual operating expenses of similar properties, a reconstructed operating expense statement is developed The operating expenses are then deducted from the effective gross income to arrive at the estimate of net operating income The net operating income would then be converted into an indication of value through the application of the appropriate capitalization method Included in the processing of a net income into an indication of value, is the abstraction of an appropriate capitalization rate (direct capitalization) from the market where possible and appropriate After numerous requests, we were unable to obtain the lease income data for the cell tower located on the Subject property Because this data is not available, we are not able to develop the income approach as it pertains to the monthly income this lease generates for the property

Cost Approach - is based upon the estimated reproduction cost of the improvements, less accrued depreciation, plus land value Depreciation includes estimates of physical deterioration due to wear and tear, functional obsolescence due to defects in design, and economic obsolescence due to changes in the political or economic conditions external to the subject Due to the absence of any improvements, this approach is not processed and not necessary to provide a credible value estimate Moreover, the typical market participant of this type of property would not rely on the cost approach when contemplating such a purchase

The next step in the appraisal process, under typical circumstances, would be to consider the indicated value resulting from each approach This would include a consideration of the relative applicability of each of the approaches, and the strengths and weaknesses of each approach would be identified and discussed Emphasis for the final value estimate would then be placed on the most reliable and applicable solution to the specific appraisal problem at hand This analysis of the approaches to value estimation is called reconciliation The result is to end in a final estimate of defined value It should be clearly understood that a value estimate is an appraiser's opinion based on his analytical ability, and is only an estimate A determination of value is made only through the courts or other legally constituted authorities

SALES COMPARISON APPROACH

According to the Dictionary of Real Estate Appraisal, Second Edition, this analysis is an "approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying the appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparables" The sales comparison approach relies on the theory of substitution which implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property

In researching acreage tract transactions, the similarities were restricted to larger tracts from 50 to 200 acres, having sold within the 36-month time frame immediately preceding the inspection of the property These results were then narrowed by eliminating any obvious non-arm's length transactions The entire list of remaining 14 researched sales is included below in spreadsheet form

ACREAGE TRACT SALES

1	3812 Rowland Rd Murfreesboro, TN 37128	$135.000	2/10/2012	consumption	50	$2.700
2	4372 Barfield Crescent Rd Murfreesboro, TN 37128	$245.000	6/13/2012	consumption	69 14	$3.544
3	Bunker Hill Rd Rockvale, TN 37153	$850.000	12/21/2012	consumption	154	$5.519
4	Kingwood Ln Rockvale, TN 37153	$1.200.600	6/10/2010	investment	67 5	$17.787
5	9583 Shelbyville Pike Bell Buckle, TN 37020	$225.200	11/23/2011	consumption	56 3	$4.000
6	Off Parkwood Dr Murfreesboro, TN 37128	$420.000	3/31/2011	consumption	60 38	$6.956
7	Link Rd Christiana, TN 37037	$225.000	10/11/2010	consumption	90 6	$2.483
8	41A Highway Eagleville, TN 37060	$440.000	4/29/2011	consumption	82 6	$5.327
9	Armstrong Valley Rd Murfreesboro, TN 37128	$1.069.510	12/7/2010	investment	83 47	$12.813
10	Snail Shell Cave Rd Rockvale, TN	$144.100	5/28/2013	consumption	144 78	$995 30
11	Burks Hollow Rd Christiana, TN	$192.134	4/12/2012	consumption	113 01	$1.700 15
12	Rucker Lane @ Salem Pike Murfreesboro, TN 37128	$8.159.580	10/4/2011	investment	453 32	$18.000
13	3275 St Andrews Rd Murfreesboro, TN 37128	$1.169.035	5/4/2010	investment	44 45	$26.300
14	0 Burnt Knob Rd Murfreesboro, TN 37129	$810.000	10/29/2012	investment	85 79	$9.442
15	Twelve Corners S/D Lascassas, TN 37085	$640.000	1/31/2013	investment	53 6	$11.940
16	4034 Midland Fosterville Rd Bell Buckle, TN	$246.000	10/17/2012	consumption	100 00	$2.460 00
17	7448 Lascassas Pike Lascassas, TN	$318.161	12/18/2012	consumption	122 91	$2.588 57
18	3737 Halls Hill Pike Murfreesboro, TN	$404.000	5/24/2013	consumption	149 46	$2.703 06
19	9611 Summers Rd Christiana, TN	$455.794	6/15/2011	consumption	156 09	$2.920 07
20	2736 Richland Richardson Rd Murfreesboro, TN	$346.500	4/15/2011	consumption	116 21	$2.981 67
21	12480 Highway 99 Rockvale, TN	$840.000	2/9/2012	consumption	200 25	$4.194 76
22	0 Williams Rd Christiana, TN	$503.305	5/12/2010	consumption	102 68	$4.901 68

The above list of sales is not presented or arranged in any particular order However, what is illustrated are two distinct differences in perceived market value from two very different market participants – rural land owner/occupant (consumption) users and investment/development users (investment) The sales data ranged from $2,460/Acre to $26,300/Acre for single-family, residentially-zoned acreage tracts This is a very broad range that, by itself, would be confusing However, upon closer inspection these sales can be divided into two distinctly different categories of consumption properties and investment properties The following chart focuses only on the investment properties which are most comparable with the Subject

4	Kingwood Ln Rockvale. TN 37153	$1.200.600	6/10/2010	investment	67 5	$17.787
9	Armstrong Valley Rd Murfreesboro. TN 37128	$1.069.510	12/7/2010	investment	83 47	$12.813
10	Rucker Lane @ Salem Pike Murfreesboro. TN 37128	$8.159.580	10/4/2011	investment	453 32	$18.000
11	3275 St Andrews Rd Murfreesboro. TN 37128	$1.169.035	5/4/2010	investment	44 45	$26.300
12	0 Burnt Knob Rd Murfreesboro. TN 37129	$810.000	10/29/2012	investment	85 79	$9.442
13	Twelve Corners S/D Lascassas. TN 37085	$640.000	1/31/2013	investment	53 6	$11.940

The above chart indicates the sales from the list that were single-family-residential, investor-purchased, acreage (land type investment) The remaining sales that were not included in the above narrowed chart can be termed as transfers of properties to purchasers either intending to continue the agricultural uses of the properties, desiring to occupy the properties (land type consumption), or a purchase of a property inferior in development potential to that of the Subject The above sales represent properties most similar to the Subject in the most probable aspects from an investor point of view location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The transaction details of these six sales are below

0 Kingwood Lane
Rockvale, Tennessee 37153

Property Type Agricultural

Property Subtype Investment/development

MAP/PARCEL 100 025 01

PROPERTY INFORMATION

Site Area (Acres)	67.5	Site Area (SqFt)	2,940,300
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	2/26/2010
Sale Price	$1,200,000	Sale Price per acre	$17,787
Grantor	Anne Donnell-Burklow et vir		
Grantee	Kingwood Lane, LLC, (ref Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

Zoned RM – medium density residential in Rutherford County Zoning Ordinance. Property has approximately 1,600+/- feet of frontage on Veterans Parkway, and approximately 50 feet along Kingwood Lane. This property is outside the city limits of Murfreesboro. No approved or proposed development plan was found for this property.

INVESTMENT-GRADE LAND SALE, COMPARABLE #9

Armstrong Valley Road
Murfreesboro, Tennessee 37128

Property Type Agricultural

Property Subtype Investment/development

MAP/PARCEL 114 022 02

PROPERTY INFORMATION

Site Area (Acres)	83 47	Site Area (SqFt)	3,635,953 2
Zoning	PUD - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	12/07/2010
Sale Price	$1,069,510	Sale Price per acre	$12,813
Grantor	Pinnacle National Bank		
Grantee	Riggs-Weston, LLC, (ref Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

Zoned PUD (Planned Unit Development) in the City of Murfreesboro Zoning Ordinance Property has approximately 1,600+/- feet of frontage on Veterans Parkway, and approximately 2,600+/- feet along Kingwood Lane This property is inside the city limits of Murfreesboro with sewer on-site This is a planned residential development meaning that a formal plan of a single-family, detached, residential development was submitted for and received approval by the City of Murfreesboro

INVESTMENT-GRADE LAND SALE, COMPARABLE #12

Rucker Lane at Salem Pike
Murfreesboro, Tennessee 37128

Property Type Farm

Property Subtype Investment/development

MAP/PARCEL 115 009.00, 011.00 & p/o 011.03

PROPERTY INFORMATION

Site Area (Acres)	453.32	Site Area (SqFt)	19,746,619
Zoning	PUD - residential	Utilities	W/E/T/S

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/04/2011
Sale Price	$8,159,580	Sale Price per acre	$18,000
Grantor	Adams & Parks Investments and Adams & Parks Land holdings, LLC		
Grantee	Rucker Holdings, LLC (ref: Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

Zoned PUD (Planned Unit Development) in the City of Murfreesboro Zoning Ordinance. Property has approximately 2542+/- feet of frontage on Rucker Lane, approximately 3,618+/- feet along the Ruker Lane Extension, 1,067+/- feet on Salem Pike, 3,937+/- feet along Windrow Road and 9,354+/- feet along Veterans Parkway. This property is inside the city limits of Murfreesboro with sewer on part of the site. This is a planned residential development meaning that a formal plan of a single-family, detached residential development was submitted for and received approval by the City of Murfreesboro.

INVESTMENT-GRADE LAND SALE, COMPARABLE #13

3275 St Andrews Road
Murfreesboro, Tennessee 37128

Property Type Agricultural

Property Subtype Investment/development

MAP/PARCEL 114 020 00

PROPERTY INFORMATION

Site Area (Acres)	44.45	Site Area (SqFt)	1,936,242
Zoning	RM - residential	Utilities	W/E/T

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	05/04/2010
Sale Price	$1,169,035	Sale Price per acre	$26,300
Grantor	Smith Brothers Properties		
Grantee	St Andrews, LLC (ref Wade Williams)		
Value Interest	Fee Simple		

COMMENTS

Zoned RM – medium density residential in Rutherford County Zoning Ordinance. Property has approximately 580+/- feet of frontage on Veterans Parkway and 1,300+/- feet along St Andrews Drive. This property is outside the city limits of Murfreesboro. No approved development plan was found for this property.

0 Burnt Knob Road
Murfreesboro, Tennessee 37129

Property Type Residential

Property Subtype Investment/development

MAP/PARCEL 077H-A-002.00, 006.00, 021.00, 018.00, 011.00, 077 034.00, 034.14, 038.03

PROPERTY INFORMATION

Site Area (Acres)	85.79	Site Area (SqFt)	3,737,012.4
Zoning	RM - residential	Utilities	W/E/T/Step system

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	10/29/2012
Sale Price	$810,000	Sale Price per acre	$9,442
Grantor	Capitol Bank N A		
Grantee	A & R Land Investments		
Value Interest	Fee Simple		

COMMENTS

Zoned RM – medium density residential in Rutherford County Zoning Ordinance. Property has approximately 1,000+/- feet of frontage on Burnt Knob Road, also future road frontage where existing subdivision street currently dead-end. This property is outside the city limits of Murfreesboro. This is the balance of land for a recorded/approved single-family, detached subdivision development. Many lots were acquired in this transfer as well as the balance of land slated for future development. Step System for the development was already in place as well as roads for the finished portions of the subdivision.

Twelve Corners S/D
Cainsville Pike
Lascassas, Tennessee 37085

Property Type Residential/agricultural

Property Subtype Investment/development

MAP/PARCEL 039-007 02, 039N-A-002 00, 003 00, 005 00, 006 00, 007 00, 008 00, 009 00, 010 00, 011 00, 015 00, 016 00, 017 00, 018 00, 020 00,021 00, 022 00, 023 00, 024 00, 025 00, 027 00,028 00, 035 00, 036 00, 038 00, 039 00, 040 00, 041 00, 042 00, 043 00, 073 00, 0113 00, 0114 00, 0118 00, 044-005 03, 005 04

PROPERTY INFORMATION

Site Area (Acres)	53 6	Site Area (SqFt)	2,334,816
Zoning	RL - residential	Utilities	W/E/T/STEP System

SALE INFORMATION

Sale Statue	Recorded Sale	Sale Date	01/31/2013
Sale Price	$640,000	Sale Price per acre	$11,940
Grantor	Capitol Bank N A		
Grantee	Spivey & Hollingshead Construction, LLC		
Value Interest	Fee Simple		

COMMENTS

Zoned RL – low density residential in Rutherford County Zoning Ordinance Property has minimal frontage on any main traffic artery but each lot has frontage on existing development streets and future road frontage on these streets as they are extended in the future This property is outside the city limits of Murfreesboro This is the balance of land for a recorded/approved single-family, detached subdivision development Many lots were acquired in this transfer as well as the balance of land slated for future development Step System for the development was already in place as well as roads for the finished portions of the subdivision

These six sales represent the best available sales that are the closest in size to the Subject from all Rutherford County land sales searched in available online data sources (www realtracs net, www loopnet com, www crsdata net) As can be seen from the above sales, three of the transactions were sales from a financial institution after foreclosure – these should probably be eliminated as all indicate a price/unit below that of the remaining sales (a bank does not usually satisfy the definition of "typical market participant" in a transaction because its motivations are usually different from those of private parties) The bank sales' price/unit are all well below the values of the private party sales even though the properties appear to have been marketed by real estate agents Due to this possibly indicating a trend, the focus will be narrowed to only the private party sales The investment sales were next ranked for overall comparison to the Subject The following spreadsheet indicates the rankings

INVESTMENT LAND SALE RANKING ANALYSIS

14	0 Burnt Knob Rd Murfreesboro, TN 37129	$810,000	10/29/2012	investment	Residential	85 79	$9,442	Inferior
15	Twelve Corners S/D Lascassas, TN 37085	$640,000	1/31/2013	investment	Agricultural	53 6	$11,940	Inferior
9	Armstrong Valley Rd Murfreesboro, TN 37128	$1,069,510	12/7/2010	investment	Agricultural	83 47	$12,813	Inferior
4	Kingwood Ln Rockvale, TN 37153	$1,200,600	6/10/2010	investment	Agricultural	67 5	$17,787	Slightly superior
12	Rucker Lane @ Salem Pike Murfreesboro, TN 37128	$8,159,580	10/4/2011	investment	Farm	453 32	$18,000	Superior
13	3275 St Andrews Rd Murfreesboro, TN 37128	$1,169,035	5/4/2010	investment	Agricultural	44 45	$26,300	Superior

All of the above sales were of acreage tracts that were either in the midst of single-family residential development process, had received local governmental approval for single-family residential development or were a speculative investment for future use as single family detached residential development Each property offers good features that speculative investors value location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The adjustment grid above reflects our efforts to account for the major differences between the sales and the Subject Although precision appears to be implied by this process, it is largely a matter of our judgment and opinion

These sales offer a range from $9,442/Acre to $26,300/Acre, the mathematical mean is $16,047/Acre The sales involving a financial institution as the seller should likely be avoided as the motivation of the seller is generally considered to be atypical to that of a private party, and the ability to sell at a discount is something that the private party rarely shares in common with a bank Under this scenario, that leaves four private-party transactions for consideration sales 9, 4, 12 and 13 It is important to note that all of these four sales are in very close proximity to the Subject property All four appear to have been purchased by the same corporation located in New York (purchased under different LLC monikers) These two factors appear to indicate that this entity sees the area near the Subject as a worthy investment for single-family residential developments (having invested over 11 5 million dollars into single-family residential development land in the area) All of these properties offer many of the good features a speculative investor values location, developability, utilities, street access (major traffic artery versus collector street), road frontage, visibility The Subject offers many of these same features developability, utilities, street access, road frontage, visibility However, the features of the

Subject might be considered a bit inferior since it is effected by the established flood zones associated with Puckett Creek and the impact of the cell tower and its ingress easement Nevertheless, these sales and the Subject make a good grouping of similar and reasonable substitutes for the typical investor-market participant

As noted in the sale details for each transaction, two of these properties did not have any development plan that we could find sale 4 and sale 13 Interestingly, these two sales set the upper and lower limits for the private-party transactions on investor-purchased tracts Because both were purchased by the same entity, it would be wise to note that the price/acre paid for sale 13 is likely beyond the value that the market for the Subject would probably bear This is reasonable due to the fact that this purchaser could justify paying the higher price/acre for sale 13 because the lower values paid for its other properties will offset this higher price/acre Additionally, this was their first purchase in this location, it is the oldest of their transactions The future/newer transactions were all at a price/acre below that of sale 13 Their later transactions (and the most recent) are in a range from $12,813 to $18,000 per acre, with the lower being purchased from a bank and the latter a private-party transaction Sale 13 also is a corner property having road frontage on two traffic arteries – the Subject does not Sale 13 is surrounded by single-family residential developments as well as a small amount of commercial development – the Subject is not

In consideration of the differences between the Subject and sale 13 it is not reasonably likely that the price/unit of sale 13 is applicable to the Subject – the market value of the Subject should lie below that of sale 13 The available remaining sales data indicates that the Subject is most reasonably similar to sales 4 and 12 as both sales involve private parties and share many attributes in common with the Subject parcel However, we must take into account the flood and easement issues previously noted As stated earlier, the access easement is currently working in conjunction with the established flood zone to severely impact the viability of an estimated 11+/- acres of the Subject (see attachments) If the easement were relocated then the acreage currently affected would feasibly serve as the rear yards of single-family residential subdivision lots, as has been done along many creeks and river ways in Rutherford County This would, regardless of the flood zone, increase the price/unit applicable for the effected acreage After reviewing many transactions for sales of properties both effected by flood zones and those not, it appears that market data indicates that the flood plain land sales are discounted between 44% and 85% from the price that nearby comparable properties that are not in the flood plain would sell for, with most of the discounts in the 70% to 75% range The foregoing does not always hold true, and we believe that it will have an impact on the Subject's perceived value, which is why the Subject is placed where it is in the ranking chart Nevertheless, all portion that are affected by flood areas can function well under a development scenario if assembled with other adjoining acreage tracts (which has been typical investor actions in this area), this is why we will not penalize it to the extent of other flood-affected properties We will therefore use $16,500/Acre as the most reasonable, current and applicable market-derived price/unit, when considering the Subject parcel Applying the $16,500/Acre to the subject would yield the following indication of value

$16,500.00 x 137.00 = $2,260,500

Thus the value via the sales comparison approach is

$2,260,000 ® Two Million Two Hundred Sixty Thousand Dollars

RECONCILIATION AND FINAL VALUE ESTIMATE

In the typical appraisal assignment, reconciliation is the weighing process of the strengths, weaknesses, and applicability of the approaches utilized in appraising the subject property

In the course of our investigation involving the market value estimate for the subject property, one of the three generally recognized approaches to value was developed and indicated the following estimates of market value

Cost Approach	**N.A.**
Market Approach	**$2,260,000**
Income Approach	**N.A.**

Each approach to value is a comparative analysis of the data in the market which is significant and particular to the use of the respective approach Thus, the accuracy and reliability of each approach depends on the quantity and quality of the market data available to it, and upon its analysis, interpretations and application by the appraiser

The Market Approach produces a supportable and justifiable value estimate Data was somewhat limited and varied, but this analysis is valid In many appraisals, the Sales comparison Approach is the only approach which can be utilized effectively or meaningfully to produce a credible result This is the most reliable procedure for estimating land value and, when sufficient comparable data exist, it is the most reliable method of estimating total property value Sales of similar parcels are compared, weighted and related to the property being appraised In this case, sufficient data is available to process this approach to the valuation of the subject site The Income Capitalization Approach could not be processed due to the lease terms of the existing cell tower agreement not being made available The Cost Approach is not processed and not necessary to produce a credible value estimate Due to the lack of structural improvements, the cost approach would not produce a credible value opinion nor would it be used by the typical market participant for the Subject The Sales Comparison Approach is exactly the way a typical buyer or seller would considered this property if it were to be purchased or sold

It is worth noting that the Subject has many features that make it a good candidate for single-family residential development Sales of reasonably similar properties were found that support the price/unit applied to the Subject property – these support the theory of substitution The sales relied on were considered to be most similar to the Subject in terms of appeal as the transactions reflect the perceived market-value in terms of price/acre of speculative single-family, detached residential development acreage in the vicinity of the Subject It is assumed that the owners of the Subject property are knowledgeable of the local market, and as this is a prerequisite for market value, then it is reasonable to assume that the seller would not be willing to sell the Subject property for less than the price/unit of other investment-grade, single-family residential development parcels that have sold in the near vicinity (again, assuming the Seller is under no duress or need to sell) The data further indicates a value a typical market participant is willing to pay for reasonably similar tracts

After taking into consideration the most pertinent factors affecting value, it is our opinion that the market value of the as-is, fee simple estate of the subject is

$2,260,000

two million two hundred sixty thousand dollars

as of :

June 27, 2013

CERTIFICATION AND FINAL ESTIMATE OF VALUE

1 The statements of fact contained in this report are true and correct The appraiser has not knowingly withheld any pertinent information

2 The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions and conclusions

3 I/We have no present or perspective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved

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

5 Every effort has been made to develop our analysis, opinions and conclusions and to prepare this appraisal -and the appraisers believe that these are- in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the Appraisal Institute's Appraisal Guidelines The appraisers possess the knowledge and experience to complete this assignment competently, in compliance with the stated regulations

6 Both individuals signing this report have made a personal inspection of the property that is subject of this report

7 No one provided significant professional assistance to the persons signing this report that are not mentioned herein

8 The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, creed, color or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised

9 All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report)

10 All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report No change of any item in the appraisal report shall be made by the readers of this report, and the appraiser assumes no responsibility for any such unauthorized change

11 The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan

12 The Appraisal Institute conducts a voluntary program of continuing education for its designated members Members who meet the minimum standards of this program are awarded periodic educational certification Gregory O Peck is currently certified under this program through December 31, 2016

13 Gregory O Peck is a State Certified General Real Estate Appraisers under the laws of the State of Tennessee Roger A Stacey is a State Registered Real Estate Appraiser Trainee under the laws of the State of Tennessee This appraisal was made in compliance with the current regulations of the Tennessee Real Estate Appraiser Commission, which allows this report to be regarded as a Certified Appraisal

14 I/We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment

15 I/We have no bias with respect to the property that is the subject of this report or to the parties involved

That as a result of the investigation and analysis made in connection with this appraisal report, it is our professional opinion that the as-is, fee-simple, market value of the subject property, as of

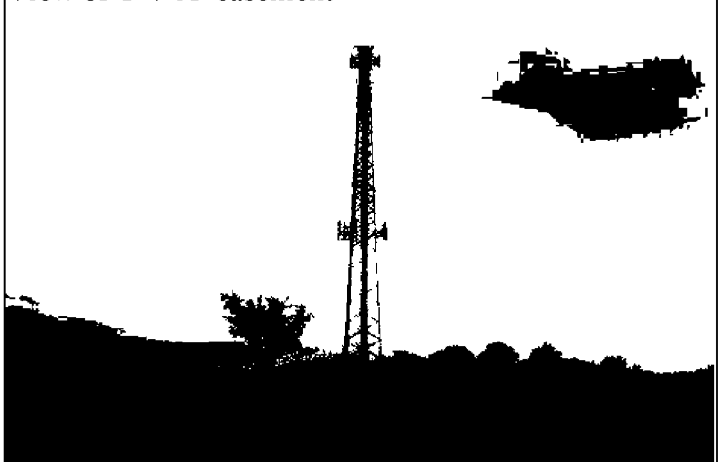
June 27, 2013
is
$2,260,000
***** **two million two hundred sixty thousand dollars** *****

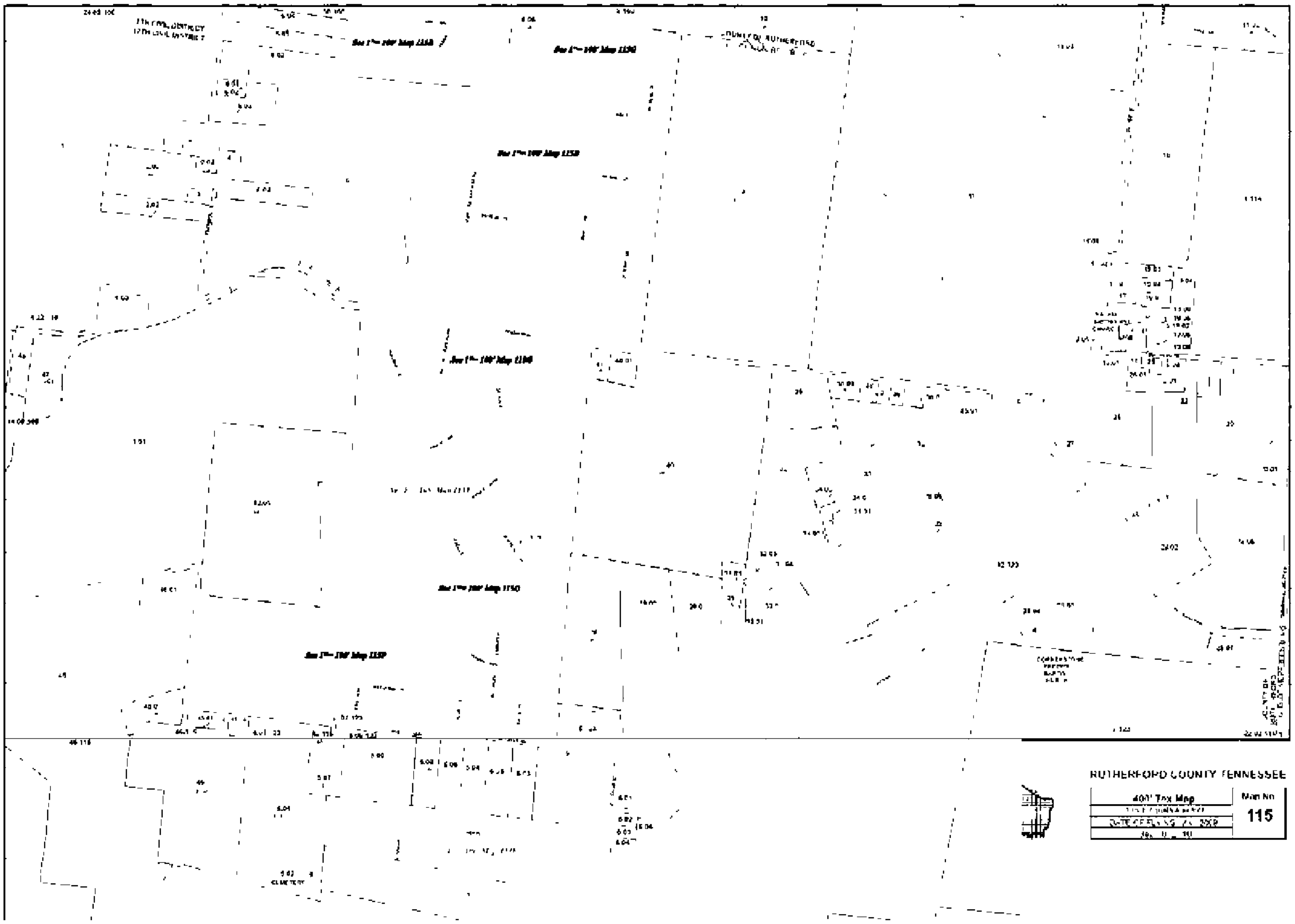
Gregory O Peck, CCIM, SRPA
State Certified General Real Estate Appraiser No CG-140

Roger A Stacey, MA
State Registered Appraiser Trainee #4543

IV. Addenda

SUBJECT PHOTOGRAPHS

	
View of T V A easement	Street view along Veterans Parkway
	
Cell Tower	
	
Cell tower access easement	



Tax map, two maps combined

LEGAL DESCRIPTION

LEGAL DESCRIPTION (TRACT 3)

Being a certain tract or parcel of land lying and being in the Twelfth Civil District of Rutherford County, Tennessee located on Tax Map 123 as a portion of Parcel 12 00 and is the James R Donnell Property recorded in DB 304, PG 557, DB 219, PG 265, DB 174, PG 028 and is more particularly described as follows

Beginning at a ½" Rebar (N) with Wiser Cap in the south right-of-way of Old Salem Highway, this being the northeast corner of the property described herein and the northwest corner of Wilson (RB 217, PG 622), thence leaving the aforementioned right-of-way and with Wilson and a fence S 01°59'59" E a distance of 385 95' to a ½" Rebar (O), this being the southwest corner of Wilson, thence leaving Wilson and with Shackelford (DB 467, PG 840) and a fence the following courses and distances S 01 38'23" E a distance of 734 29', S 00 30'54" W a distance of 127 21', S 83 50'56" E a distance of 152 47' to a ½" Rebar (O) in the north right-of-way of State Route 99, this being the southeast corner of the property described herein and the southwest corner of Shackelford, thence leaving Shackelford and with the aforementioned right-of-way the following courses and distances S 58°54'14" W a distance of 235 65', N 82 19'41" W a distance of 64 03', S 59 00'23" W a distance of 2000 00', S 20 20'48" W a distance of 64 03', S 59°00'23" W a distance of 1050 00', S 56°37'20" W a distance of 120 19' to a Concrete Monument (O), S 59 00'23" W a distance of 1031 80', S 59 01'09" W a distance of 511 85' to a Concrete Monument (O), S 59 08'28" W a distance of 394 86' to a Concrete Monument (O), S 56°42'10" W a distance of 422 54' to a Concrete Monument (O), S 51°10'44" W a distance of 685 82' to a Concrete Monument (O), S 48 07'05" W a distance of 586 02' to a ½" Rebar (O), this being the northeast corner of the One Lot Subdivision of James R Donnell recorded in Plat Book 20, PG 218, thence with the aforementioned subdivision N 78 08'45" W a distance of 303 32' to a ½" Rebar (O), this being the northwest corner of said subdivision, thence with Lot 1 of the Silent Shade Subdivision recorded in Plat Book 008, PG 173 for two calls N 04°35'53" E a distance of 29 00' to a ½" Rebar (O), N 79°59'49" W a distance of 258 30' to a ½" Rebar (O) in the east right-of-way of Old Salem Highway, this being the northwest corner of Lot 1, thence with the aforesaid right-of-way N 06°16'19" E a distance of 50 12' to a ½" Rebar (O), thence leaving the right-of-way of Old Salem Highway and with Minnick (DB 656, PG 010) and a fence the following courses and distances S 79°54'30" E a distance of 238 04' to a ½" Rebar (O), N 06°19'36" E a distance of 162 71' to a ½" Rebar (O), N 79 44'41" W a distance of 238 09' to ½" Rebar (O) in the east right-of-way of Old Salem Highway, this being the northwest corner of Minnick, thence leaving Minnick and with the aforementioned right-of-way the following courses and distances N 06°24'43" E a distance of 590 48', N 06°41'12" E a distance of 366 24', on a curve to the right having an arc length of 277 06' and a radius of 303 03', N 54°04'45" E a distance of 571 24', N 54°07'04" E a distance of 1531 33' to a ½" Rebar (N) with Wiser Cap, this being the northwest corner of the Jarratt Estate (DB 218, PG 199), thence leaving the right-of-way of Old Salem Highway and with the Jarratt Estate and a fence the following courses and distances S 35°45'26" E a distance of 751 87' to a Bolt (O), N 75°08'07" E a distance of 1555 66' to a ½" Rebar (N) with Wiser Cap, N 44 10'38" E a distance of 1725 66' to a ½" Rebar

(N) with Wiser Cap, this being the southeast corner of the Jarratt Estate and the southwest corner of Brannon (DB 106, PG 189), thence leaving the Jarratt Estate and with Brannon N 06 37'03" E a distance of 247 77' to a Wooden Fence Post, this being the southeast corner of Brannon, thence leaving Brannon and with Brown (DB 123, PG 476) and a fence S 83' 04'05 " E a distance of 724 14' to a 18" Hackberry, thence continuing with Brown and then Johnson N 00 57'43" W a distance of 824 48' to a ½" Rebar (O), thence leaving Johnson and with Robinson (RB 183, PG 2918) and a fence for two calls N 88 33'38" E a distance of 368 27' to a ½" Rebar (O), N 00' 08'06" W a distance of 356 52' to a ½" Rebar (N) in the south right-of-way of Old Salem Highway, thence leaving Robinson and with the aforementioned right-of-way S 86 16'03 " E a distance of 126 06' to the point of beginning containing 139 01 acres, more or less, according to a survey performed by Wiser Company on December 13, 2004

This tract is subject to a 100' TVA Transmission Line Easement For a more perfect description of this easement, please refer to the plat of the James R Donnell Property

This tract is subject to a Cell Tower Easement recorded in RB 246, PG 1994 For a more perfect description of this easement, please refer to the plat of the James R Donnell Property

ENGAGEMENT LETTER

Fw: Rucker-Donnell Foundation Appraisals

gopeck@ccim.net< gopeck@ccim net> Thu, Apr 18, 2013 at 8 26 AM
Reply-To gopeck@ccim net
To Roger Stacey <1031stacey@gmail com>

From: Zach Fuller
Sent: Monday, April 08, 2013 2.07 PM
To: gopeck@ccim.net ; Roger Stacey
Subject: RE: Rucker-Donnell Foundation Appraisals

Mr. Peck,

Yes we would like you to re-appraise the properties and complete new appraisal reports. A two to four week delivery date will be alright. Please let me know if you have any questions or need any additional information.

Thanks,

Zachary Fuller| American City Bank, 340 W Lincoln St, Tullahoma, 37388 | www *AmericanCityBank com*

(W) 931 455 0026 | *Zach Fuller@AmericanCityBank com*

From: gopeck@ccim.net [mailto:gopeck@ccim.net]
Sent: Monday, April 08, 2013 7:36 AM
To: Zach Fuller; Roger Stacey
Subject: Rucker-Donnell Foundation Appraisals

Good Morning Zach:

First, we cannot get this work back to you by 4/17 I presume that you are asking us to re-appraise these properties and complete new appraisal reports If this is the case, we are looking at two to four weeks for a delivery date, depending on how the research and data collection phase goes Let me know your thoughts at this point as we

would like to help you as much as possible I have sent a copy of this email to Roger Stacey here in the office
Thanks

Gregory O Peck, CCIM, SRPA, CG-140
Gregory Peck and Associates
1535 W Northfield Blvd
15 Lincoln Square
Murfreesboro, TN 37129
Voice/Fax 615-896-0787
Cell·615-364-8904
gopeck@ccim net

QUALIFICATIONS of the APPRAISER

GREGORY O. PECK, CCIM, SRPA, CG-140

SCOPE OF BUSINESS AND PROFESSIONAL ACTIVITY

General practice with the majority of appraisal assignments relating to market value of all types of commercial, industrial, investment, and residential properties in the Middle Tennessee area Appraisal assignments are categorized under three headings specific value answer and/or recommendation, probable value range based on limiting conditions and assumptions, and the appraisal of easements and partial acquisitions Eminent Domain special experience in condemnation valuation from the following road widening and new road projects, Old Hickory Blvd , and Dickerson Pike, Nashville, TN , Great Neck Road, Virginia Beach, VA , Memorial Blvd , Highway 96, Highway 231 South, Mercury Blvd , John Bragg Highway, Thompson Lane, and Interstate 840 in Rutherford County, TN General Contractor purchased, redeveloped and sold Section III of Timberlake S/D, developed and sold vacant land at Old Nashville Highway and Florence Road, built 65 +/- single family homes, and successfully developed, built and sold Park Place Condominiums Division of Property Assessment – Registered Agent – have advised and represented property owners on Ad Valorem property tax matters since 1974 Valuation consultant to Rutherford County, TN Tax Assessor's Office

PROFESSIONAL EXPERIENCE

Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants
Chief Appraiser of a Federal Savings & Loan Association
Staff Appraiser with Lewis Garber & Associates, Independent Real Estate Appraisers and Consultants
Staff Appraiser with H L Yoh Company, mass appraisal specialists of cities, counties, and municipalities

EDUCATION

B S Degrees, Middle Tennessee State University, Murfreesboro, Tennessee
Post Graduate Studies University of Tennessee, Nashville, Tennessee Middle Tennessee State University, Murfreesboro, Tennessee
Continuing Education Programs Appraisal Institute, Commercial Investment Real Estate Institute, Appraisal Section, National Association of Realtors, International Right-of-Way Association, National Association of Realtors, and the Tennessee Real Estate Appraiser Commission

Past Member – National Faculty of the Appraisal Institute for Course 110, Appraisal Principles, Course 120, Appraisal Procedures, and Course 210, Residential Case Studies

PROFESSIONAL AFFILIATIONS

CCIM	Member of Commercial Investment Real Estate Institute Past President - Middle Tennessee Chapter
SRPA	Member of the Appraisal Institute
SRA	Member of the Appraisal Institute - Past Pres Chapter 78
SRWA	Senior Member, International Right-of-Way Association National Professional of the Year Finalist

Tennessee Affiliate Brokers License Number 240946
Tennessee State Certified General Real Estate Appraiser Number CG-140
Tennessee Division of Property Assessment-Registered Agent Number 0092

PARTIAL LIST OF CLIENTS

Corporations and Companies

MacMillan-Bloedel, LTD, Canada, ARA Services, Chalk Line, Inc , Homequity, Executrans, Executive Relocation, Merrill Lynch Relocation Management, Equitable, General Electric, Kroger Company, Eaton Corporation, E I DuPont de Nemours & Company, Firestone Tire and Rubber Company, General Motors, Trans-America Relocation, Brunswick Corporation, Phillips Petroleum Company, American Steel Foundries, Dairymen, Inc , Maremont Corporation, Kraftco Corporation, Exxon Corporation, Americorp Relocation Management, John Deere Company, Masonite Corporation, W R Grace and Company, United States Steel Corporation, CSX/Louisville and Nashville Railroad, Southeastern Box Corporation, State Farm Insurance Company, National Residential, Inc , Relocation Realty Service Corporation, Roadway Express, Relocation Resources, Lincoln Service Corporation, Koppers Company, Reichold Chemical, Gen-Rel Relocation, Coldwell Banker, Chem-Exec, Empire Relocation, Travelers, Baptist Hospital, and others

Financial Institutions

First Tennessee Bank National Association, Chiao Tung Bank of Silicon Valley, Bank of America, First American National Bank, AMRESCO/Institutional, SunTrust Bank, California Federal Savings & Loan, Republic National Bank of Dallas, Bank of America, BankOne-Dallas, Miami National Bank, Midsouth Bank, Volunteer State Bank, Farmersville Bank of Texas, Union Planters National Bank, Pinnacle National Bank, National Bank of Canada, and others

Insurance and Mortgage Companies

Southeastern Mortgage, Rutherford Bank & Trust, CNA/Insurance Company, Regions Mortgage, Inc , Mid-State Financial, Pacific Southwest Bank, First Investment Company, Franklin American Mortgage, Right Mortgage Company, Churchill Mortgage Company, Harbourton Mortgage Company, First Bank and Trust, NationsBank Mortgage Corporation, and others

Governmental Agencies

National Park Service, Veterans Administration, Loan Guaranty Division, Federal National Mortgage Corporation, Federal Deposit Insurance Corporation, Tennessee Valley Authority, Tennessee Attorney Generals Office, United States Postal Service, U S Department of Housing and Urban Development, United States Department of the Interior, Tennessee Department of Finance and Administration, Middle Tennessee State University, Tennessee Department of Transportation, United States General Services Administration, Resolution Trust Corporation, Rutherford County, TN , City of Tullahoma, City of Murfreesboro, Tax Assessor's Office for Rutherford County, Tennessee, and others

Have done work for various individuals, attorneys, accountants, and have given expert testimony before various commissions, Circuit, Chancery and United States Federal Courts

Roger A. Stacey, MA, TR-4543

Professional Experience

- Gregory Peck and Associates, Independent Real Estate Appraisers, Analysts and Consultants (2009 to present)
- Blackfriar Commercial, Managing Broker (2012 to present)
- Sims Commercial, LLC, Managing Broker (2007 to 2012)
- General real estate agent (1999 to 2007)

Professional Affiliations

- Tennessee Real Estate Broker License Number 272999
- Tennessee State Real Estate Appraiser Trainee Number TR-4543
- AFA – Certified Valuation Specialist in Real Estate

Employment :

- **1999 to Present** Self-employed, independent contractor – providing valuation and marketing expertise to real property owners and purchasers throughout the Middle-Tennessee area
- **1997 to 1999** Custodial Account Administrator, Banker's Trust / Deutsch Bank – responsible for oversight and management of foreign entities investing in the U S markets Clientele included Banque Pasche, Banque Internationale de Luxembourg, Royal Bank of Scotland, Royal Bank of Canada, Banco Dello Statto, Monetary Authority of Singapore, Government of Singapore, Banque Suisse, ING among others Daily trade amounts for which Roger was responsible typically exceeded $6 million U S

Education:

- The University of Tennessee, Knoxville, Knoxville, TN – Master of Arts
- Middle Tennessee State University, Murfreesboro, TN – Bachelor of Science
- Continuing Education Programs The Appraisal Institute, National Association of Realtors, Tennessee Real Estate Education System, American Financial Association

General Appraisal Experience:

Appraisal experience, including but not limited to vacant land tracts (individual lots to large acreage tracts), single-tenant commercial properties, industrial properties, multi-tenant commercial properties, investment properties, right of way and easement acquisition

Partial List of Clients:

The Town of Smyrna, TN, the City of Murfreesboro, TN, National Park Service and U S Department of the Interior, the State of Tennessee Department of General Services, Middle

Tennessee State University, First Horizon National Corporation, First Tennessee Bank, Regions Bank, The Bank of Tullahoma, Pinnacle National Bank, American City Bank, Midsouth Bank, Pathway Lending, CB&S Bank, Farm Credit Services of Mid America, Citizens Bank of Blount County, Heritage South Credit Union, in addition to work for various individuals, churches and attorneys