



**TOWN OF ABINGDON, VIRGINIA  
WORK SESSION MEETING  
MONDAY, NOVEMBER 7, 2016 - 5:30 P.M.  
ARTHUR CAMPBELL MEETING ROOM – MUNICIPAL BUILDING  
WORK SESSION AGENDA**

A. Welcome – *Mayor*

B. Roll Call – *Tonya Triplett, Deputy Clerk*

C. New Business

1. **New Business** - Discussion of placement of sign for Watauga Elementary School, a 2016 National Blue Ribbon School – *Cathy Lowe, Mayor*
2. **New Business** – Discussion of meeting with District III relative to increased bus service in Abingdon and Washington County – *Bob Howard, Council Member and Greg Kelly, Town Manager*

D. Town Manager and Assistant Town Manager Reports

1. **Review of Regular Agenda Item #F1 - PUBLIC HEARING** – Consideration of proposed purchase of properties; 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts – *Deb Icenhour, Town Attorney*

- a. Authorization of Town Manager to acquire the properties, as described, for the purpose of improving the Virginia Creeper Trail, Watauga Road parking and restroom facilities and to execute any and all documents necessary to complete the transaction – *Greg Kelly, Town Manager and Kevin Worley, Dir. of Parks and Recreation*

2. **Review of Regular Agenda Item #I1** - Consideration and recommendation of proposals submitted for banking services for the town's General Fund and Sewer Fund accounts – *Chuck Banner, Treasurer/Dir. of Finance and Greg Kelly, Town Manager*

a. Authorization of Chuck Banner, Director of Finance to move the sewer fund deposit account - ***Chuck Banner, Treasurer/Dir. of Finance and Greg Kelly, Town Manager***

3. **Review of Regular Agenda Item #J1** – Consideration of a Resolution of the Council of the Town of Abingdon for Authorization to Pick up the Employees Contributions, through payroll deduction, to VRS for Past Service Credit as provided for under § 414(h) of the Internal Revenue Code – ***Cecile Rosenbaum, Assistant Town Manager***

4. **Review of Regular Agenda Item J2** – Consideration a Resolution of the Council of the Town of Abingdon Endorsing the town’s 2016 Virginia Smart Scale Project Applications – ***John Dew, Dir. of Public Services/Construction***

5. Discussion of corrections to September 6, 2016 Regular Meeting Minutes- ***Cecile Rosenbaum, Assistant Town Manager***

E. Town Attorney Reports

F. Review of remaining items on the Regular Agenda for November 7, 2016

G. Old Business

1. Update on Partnership with VHCC – ***Bob Howard, Council Member***

2. Discussion of any town ordinance update issues – ***Matthew Johnson, Director of Planning***

3. Update on Virginia Highlands Airport overlay /Appalachian Power upgrade project- ***Mayor Lowe***

4. Discussion on surplus trolley placed on Black’s Fort Lane for a resting station- ***Rick Humphreys, Vice Mayor***

5. Economic Development – ***Mayor Lowe and Rick Humphreys, Council Member***

6. Report on the auction and/or sale of town owned properties- ***Greg Kelly, Town Manager***

- Harmony Hills Lane, Lot # 5 parcel # 086 – 12-5
- Tech park property
- 

7. Reports on the following town owned properties: ***Matthew Johnson, Director of Planning***

- Breckinridge Cabin
- Retirement
- Fields-Penn
- The Meadows

8. Urban Path Project- *John Dew, Director of Public Services and Construction*
  9. Maintenance of Ext 17 Ramp - *John Dew, Director of Public Services and Construction*
  10. Tourism Zones- *Kevin Costello, Director of Tourism and Economic Development*
  11. Employee Handbook – *Cecile Rosenbaum, Assistant Town Manager*
- H. Council Member Reports
- I. Recess to Regular Council meeting in Council Chambers

From: Berry, Jason [mailto:jberry@washcova.com]

Sent: Tuesday, October 25, 2016 1:49 PM

To: Cathy Lowe; Pennington, Randy

Cc: mstanley@wcs.k12.va.us

Subject: RE: request from Watauga Elementary

Cathy,

The Chairman and I have discussed this and I am happy to cover the costs (from my budget) of a sign to be placed in the town/county. Let us get a estimate on the sign.

Dr. Stanley – Can you send me the official logo that would be used on the sign?

Thanks,

Jason

From: Cathy Lowe [mailto:clowe@vhsbi.com]

Sent: Tuesday, October 25, 2016 1:45 PM

To: Berry, Jason; Pennington, Randy

Cc: mstanley@wcs.k12.va.us

Subject: request from Watauga Elementry

I know you guys are meeting tonight and thought you may have time to discuss this item. We are happy to work with you to find a suitable location if the Board of Supervisors has the ability to pursue this request.

Thanks,

Cathy

Cathy Lowe

Executive Director

VA Highlands Small Business Incubator

(276) 492-2060



Date: September 28, 2016

**WATAGUA ELEMENTARY SCHOOL, ABINGDON, VA IS NAMED ONE OF THE  
BEST IN THE NATION**

U.S. Secretary of Education, John B. King, Jr., announced today that Watauga Elementary School has been named a 2016 National Blue Ribbon School. Watauga Elementary School is one among 279 public and 50 private schools receiving this honor.

Schools are nominated for the award by the state department of education, and then complete a comprehensive application about school practices. Schools may apply for status as Exemplary High Performing—among the top schools in a state—or Exemplary Achievement Gap Closing—schools making the fastest progress in the their state in closing achievement gaps among student subgroups.

The principal and other school leaders will represent Watauga Elementary School at a two-day awards ceremony in Washington, D.C., to celebrate their hard-won achievements.

For more information about Watauga Elementary School please contact the school office at 276-739-3600. For more information about the National Blue Ribbon Schools program, please visit <http://nationalblueribbonschools.ed.gov/>

**APPRAISAL OF PROPERTY**

**LOCATION OF PROPERTY:**  
Watauga Road and Old South Way  
Abingdon, Virginia 24211

**FOR:**  
Mr. Kevin W. Worley, CPRP  
Director, Parks and Recreation  
Abingdon Parks and Recreation Department  
Coomes Recreation Center  
300 Stanley Street  
Abingdon, Virginia

**SUBMITTED BY:** Warren Klutz, MAI, AI-GRS, SRA, CCIM, MS, MBA

**DATE OF VALUATION:** January 5, 2016

**PROJECT IDENTIFICATION:**  
Virginia Creeper Trail Enhancement Project

**PROPERTY IDENTIFICATION:**  
Landowner(s) Name: Cornelia H. Counts  
Address:P.O. Box 1566, Abingdon, Virginia 24212-1566  
Tax I.D. 127/A/10, 127/6/13, and 127/6/14

Appraisal Prepared By Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA  
 Warren Klutz & Co.  
 1241 Volunteer Parkway, Suite 426  
 Bristol, Tennessee 37620

**EXECUTIVE SUMMARY**

**SUBJECT INFORMATION**

Parcel Size Before Acquisition:	35.00	AC
Fee Simple Acquisition Size	1.34	AC
Drainage Easement Acquired	0.05	AC
Temporary Construction Easement Acquired	0.00	AC
Temporary Work Area Easement Acquired	0.00	AC
Parcel Size After Acquisition:	33.66	AC

**TOTAL ESTIMATED COMPENSATION**

Value of Land in Fee Acquired

Land in Fee	1.34	AC @ \$ 10,700	= \$ 14,400 (Rounded)
Land in Fee		SF @ \$	= \$

Value of Easements Acquired:

Permanent Easement	0.05	AC @ \$ 10,700	X	90% = \$ 500
Temp. Const. Esmt.		SF @ \$	X	0% = \$
Temp. Work Area Esmt.		SF @ \$	X	0% = \$
Temporary Easement		SF @ \$	X	0% = \$
Other		SF @ \$	X	0% = \$

**Total Estimated Value of Land Acquired** \$ 14,900

Value of Buildings Acquired:

Building 1	\$
Building 2	\$
Building 3	\$

**Total Estimated Value of Buildings** \$ 0

Value of Other Improvements Acquired:

Gravel driveway	2,760	SF @ \$0.96	X	100% = \$ 2,650
Concrete curbs		SF @ \$	X	0% = \$
Parking lot lights		EA @ \$	X	0% = \$
Other		SF @ \$	X	0% = \$
Walls		SF @ \$	X	0% = \$
Other		SF @ \$	X	0% = \$
Other		SF @ \$	X	0% = \$

**Total Estimated Value of Other Improvements** \$ 2,650

**Value of Cost to Cure Items** \$ 3,465

**Damages (less Enhancements)** \$ 0

**I ESTIMATE THE MARKET VALUE, AS DEFINED, of ACQUIRED LAND, IMPROVEMENTS, EASEMENTS and COST TO CURE ITEMS as of the EFFECTIVE APPRAISAL DATE TO BE:** \$ 21,015

**IMPORTANT DATES**

Effective Date of the Appraisal	January 5, 2016
Property Inspection Date	September 18, 2015, November 2, 2015, January 5, 2016
Appraisal Report Date	January 31, 2015

**LICENSED APPRAISER**

Signature

*Warren Klutz*

Name	Warren Klutz, MAI, SRA, AI-GRSCCIM, MBA, MS
Date	January 31, 2016
Tennessee License/Certification Number	<b>4001 000330</b>
License Type	Certified General

# INTRODUCTION

## APPRAISAL PROBLEM

The appraised property consists of three parcels containing a total of approximately 35.0 acres. The property consists of vacant land which has been used for agricultural purposes. Fee acquisition is an irregular shaped piece of land containing 1.34 acres in the northeast corner of the subject along with a 0.05 acre drainage easement.

## CONTACT

The landowner, Mrs. Cornelia H. Counts, was contacted for authorization of the appraiser's inspection of the property. Inspection was made on September 18, 2015. Mrs. Counts and her brother-in-law, David Counts were present during the inspection.

## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple and/or easement interests acquired and their financial impact (if applicable) on the remaining property as of the effective date of the appraisal.

The conveyance represents a:

Total Acquisition. The purpose of this appraisal is to estimate the market value of the whole property. The appraiser is to ignore the influences, both positive and negative, of the proposed project.

Partial Acquisition - If the acquisition is vacant land or includes only minor improvements, then the purpose of this appraisal is to estimate the value of the land, easements, and minor improvements acquired. If any, "cost to cure" damage should be estimated and included. If damages (those not otherwise addressed by a "cost to cure" item) are present, a value is estimated for the remainder, both "before acquisition" and "after acquisition", to determine the amount of the damages, less any enhancements. The appraiser has determined that:

**No damages result to the Remainder after the proposed acquisition:** The appraiser(s) concludes that no apparent damage occurred to the remainder as a result of the partial acquisition above and beyond those items addressed by a "cost to cure". This determination is based in part upon an "after acquisition scenario" review of the physical site characteristics, zoning compliance and the highest and best use of the property. Thus, the implication is that the report serves as a "before acquisition" and an "after acquisition" report. NOTE: If there are no damages, there is no need to quantify enhancement after the acquisition (except when preparing for trial) because this has no impact on compensation.

**Yes, Damages, less any Enhancements, result to the remainder after the proposed acquisition.** If damages do result to the remainder from the partial acquisition, they can be offset by benefits that may accrue to the property.

## DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive 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 undue duress.<sup>1</sup>

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).  
Cornelia H. Counts

The definitions of "Market Value" and "Fair Market Value" are typically considered to be synonymous and may be used interchangeably by some appraisers.

### **CLIENT AND INTENDED USER**

Mr. Kevin W. Worley, CPRP serving as Director of Parks and Recreation for the Abingdon Parks and Recreation Department. In addition, the Virginia Department of Transportation is considered a client and potential user of the appraisal.

### **INTENDED USE OF THE APPRAISAL**

The intended use of this complete appraisal, summary report, is to provide the client with a basis for compensation due the property owner for the proposed property acquisition.

### **SCOPE OF THE APPRAISAL**

Market research was conducted to gather pertinent data required to estimate the value of any land, easements, and improvements acquired. Also, if applicable, the "cost to cure" damage to the remainder property as a result of the proposed acquisition is estimated. If the proposed conveyance is a partial acquisition, then the appraiser examined the impact of the partial acquisition and the proposed project improvements on the value of the remaining property.

Land and any improvements located within the acquisition area were inspected. If the proposed conveyance is a partial acquisition and the "before value" of the improvements located within the remainder is different from the "after value", then all of the improvements were inspected.

The applicable data collected to complete this appraisal includes, but is not limited to:

- Deeds, deed restrictions, easements, restrictive covenants, proffers, leases, sales history, and listing agreements for the subject property.
- The availability and capacity of public and private utilities.
- Flood plain, topography
- Zoning and the master plan
- Market and land use trends
- Sales data for competing properties
- Other data that the appraiser considers relevant to the valuation.

The most pertinent data collected is reported. Verification of the authenticity of this information was made from one or more of the following sources: public records, personal interviews, and any other sources with respect to sales of properties in the general area of the subject property. The research, analysis, and interpretation of information in the marketplace were completed in accordance with sound appraisal principles. The opinions and conclusions of value in this report are considered to be reasonable and reliable.

### **JURISDICTIONAL EXCEPTION**

An assignment condition that voids the force of a part of or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment

### **HYPOTHETICAL CONDITIONS**

(That which is contrary to what exists but is supposed for the purpose of analysis.)

Any "after" value assumptions are based on the premise that the project is completed as of the effective date of the appraisal and according to the plans available to the appraiser.

## **EXTRAORDINARY ASSUMPTIONS**

The appraisal assumes an asphalt paved road and driveway entrance will be constructed as shown on the survey/project plans which will tie into the existing driveway. Entrance to the subject's remaining 33.66 acres is across the acquisition and this appraisal assumes right to enter the remaining property will be retained or available to the owner due to the acquisition becoming right-of-way.

## **EXPOSURE TIME**

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Estimated marketing time and exposure time for the subject is six to nine months.

## **"BEFORE ACQUISITION VALUE" OF THE PROPERTY**

### **PROPERTY INFORMATION**

#### ***MARKET AREA***

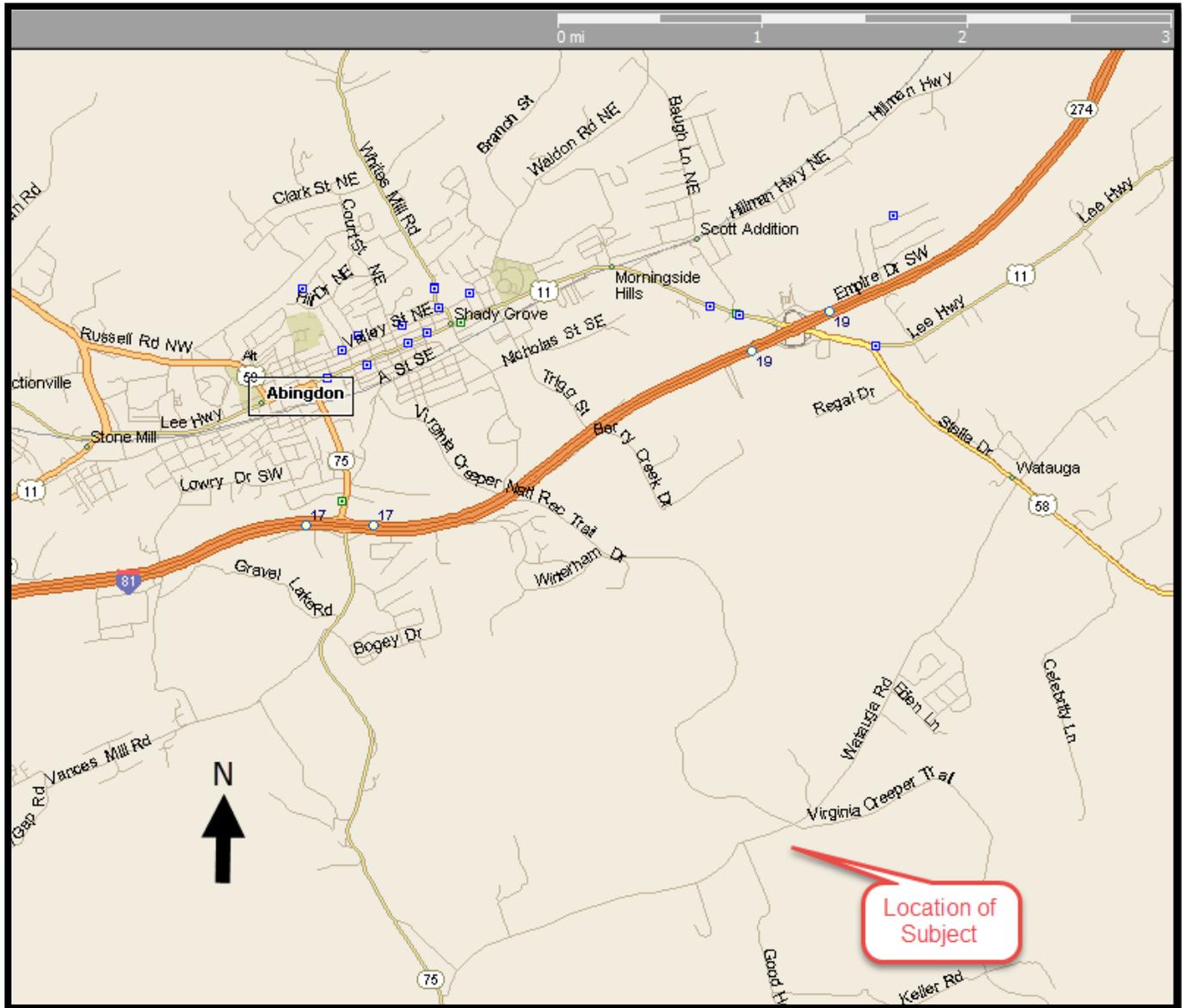
MARKET AREA INFLUENCES (Marketing times, pertinent demographics, etc.):

An understanding of the community in which the subject is located and analysis of the area is a necessary part of a marketability study as it provides consideration of the environment in which the subject exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable.

#### **COMMUNITY DATA**

An understanding of the community in which the subject is located and analysis of the area is a necessary part of the valuation process as it provides consideration of the environment in which the appraised property exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential to appraising since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable. For this reason study of the community is necessary to understand the environment in which the subject would be offered for sale.

**ENVIRONMENTAL FORCES:** The subject is located 3.4 miles southeast from the center of Abingdon, Virginia. Abingdon contains 8.2 square miles of land area and is 15 miles east of Bristol, Tennessee, 130 miles west of Roanoke, Virginia and is adjacent to the Tri-Cities Area consisting of Bristol, Kingsport and Johnson City. In 1760, Daniel Boone gave Abingdon its first name, "Wolf Hills." The town carried the name until 1774 when it was renamed "Black's Fort" by Joseph Black who erected a fort in the area. In December of 1776, the General Assembly of Virginia established Washington County, the first region in the world named after General George Washington. Black's Fort was designated the county seat of Washington County. In 1778, Blacks Fort was incorporated into the town of Abingdon and today, remains as the county seat.

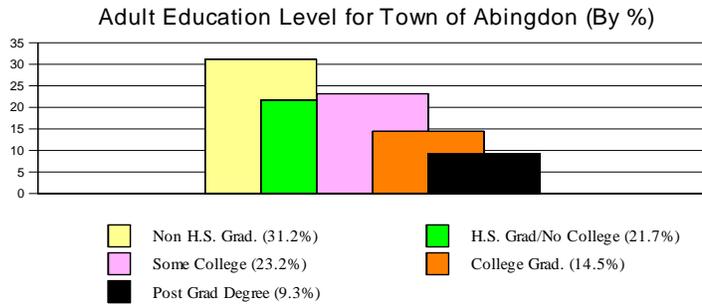


**Subject Location Map.**

Public air transportation is available from the Tri-Cities Regional Airport, located 34 miles southwest of Abingdon. It is a new modern air facility constructed as a joint project of the Tri-Cities. Combined inbound and outbound daily flights total 46 with service provided by USAir, Eagle/American, Delta, Eastern and United. Virginia Highlands Airport, located two miles west of Abingdon on US 11, is a 4,470 ft. by 75 ft., lighted runway serving private aircraft and charter services. Greyhound Bus Lines and Appalachian Coach Lines provide the area with commercial bus service. Norfolk Southern mainline rail runs through Washington County. Major Highways include Interstate 81, US 11, US 58 and US 19. Interstate 77, a major interstate connecting the Great Lakes with the southeast, intersects Interstate 81 approximately 55 miles northeast of the Town of Abingdon. Motor freight is provided by 32 interstate motor carriers serving the area. Climate for Washington County is considered moderate. Average temperature is 55.8 degrees. Average Annual rainfall is 41 inches. Average annual snowfall is 23 inches. Elevation in Washington County varies from a low of 1,698 feet to a high of 5,520 feet.

**SOCIAL FORCES:** Education for Abingdon is provided by the Washington County School System consisting of a total county enrollment of 7,952 students in 13 elementary schools and four high schools. Private

education within a 30 mile radius of the Town of Abingdon is provided by Temple Christian School, Saint Anne’s School, Sullins Academy, Tri Cities Christian School, Copper Ridge Christian Academy, Fountain City Seventh Day Adventist and Gethsemane Christian Academy. Higher education is provided by Virginia Highlands Community College located in Abingdon; Emory and Henry College located in Emory, Virginia; Virginia Intermont College located in Bristol, Virginia; King University located in Bristol, Tennessee; and East Tennessee



State University located in Johnson City, Tennessee. Population count for the Town of Abingdon of 4,318 per 1980 census provides a misleading indication of growth when compared to the 1990 census count at 7,003 since annexation has created the illusion of a doubling of the population for that decade.

**Washington County, Virginia Census Data**

<u>Census</u>	<u>Washington Co.</u>	<u>Abingdon</u>	<u>Damascus</u>	<u>Glade Spring</u>
1980	46,487	4,318	1,330	1,722
1990	45,887	7,681	981	1,374
2000	51,103	7,780	981	1,374
2010	54,443	8,009	1,066	1,525

In 1987, the Town of Abingdon annexed 5.5 square miles of Washington County. Based on the new boundaries, the 1980 population was 7,027 (source: U.S. Census Bureau). Therefore, Abingdon increased a total of 654 persons between 1980 and 1990 or about 9.3% for that decade. Washington County was estimated to have a population of 54,443 in 2010, covering 564.2 square miles with a population density of 96.5 persons per square mile. Age Breakdown for the Town of Abingdon and Washington County follow:

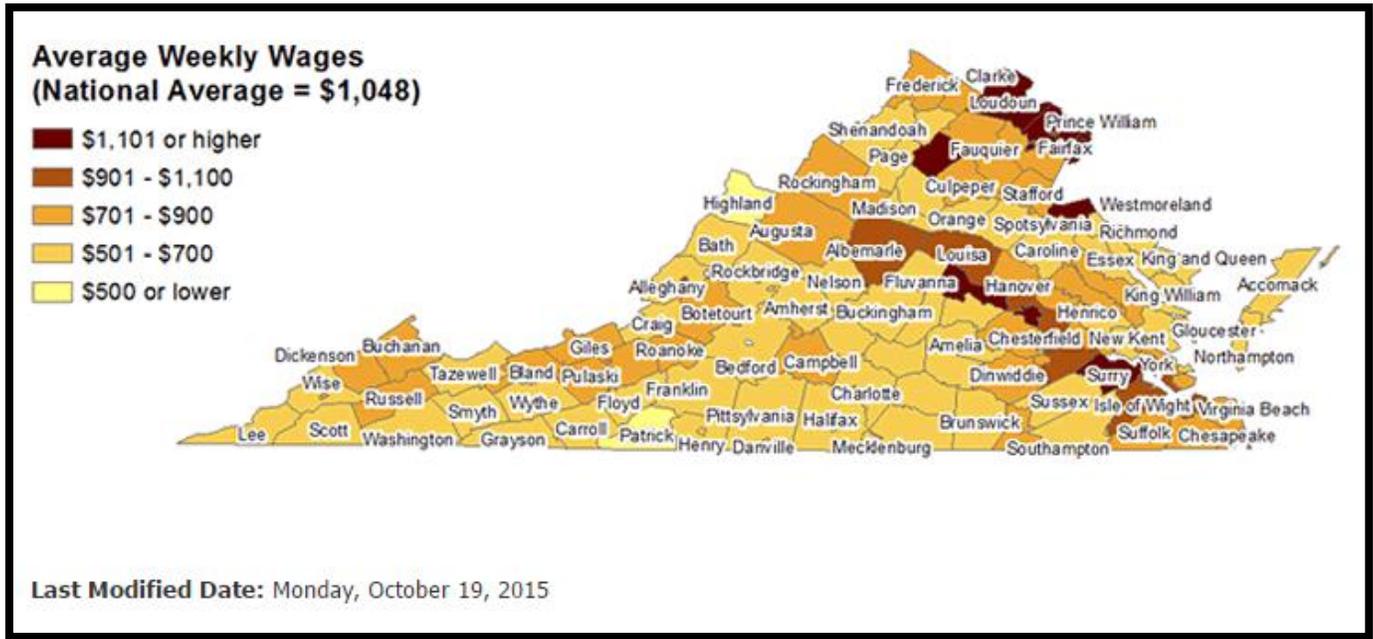
<b>POPULATION BREAKDOWN BY AGE GROUP</b>		
Age Bracket	Town of Abingdon	Washington County
0-9 years	10.0%	11.4%
10-17 Years	9.1%	11.0%
18-29 Years	15.5%	16.9%
30-39 Years	15.4%	15.9%
40-49 Years	13.6%	14.4%
50-64 Years	16.9%	16.3%
65+ Years	19.6%	14.2%
Average Age	41.6 years	38.1 years

Medical services are provided by Johnston Memorial Hospital with 116 beds, 12 bassinets and a Neonatal Intensive Care Unit. The hospital is a state of the art Mountain States Health Alliance facility located in Abingdon. Wellmont-Bristol Regional Hospital with 337 beds and 40 psychiatric beds is located approximately 15 miles from Abingdon in Bristol, Tennessee.

Places of interest and recreation include: Abingdon Cinemall Theater, Mount Rogers National Recreation Area, South Holston Lake, Grayson Highlands and Hungry Mother State parks, Clinch Mountain Wildlife Management Area, Bristol Motor Speedway, the William King Regional Arts Center and the old Virginia Creeper Trail. The Appalachian Trail passes through the middle of Damascus (located in Washington County) on its way from Maine to Georgia. Camberley's Martha Washington Inn is located at 150 West Main Street in Abingdon. Originally built by a Virginia General as a private residence, the Inn has served as a hospital during the Civil War and The Martha Washington College for Women. Restored in 1984, it is now a luxury, 61 room inn. The Barter Theater, founded by Robert Porterfield, is located across Main Street from Camberley's Martha Washington Inn and opened in June 1933 with the advertised slogan for admission of "35 cents or the equivalent in produce." The Barter Theater became the State Theater of Virginia in 1946 and is now open 11 months of the year. It is the second oldest performing arts theater in the United States, predated only by the Walnut Street Theater in Philadelphia. Abingdon is the site of the Virginia Highlands Festival held each year in August. The festivals main locations are adjacent to the Martha Washington Inn/Barter Theater and also on the Virginia Highlands Community College Campus. Activities at the festival include an antique car show, tours of historic homes and historic district, art shows, theater productions and antique displays/sales.

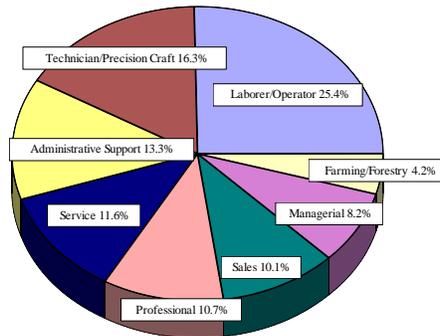
GOVERNMENT FORCES: A zoning ordinance and building code exists for the town of Abingdon and provides orderly planning, health, safety and welfare of residents. Washington County is also controlled by a county zoning ordinance. Washington County has a Board of Supervisors and County Administrator form of Government with a Planning Commission, an Industrial Development Authority and a county E-911 system. Three towns are incorporated in Washington County, Abingdon, Damascus and Glade Springs. All three towns operate with Mayor/Council forms of government. Police protection is provided by the Washington County Sheriff's Department in the county and the Abingdon Police Department in the town. The Abingdon Volunteer Fire Department and Washington County Lifesaving Crew also serve the town. Washington County operates a transfer station for solid waste disposal. The station accepts most forms of non-hazardous industrial waste for transportation to a non-county disposal center. Private pick up of industrial waste is available.

ECONOMIC FORCES: Washington County is served by 11 banks, with statewide assets over \$30 billion dollars. According to the Bureau of Labor and Statistics, in March of 2012, approximately 19,901 were employed in Washington County with an average weekly pay of \$766. Unemployment in Washington County was at 6% in March of 2013.



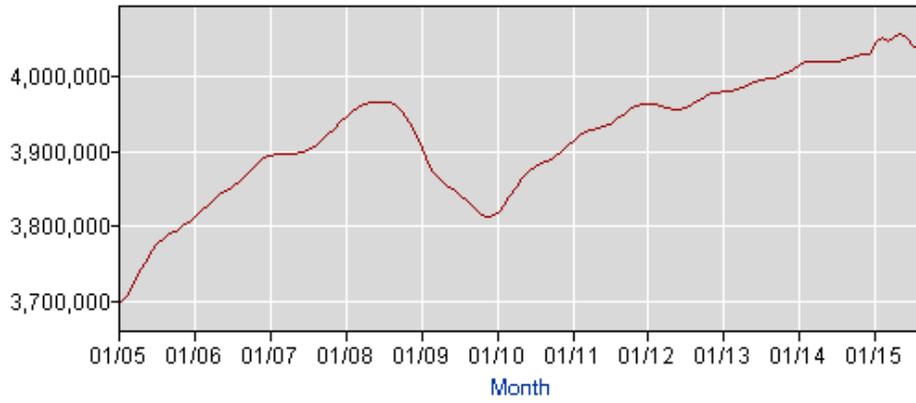
Source: Bureau of Labor Statistics

### Employment for Washington County

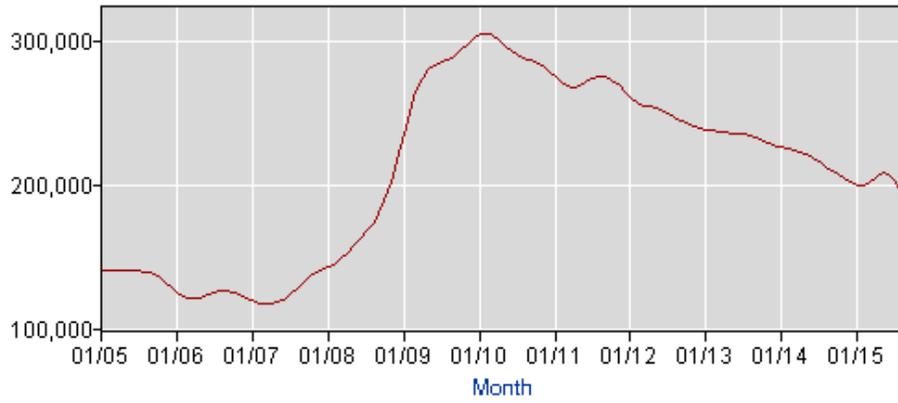


# Virginia Statewide Employment and Unemployment

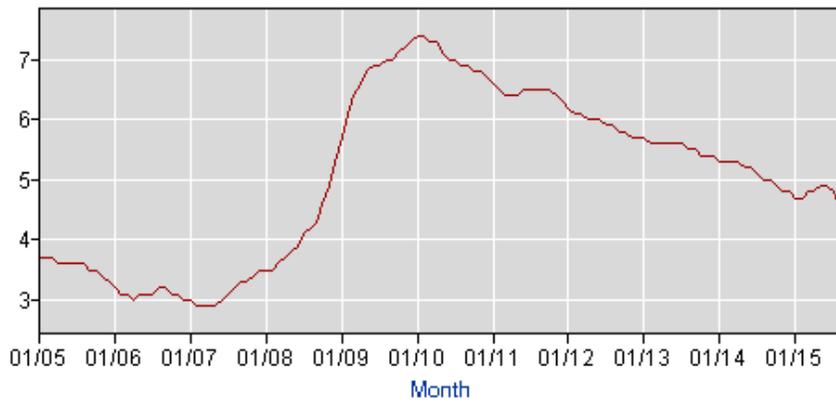
## employment



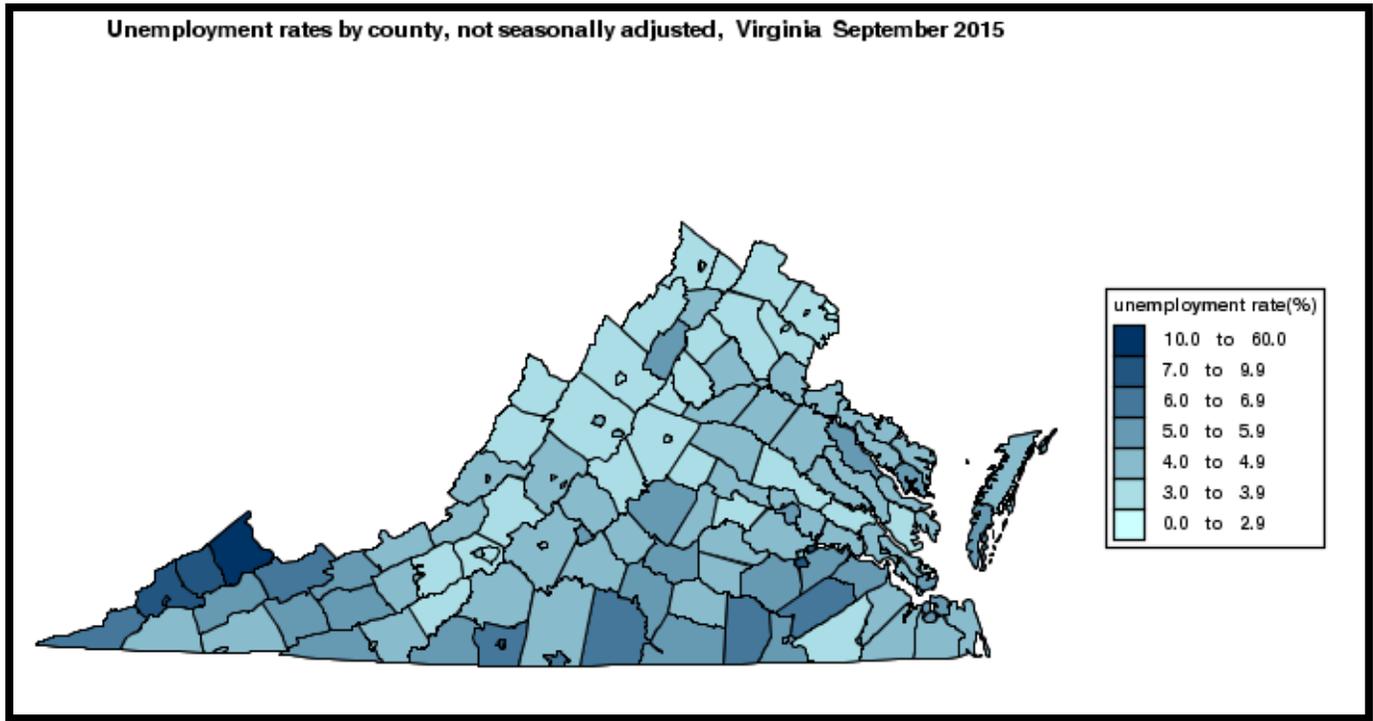
## unemployment



## unemployment rate



Unemployment rates by county, not seasonally adjusted, Virginia September 2015



Source: [http://www. http://data.bls.gov/map/MapToolServlet](http://www.data.bls.gov/map/MapToolServlet)  
Retrieved 11/3/2015

Unemployment for Washington County, Virginia was 4.3% in September 2015. Unemployment has declined over the past 12 months. Industrial parks and sites in the area are the Bristol-Washington County Industrial Park, containing 400 acres, Washington County Industrial Park, containing 85 acres, William A. Cole Industrial Park, containing 34.66 acres, Carolina Steel Site, containing 27 acres, Burris Site, containing 99.7 acres, and Glade Highlands Industrial Park, containing 436 acres. The Washington County Chamber of Commerce list the largest employers in the area as: Bristol Compressors with 2,500 employees, Mid mountain Foods, Inc., 464; Camac Cookson Fibers, Inc., 455; Dutt Wagner of Virginia, Inc., 152; Joy Mining Machinery, 130; General Engineering Company, 120; Tri-Tube Inc., 103; and Hapco/American Flagpole Division of Kearney National, Inc., 100.

According to the United States Census Bureau, Abingdon has a per capita income in 2013 dollars of \$28,214 compared to Virginia at \$33,493 with people of all ages in poverty (2009-2013) of 20.0%. Median household income for Abingdon in 2009-2013 was \$38,477 compared to Virginia at \$63,907. (Source: <http://quickfacts.census.gov/qfd/states/51/5100148.html>)

## THE REAL ESTATE MARKET

A survey was prepared for a seven year cycle covering the local real estate market based on sales data reported by the Southwest Virginia Multiple Listing Service (SWVMLS) for Washington County, Virginia. The following transactions were reported annually for property types displayed below which included residential, multi-family, land, and commercial property types. The report does not cover all transactions as some sales will occur without the aid of a real estate broker and some property types are not included in the data. The appraiser recognizes that other transactions have occurred in Washington County, Virginia. The sales discussed immediately below do not include sales reported by the Bristol VA-TN Multiple Listing Service members or privately arranged transactions not reported through Southwest Virginia Multiple Listing Service. Sales from the Bristol VA-TN Multiple Listing Service will be discussed later in this section of the report. The data

presented here is useful for interpreting trends in sales volume and number of transactions between years since the data is from a relatively consistent pool of real estate brokers operating in most of Washington County and Abingdon, Virginia. The subject is located in Washington County and residents and property owners in the vicinity of the subject and the subject's neighborhood typically use Realtors located in Abingdon. Realtors located in Abingdon usually belong to the Southwest Virginia MLS and sales trends for the area and the market conditions for that area are reflected by the sales data discussed here. The data covered does provide an insight into the sales activity and trend over the time period covered between January 1, 2006 and January 1, 2013. Total of all sales reported in 2012 at \$50,443,353 is only 52.2% of the volume in sales reported in 2006. The total number of properties sold in 2012 is about 41.7% of the number sold in 2006.

Sales Data Reported by the Southwest Virginia Multiple Listing Service

Areas: Washington County, VA

Property Type	2006		2007		2008		2009	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Residential	453	\$76,847,302	412	\$78,428,721	338	\$60,683,168	330	\$62,132,476
Multi-Family	4	2,709,900	2	216,400	5	590,000	2	975,000
Land	123	16,058,969	109	9,904,477	86	7,682,400	66	3,876,995
Commercial	5	980,000	9	5,019,500	7	1,880,000	6	2,117,500
<b>Totals:</b>	<b>585</b>	<b>\$96,596,171</b>	<b>532</b>	<b>\$93,569,098</b>	<b>436</b>	<b>\$70,835,568</b>	<b>404</b>	<b>\$69,101,971</b>

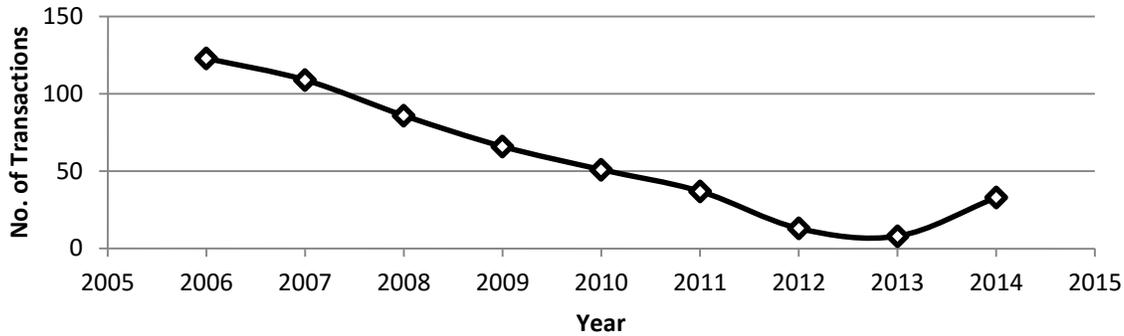
Property Type	2011		2012		2013		2014	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Residential	298	\$59,180,702	229	\$47,348,997	197	\$43,024,825	248	\$47,144,437
Multi-Family	2	1,620,000	0	0	0	\$0	2	\$230,000
Land	37	3,371,725	13	2,884,356	8	\$513,500	33	\$3,849,350
Commercial	3	836,000	2	210,000	1	\$330,000	3	\$226,000
<b>Totals</b>	<b>340</b>	<b>\$65,008,427</b>	<b>244</b>	<b>\$50,443,353</b>	<b>206</b>	<b>\$43,868,325</b>	<b>286</b>	<b>\$51,449,787</b>

The above data is graphically depicted on the following page.

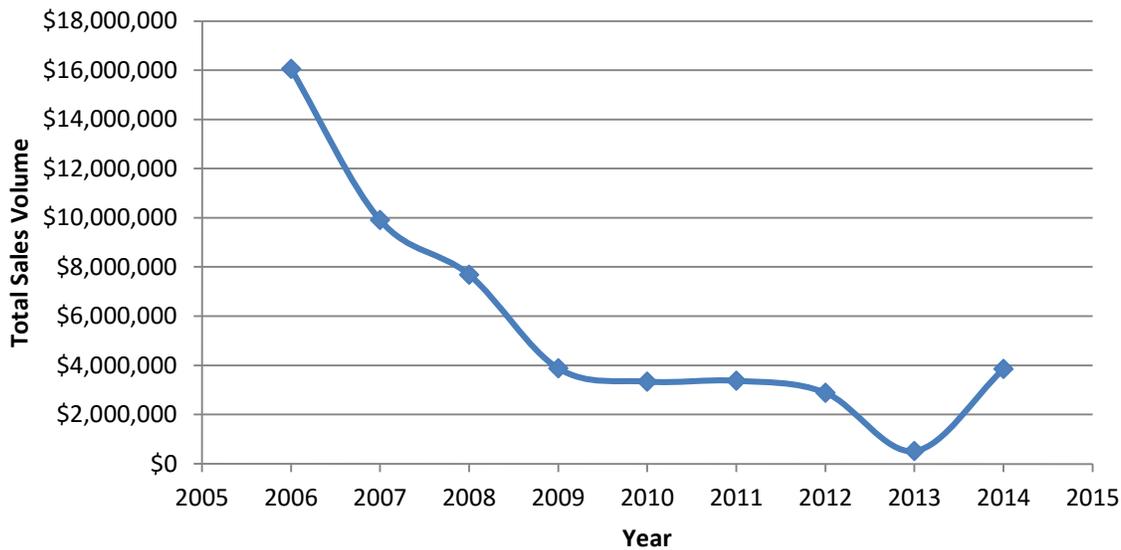
Based on the sales in the above table, the average residential sale price in 2010 was \$198,592 and in 2014 it was \$190,099. The decrease in the average residential sale price between 2010 and 2014 represents a 1.01% per annum decrease over the time period. Over short periods of time, no measurable change is noted in residential prices between the beginning of 2010 and ending in December 2014.

The number of annual transactions for the land segment of the Washington County real estate market between 2006 and January 1, 2015 has declined from a high of 123 to a low of 8 in 2013 and the total volume of sales for land transactions has declined from \$16,058,969 in 2006 to \$3,849,350 in 2014. MLS reporting methodology and combining of different land types makes comparison on a year to year basis for land difficult. The two charts derived from the above data follow and depict the depressed market and the "relative" decline in demand for land over the time period covered between 2006 and January 1, 2015.

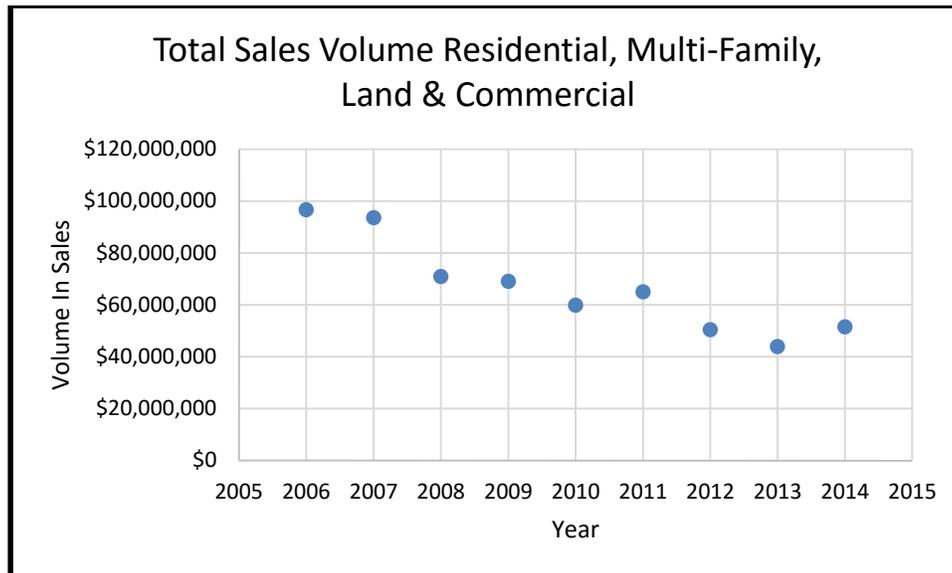
### No. of Land Sales Reported by Southwest VA MLS Washington Co., VA



### Total Volume In Land Sales Reported by Southwest VA MLS



Total sales volume for residential, multi-family, land and commercial properties has declined since 2006 with minor upticks in 2011 and 2014.



**Total Volume Residential Sales – Bristol, TN-VA, Sullivan and Washington Counties  
Reported in the Bristol, Tennessee-Virginia MLS**

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
\$3,130,989	\$3,726,660	\$4,825,701	\$6,214,110	\$5,050,131	\$7,240,846	\$5,550,894	\$6,168,601	\$8,573,721	\$8,468,312	\$5,500,998

As observed in the preceding table, total volume has declined since the peak in 2012 at \$8,573,721 to \$5,500,998 in 2014 or a total of a 35.85% decline in sales volume. Average sale price for residential properties have been somewhat volatile over time and in 2014 was still below the average price in 2004. Average number of days on the market for all property types was 103 days in 2014. Insufficient statistical data is available due to the low number of commercial and industrial sales to provide meaningful overall trends based on averages for the commercial and industrial segments of the local real estate market based on the Bristol, Tennessee-Virginia MLS.

**Average Residential Sale Price – Bristol, TN-VA, Sullivan and Washington Counties  
Bristol, Tennessee-Virginia MLS Data**

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
\$68,065	\$66,548	\$62,671	\$66,108	\$58,047	\$73,140	\$64,545	\$69,310	\$66,463	\$ 78,410	\$ 65,488



## Market Statistics & Trends

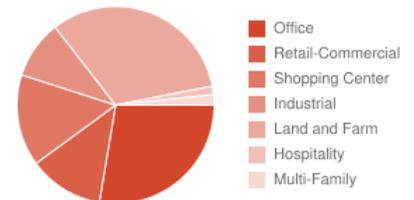
You're currently viewing statistics for **Kingsport-Bristol-Bristol** [Change This](#)

**1.3 million SF**  
Commercial Space For Sale

**624,027 SF**  
Commercial Space For Lease

**853 Acres**  
Land & Farm For Sale

**\$114.7 million**  
Total Sale Price



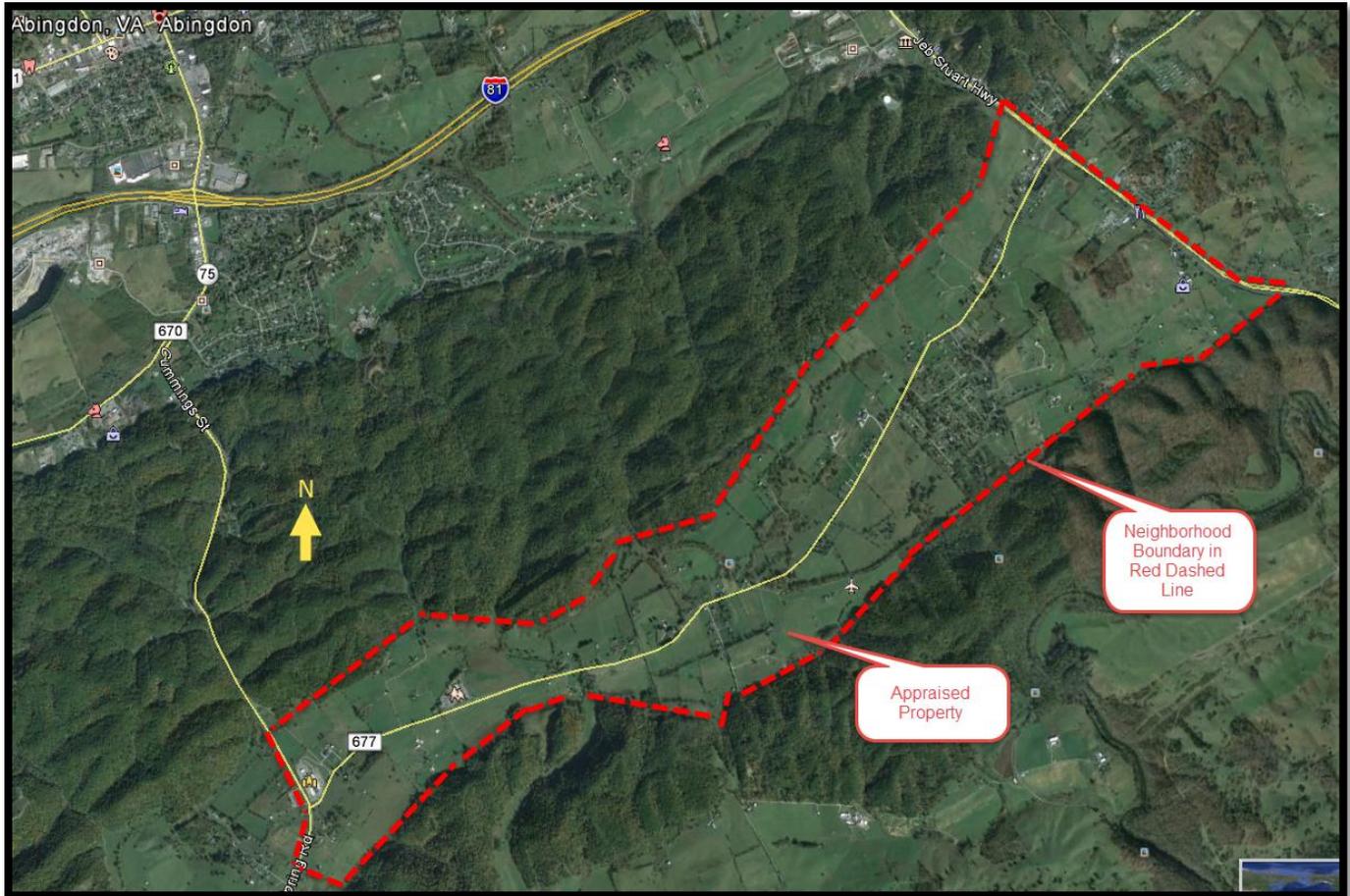
### Current Statistics for Kingsport-Bristol-Bristol

Property Type	Listings	Asking Lease Rate	Asking Sale Price	Below List	Days on Market	Total Available	More...
Industrial	28	\$4.19 PSF	\$32.75 PSF	-	20	453,041 SF	-
Office	81	\$13.02 PSF	\$77.90 PSF	10.7%	1,203	552,574 SF	-
Retail-Commercial	36	\$5.64 PSF	\$69.72 PSF	-	-	255,356 SF	-
Shopping Center	44	\$6.54 PSF	\$90.10 PSF	-	-	203,318 SF	-
Vacant Land	95	\$0.56 PSF	\$1.54 PSF	-	-	37.6 million SF	-
Hospitality	4	-	\$11.27 PSF	-	-	335,648 SF	-
Multi-Family	5	-	\$19.01 PSF	-	-	92,800 SF	-

Market Statistics & Trends Report for Kingsport-Bristol, TN & Bristol, VA as of 5/17/2015 from Northeast Tennessee Association of Realtors Commercial MLS.

**DESCRIBE THE IMMEDIATE MARKET AREA OF THE SUBJECT PROPERTY:**

The subject is located on the south side of The Virginia Creeper Trail about 430 feet from the south side of Watauga Road (Rte. 677) in Washington County, Virginia. Property in the immediate vicinity of the subject primarily includes residential and agricultural uses. Aerial map depicting nearby properties follows.



Neighborhood Boundary Map.

The neighborhood boundary is as outlined on the map depicted above. General demographics and description of the neighborhood are based on the “Executive Summary” table which follow the and provide greater detail regarding population characteristics of the area defined as the neighborhood. Population for the neighborhood covering 2.93 square miles is 515 as of 2015 is only five more than the 510 2000 census. Median age in the area is 44.3 years. The 2015 household count for the neighborhood is 211 with an average household size of 2.44 persons. Average 2015 household income for the neighborhood is \$60,084 which is below the \$74,669 average household income for all the U.S. Median home value in 2010 for the neighborhood was \$165,833 compared to 200,006 for the U.S. A total of 217 housing units are located in the neighborhood in 2015 and 168 are estimated to be owner occupied. Overall neighborhood occupancy in 2015 is 97.2%.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Population

2000 Population	510
2010 Population	522
2015 Population	515
2020 Population	508
2000-2010 Annual Rate	0.23%
2010-2015 Annual Rate	-0.26%
2015-2020 Annual Rate	-0.27%
2015 Male Population	50.5%
2015 Female Population	49.3%
2015 Median Age	44.3

In the identified area, the current year population is 515. In 2010, the Census count in the area was 522. The rate of change since 2010 was -0.26% annually. The five-year projection for the population in the area is 508 representing a change of -0.27% annually from 2015 to 2020. Currently, the population is 50.5% male and 49.3% female.

### Median Age

The median age in this area is 44.3, compared to U.S. median age of 37.9.

### Race and Ethnicity

2015 White Alone	98.1%
2015 Black Alone	0.8%
2015 American Indian/Alaska Native Alone	0.2%
2015 Asian Alone	0.2%
2015 Pacific Islander Alone	0.0%
2015 Other Race	0.6%
2015 Two or More Races	0.2%
2015 Hispanic Origin (Any Race)	1.2%

Persons of Hispanic origin represent 1.2% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 6.4 in the identified area, compared to 63.0 for the U.S. as a whole.

### Households

2000 Households	208
2010 Households	213
2015 Total Households	211
2020 Total Households	208
2000-2010 Annual Rate	0.24%
2010-2015 Annual Rate	-0.18%
2015-2020 Annual Rate	-0.29%
2015 Average Household Size	2.44

The household count in this area has changed from 213 in 2010 to 211 in the current year, a change of -0.18% annually. The five-year projection of households is 208, a change of -0.29% annually from the current year total. Average household size is currently 2.44, compared to 2.45 in the year 2010. The number of families in the current year is 153 in the specified area.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Median Household Income

2015 Median Household Income	\$43,589
2020 Median Household Income	\$50,179
2015-2020 Annual Rate	2.86%

### Average Household Income

2015 Average Household Income	\$60,084
2020 Average Household Income	\$69,233
2015-2020 Annual Rate	2.88%

### Per Capita Income

2015 Per Capita Income	\$24,831
2020 Per Capita Income	\$28,589
2015-2020 Annual Rate	2.86%

### Households by Income

Current median household income is \$43,589 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$50,179 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$60,084 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$69,233 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$24,831 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$28,589 in five years, compared to \$32,501 for all U.S. households

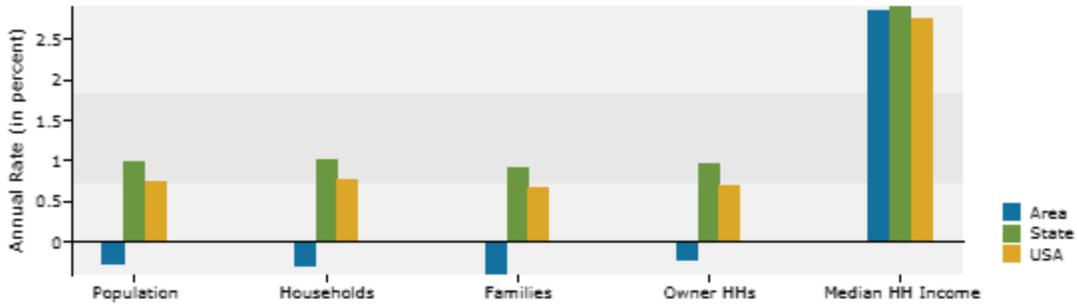
### Housing

2000 Total Housing Units	209
2000 Owner Occupied Housing Units	177
2000 Renter Occupied Housing Units	31
2000 Vacant Housing Units	1
2010 Total Housing Units	217
2010 Owner Occupied Housing Units	173
2010 Renter Occupied Housing Units	40
2010 Vacant Housing Units	4
2015 Total Housing Units	217
2015 Owner Occupied Housing Units	168
2015 Renter Occupied Housing Units	43
2015 Vacant Housing Units	6
2020 Total Housing Units	217
2020 Owner Occupied Housing Units	166
2020 Renter Occupied Housing Units	42
2020 Vacant Housing Units	9

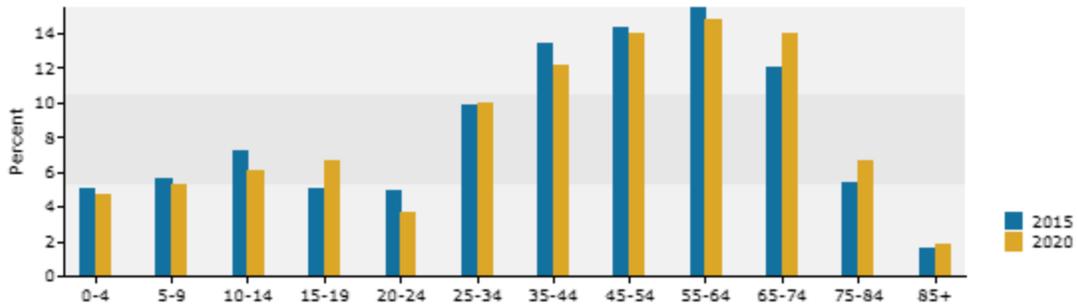
Currently, 77.4% of the 217 housing units in the area are owner occupied; 19.8%, renter occupied; and 2.8% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 217 housing units in the area - 79.7% owner occupied, 18.4% renter occupied, and 1.8% vacant. The annual rate of change in housing units since 2010 is 0.00%. Median home value in the area is \$165,833, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 7.65% annually to \$239,773.



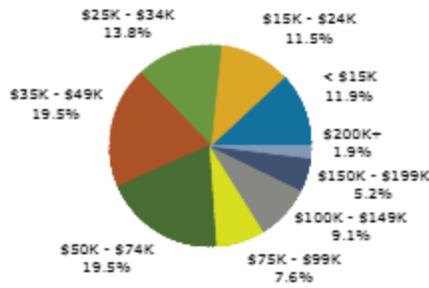
Trends 2015-2020



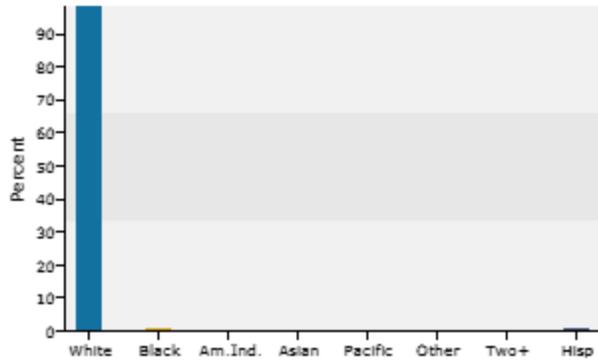
Population by Age



2015 Household Income



2015 Population by Race



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

**DELINEATION OF TITLE**

Title Report Furnished:  Yes  No. Has the property sold in the last 5 years:  Yes  No  
Last Conveyance: Title report not furnished. Date: 3/14/1996 D.B.: 937 Page: 248 Verified/Indicated  
Consideration \$250,000 according to Commissioner of Revenue office records. It is unknown whether the last conveyance included additional property.

The appraiser was not furnished a title report and title search is beyond the scope of work typically performed by appraisers. Whole property description is based on scaling the tax map.

**PROPERTY ASSESSMENT**

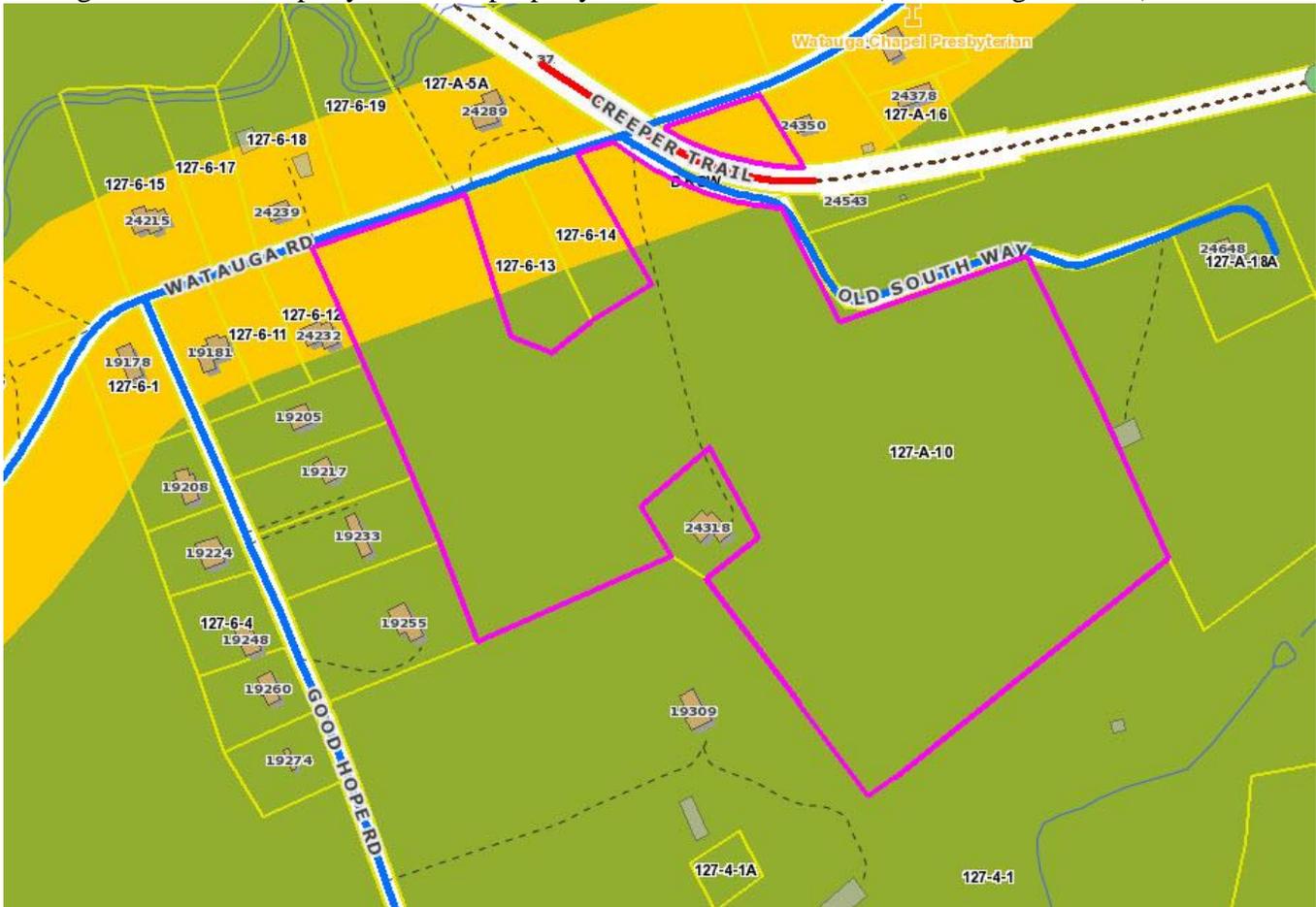
Tax Map #: 127-A-10.0, 127-6-13, and 127-6-14 Taxes: \$2,925 county taxes total for all three parcels

Real Estate Assessment:

Year: 2014 Land: \$274,600 Improvements: \$ 0 TOTAL: \$274,600

**ZONING AND PROPERTY RESTRICTIONS**

Zoning and Current Property Use: The property is zoned R-2 and A-2 (General Agricultural).



Zoning Map. Subject is zoned R-2 on the front (in yellow) and A-2 on the balance (in green).

• **Sec. 66-322. - Permitted uses and accessory uses and structures in A-2 Zones.**

- (a) *Permitted uses.* In the A-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:
- (1) Agriculture, general farming, dairying, greenhouses and forestry.
  - (2) Beauty shops and barbershops.
  - (3) Cemeteries.
  - (4) Ecotourism, minor.
  - (5) General stores, gift and antique shops and small handicraft shops having less than 1,500 square feet of total floor area and no more than six paid employees. Small handicraft shops include but are not limited to woodworking, upholstery, framing, glass blowing and ceramic shops.
  - (6) Home occupations conducted by the occupant.
  - (7) Lodges and private clubs.
  - (8) Parks, playgrounds, preserves and conservation areas.
  - (9) Professional offices (within occupant's dwelling).
  - (10) Schools and churches.
  - (11) Single-, two- and multiple-family dwellings, including manufactured homes, provided that no manufactured home shall be used for business purposes in the A-2 district except for home occupations as defined by this chapter and subject to the provisions of article XI, division 2 of this chapter.
  - (12) Small boat docks (with repair).
  - (13) Townhouses, if public water and public sewer systems are available.
  - (14) Utilities and public services as follows:
    - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, electrical power substations, electrical power transmission towers, telecommunication switching facilities and telecommunication towers and antennas.
    - b. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.
    - c. Solid waste disposal convenience station operated by the county after a public hearing shall have been held by the board of supervisors.
  - (15) Veterinary and related services.
- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line. The following accessory uses and structures are permitted in the A-2 district:
- (1) Church bulletin boards and identification signs.
  - (2) Directional signs, business signs and home occupation signs.
  - (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
  - (4) Off-street parking as required in this chapter.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, § 1(66-362), 4-11-2000; Ord. No. 2015-003, § 4, 5-12-2015)

• **Sec. 66-323. - Special exception uses.**

In the A-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Airports.

- (2) Ecotourism, major.
- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
- (4) Gas wells.
- (5) Golf courses.
- (6) Group homes and day care centers.
- (7) Hotels and restaurants.
- (8) Land application of human waste sludge or industrial sludge pursuant to article VI.
- (9) Nonagriculturally related storage facilities having a single story and no more than 2,000 square feet in floor area.
- (10) Off-site uses related to airport safety as defined in section 66-695.
- (11) Recreation, commercial.
- (12) Rest homes.
- (13) Sawmills, planing mills, agriculturally related businesses, small businesses in general, and light industry.
- (14) Water and wastewater treatment plants.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, §1(66-362), 4-11-2000; Ord. No. 2014-008, § 3, 9-9-2014; Ord. No. 2015-003, §§ 5, 6, 5-12-2015)

- **Sec. 66-324. - Area regulations.**

The lot area for each permitted use in the A-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
- (2) A minimum of 30,000 square feet with public water.
- (3) A minimum of 15,000 square feet with public sewer and water.

(Code 1997, § 66-363)

- **Sec. 66-325. - Setback regulations.**

Structures in the A-2 district shall be 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising the sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-364)

- **Sec. 66-326. - Frontage regulations.**

The minimum frontage for permitted uses in the A-2 district shall be 100 feet at the setback line.

(Code 1997, § 66-365)

- **Sec. 66-327. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the A-2 district shall be 15 feet, and the total width of the two required side yards shall be 35 feet or more.
- (b) *Rear.* Each main structure in the A-2 district shall have a rear yard of 35 feet or more.

(Code 1997, § 66-366)

- **Sec. 66-328. - Height regulations.**

Buildings in the A-2 district may be erected up to 35 feet in height; except that:

- (1) The height limit for dwellings may be increased up to 45 feet and up to three stories, provided there are two side yards for each permitted use, each of which is 15 feet or more, plus one foot or more of side yard for each additional foot of building height over 35 feet.
- (2) A public or semipublic building such as a school, church, library or general hospital may be erected to a height of 60 feet from grade provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
- (3) Church spires, belfries, silos and barns, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aerials are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
- (4) No accessory building that is within 20 feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.

(Code 1997, § 66-367)

- **Sec. 66-422. - Permitted uses and accessory uses and structures in R-2 Zones.**

- (a) *Permitted uses.* In the R-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:

- (1) Clubs and lodges.
- (2) Home occupations conducted by the occupant.
- (3) Parks and playgrounds.
- (4) Professional offices.
- (5) Schools and churches.
- (6) Single-family, two-family, and multifamily dwellings.
- (7) Tourist homes, rooming houses and boardinghouses.
- (8) Townhouses, if public water and public sewer systems are available.
- (9) Utilities and public services as follows:
  - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, with the exception of telecommunication towers.
  - b. Telecommunication towers and antennas used exclusively by public or private schools or educational institutions for the receipt and transmission of data solely for educational purposes shall be permitted by right subject to compliance with the provisions of article X of this chapter.
  - c. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.

- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line.

The following accessory uses and structures are permitted in the R-2 district:

- (1) Church bulletin boards and identification signs.
- (2) Directional signs, business signs and home occupation signs.
- (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
- (4) Off-street parking as required in this chapter.

(Code 1997, § 66-482; Ord. No. 99-4, § 1(66-482), 6-8-1999; Ord. No. 2000-01, § 1(66-482), 4-11-2000)

- **Sec. 66-423. - Special exception uses.**

In the R-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Day care center, including a day care center as home occupation.
- (2) Electrical power substations and telecommunication switching facilities.
- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
- (4) General hospitals.
- (5) Golf courses.
- (6) Horse barn as an accessory use, noncommercial, to an on-site residential dwelling with a minimum of five acres of land.
- (7) Rest homes and group homes.
- (8) Water and wastewater treatment plants.

(Code 1997, § 66-482; Ord. No. 99-4, § 1(66-482), 6-8-1999; Ord. No. 2000-01, § 1(66-482), 4-11-2000)

- **Sec. 66-424. - Area regulations.**

The lot area for each permitted use in the R-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
- (2) A minimum of 30,000 square feet with public water.
- (3) A minimum of 15,000 square feet with public sewer and water.

(Code 1997, § 66-483)

- **Sec. 66-425. - Setback regulations.**

Structures in the R-2 district shall be located 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-484)

- **Sec. 66-426. - Frontage regulations.**

For permitted uses in the R-2 district, the minimum lot width at the setback line shall be 80 feet, and for each additional permitted use there shall be at least ten feet of additional lot width at the setback line.

(Code 1997, § 66-485)

- **Sec. 66-427. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the R-2 district shall be ten feet, and the total width of the two required side yards shall be 25 feet or more.
- (b) *Rear.* Each main structure in the R-2 district shall have a rear yard of 25 feet or more.

(Code 1997, § 66-486)

• **Sec. 66-428. - Height regulations.**

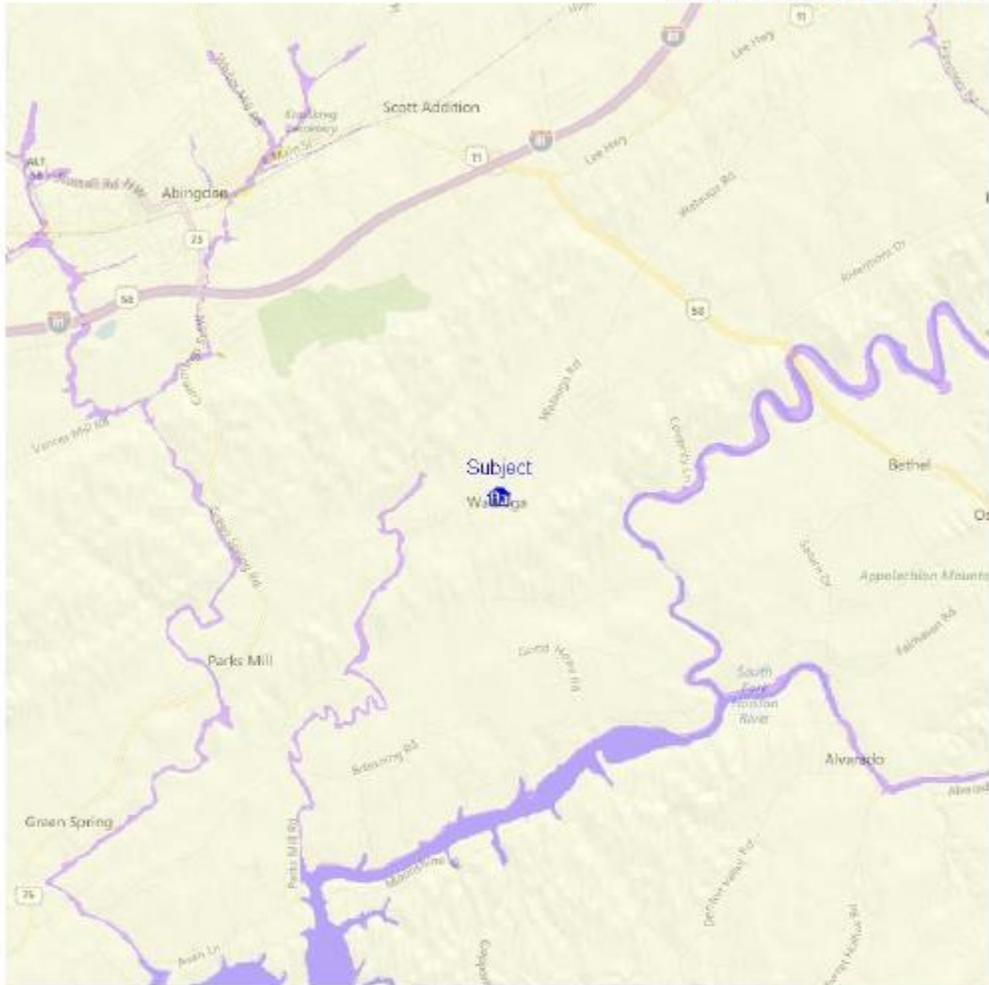
Buildings in the R-2 district may be erected up to 35 feet in height from grade, except that:

- (1) The height limit for dwellings may be increased up to ten feet and up to three stories, provided there are two side yards for each permitted use, each of which is ten feet or more plus one foot or more of side yard for each additional foot of building height over 35 feet.
- (2) A public or semipublic building such as a school, church, library or hospital may be erected to a height of 60 feet from grade, provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
- (3) Church spires, belfries, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aeriels are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
- (4) No accessory building which is within ten feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.

(Code 1997, § 66-487)

**FLOOD ZONE**

Property Located in Flood Zone:  Yes  No      Zones: The subject is not located in a flood hazard zone.  
Flood map and source of information regarding flood zones follows.



**MAP DATA**

Map Number : **51191C0295C**  
 Panel Date : **September 29, 2010**  
 FIPS Code : **51191**

Census Tract : **0110.00**  
 Geo Result : **S4 - single close match, point located at the center of shape point path**

Flood	
	X or C Zone
	X500 or B Zone
	A Zone
	V Zone
	D Zone
	Area Not Mapped

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Map # 51191C0295C Date Sept. 29, 2010  
 Hazardous Material:  Yes  No  None observed. If yes, explain:  
 Proffers:  Yes  No. If yes, explain:

**TENANT INFORMATION**

Are tenants located on the property?  Yes  No  Unknown

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**PROPERTY INFORMATION**

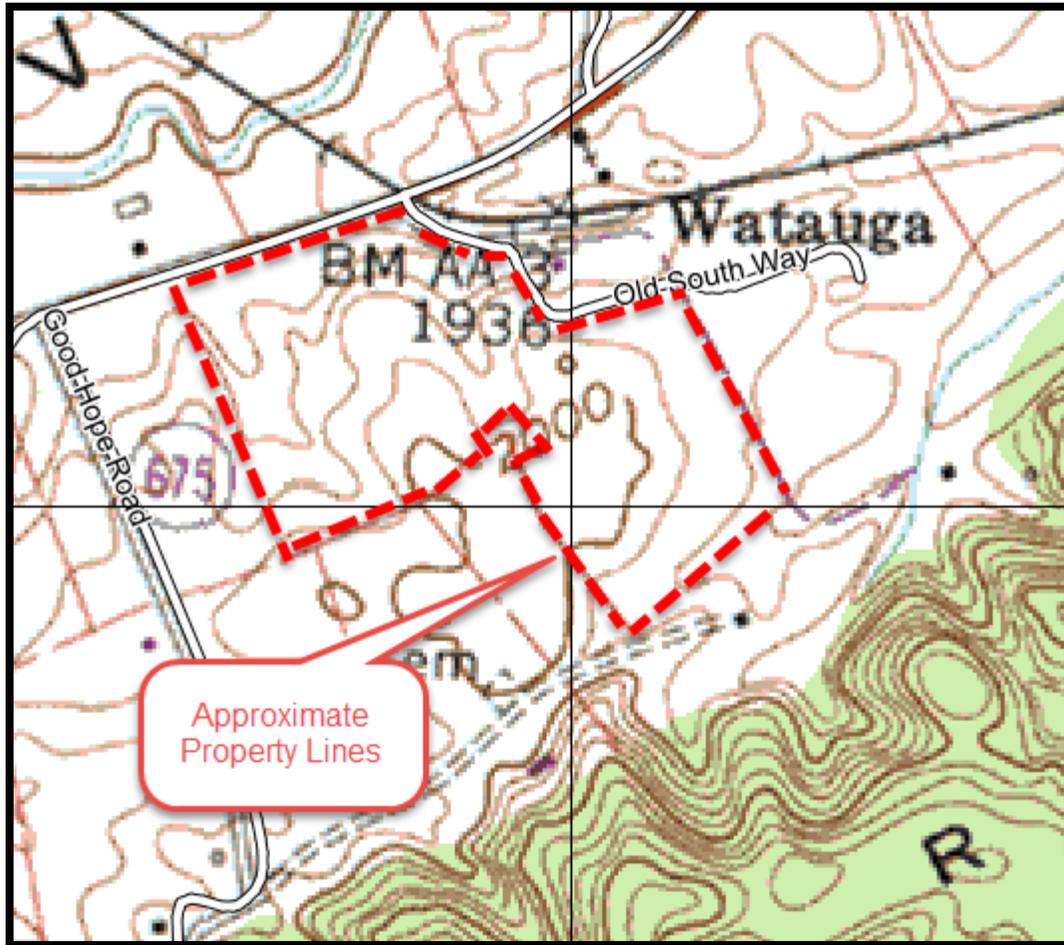
**GENERAL DESCRIPTION of LAND AND IMPROVEMENTS**

**LAND:**

The subject is an irregular shaped property containing approximately 35.0 acres consisting of three contiguous parcels fronting the south side of the Watauga Road (Rte. 677) about 380 feet east of its intersection with Route 675. The following dimensions are approximate and are based on scaling the tax map. The property fronts Watauga Road for 700 feet, measures 1,182.29 feet along the south side of Old South Way, is 743 feet along the east side, measures 2,645 feet (including six offsets) across the south or rear boundary, and is 950 feet on the west sideline.



Except for the entrance to the property, the topography slopes downward from Watauga Road along the front and rises in elevation to the rear or south boundary. Overall, the topography is classified as gentle rolling to sloping, cleared terrain. Elevations of the property varies from about 1,900 on the front to 2,000 feet above sea level. Because the property fronts Watauga Road and public water line is located along Watauga Road, water connections can be obtained without easements across other property owners. Major utilities available include electric, telephone, and a 2-inch water line along Watauga Road. No major improvements are located on the property.



Topographic Map. Approximate location of subject's property lines are red dashed lines.

Soils are depicted on the soil map below along with map legend. The subject is outlined in turquoise.



Map Unit Legend			
Washington County Area and the City of Bristol, Virginia (VA191)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
16C	Frederick silt loam, 8 to 15 percent slopes	16.8	49.0%
16D	Frederick silt loam, 15 to 25 percent slopes	11.8	34.4%
19C	Hagerstown-Rock outcrop complex, 2 to 15 percent slopes	0.5	1.6%
55B	Wyrick-Marbie complex, 2 to 7 percent slopes	0.0	0.1%
55C	Wyrick-Marbie complex, 7 to 15 percent slopes	5.1	15.0%
<b>Totals for Area of Interest</b>		<b>34.2</b>	<b>100.0%</b>

**IMPROVEMENTS:**

The property has no major structures or improvements but the boundaries are fenced.

**PUBLIC UTILITIES AVAILABLE:**  Electric  Telephone  Water  Sewer  
 Gas  Other \_\_\_\_\_; Private  Well  Septic System  Other \_\_\_\_\_.

## **“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

### **HIGHEST AND BEST USE**

The Appraisal of Real Estate, 13<sup>th</sup> edition, defines highest and best use as:

*The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*

In addition, it states:

*In the analysis of pertinent data, four steps are implicit and are applied in the following order to develop adequate support for the appraiser’s highest and best use opinion*

- 1. Physically possible*
- 2. Legally permissible*
- 3. Financially feasible*
- 4. Maximally productive*

### **AS IF VACANT**

Highest and best use, if vacant, is for rural residential use combined with small farm use. Both R-2 and A-2 zoning allows single-family, two-family, multifamily dwellings, and townhouses. The property is vacant land used for agricultural purposes at the present time. Many of the uses allowed such as lodges, private clubs, professional offices, and schools have limited market appeal for this particular location and can be ruled out as they are not deemed financially feasible uses or uses that would not be marketable due to location and distance from the population center.

Physically possible uses include small farm with a residence or rural residential use. Rural residential use is defined here as parcels that are larger than typical subdivision lots but smaller than economically viable large operating farms. The present zoning of A-2 and R-2, allows rural residential use. cursory view of the aerial photograph of the subject and surrounding area suggest density of development is relatively low. Total population in the neighborhood is 515 in 2015 and the land area within the neighborhood covers 2.93 square miles or 1,875.2 acres.

$$1,875.2 \text{ acres} \div 515 \text{ population} = 3.64 \text{ acres per person}$$

Page 18 population and housing growth for the neighborhood is stagnant at 217 units between 2010 and 2015 and is projected to have no growth through 2020. Lack of growth in the neighborhood and the low density of population suggests rural residential use as the highest and best use when considering the property as though vacant. Higher density of residential development has occurred in earlier years before present economic conditions along nearby Rte. 675 but this development has utilized the access afforded by Rte. 675. While the subject has 700 feet of road frontage along Watauga Road and two parcels have been previously divided from the main or larger part of the property, the acquisition is in the vicinity of the existing gravel drive at the entrance and does not impact the two smaller parcels shown on the tax map. In addition, the proposed acquisition is in the immediate vicinity of the existing driveway leading to a dwelling under other ownership that is access across the subject’s driveway. Construction of a dwelling in the area of the acquisition does not appear practical since the driveway used for the property at the top of the hill traverses the acquisition. Construction of a dwelling in the acquisition does not seem practical given the present drainage pattern and the driveway location which is presumed to be an access easement for adjoining property. Consequently, the highest and best use of the area

Cornelia H. Counts  
UPC No. 107922

acquired is as part of the larger parcel comprising most or the balance of the subject. The highest and best use is considered to be rural residential use based on other uses in the neighborhood, the allowable uses under the zoning ordinance, marketability, the subject's shape, size, topography, location, and other physical characteristics.

### ***AS IMPROVED***

The subject is classified as vacant land and the as improved analysis for highest and best use is not applicable.

### **APPROACHES TO VALUE EXCLUDED**

The income approach was not processed due to the lack of recently negotiated leases of similar size acreage parcels with similar highest and best use for rural residential purpose. Typically, this type property is not leased. The cost approach was not processed as it is not an applicable valuation approach for land.

### **APPROACHES TO VALUE EXPLAINED**

#### ***COST APPROACH***

The Cost Approach to value is based on the principle that a prudent purchaser would not pay more for a property than the cost to purchase a similar parcel and erect similar improvements. The replacement cost new of an improvement is typically estimated by use of local contractors and/or a national cost service. Depreciation from all causes is then deducted from the estimated replacement cost new. The depreciated cost new of the improvements is then added to the site improvements and land value to arrive at the value indicated by the Cost Approach.

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ \hline = \text{Value} \end{array}$$

#### ***THE INCOME APPROACH***

The Income Approach typically involves projecting the income and expenses of a property over a period or periods of time into a cash flow projection, before debt service and depreciation. The cash flow (net operating income) is then capitalized into a value estimate. The capitalization rate is typically based upon current financial market requirements and equity return requirements of the specific real estate market of which the property is a part. The validity of this approach is largely based upon the principle of anticipation. An investor purchasing an income producing property is paying a sum of money in present dollars for the right to receive future dollars.

In arriving at a value estimate via this approach the following steps are taken:

- 1) Estimate the annual gross income of the property based upon the actual lease in effect and/or on comparable leases.
- 2) Deduct from the Gross Potential Income the estimated loss of income resulting from vacancies and/or non-collections to arrive at an estimate of gross effective income.
- 3) Estimate the expenses that are anticipated to be incurred on the operation of the property. The total expenses are deducted from the effective gross income to arrive at the estimate of net operating income (NOI- income before debt service, income taxes and depreciation).

- 4) Derive a capitalization rate by reference to the competitive markets. Select an appropriate method of capitalization and convert the NOI into a value estimate.

### THE SALES COMPARISON APPROACH – LAND VALUATION

The sales comparison approach is based upon the principle of substitution. That is, a knowledgeable purchaser would pay no more for a property than they would for a substitute property of similar utility and desirability. In applying this approach the appraiser will:

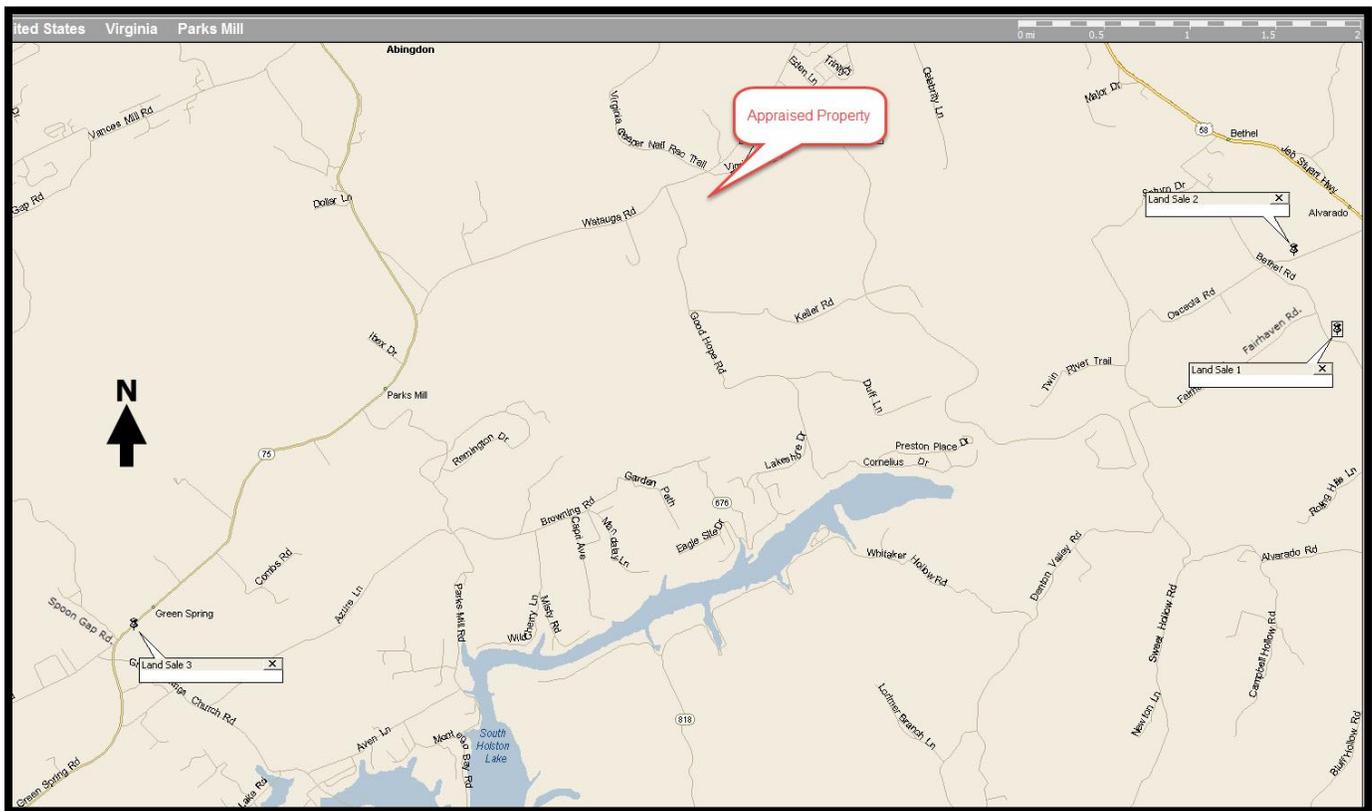
- Research and verify sales data on properties similar to the subject.
- Select relevant units of comparison and develop a comparative analysis for each unit
- Compare the sales to the subject property and adjust the comparables for those items that influence value
- Reconcile the various value indications produced from analysis of the comparables into an estimate of value for the subject.

Sales of similar vacant parcels with rural residential highest and best use in the subjects’ market area were researched for comparison to the subject. The following pages contain a summary and analysis of those sales.

### COMPARABLE LAND SALES SUMMARY TABLE

No.	Location	Sale Date	Price	Size in Acres	Price/ Acre
1.	20289 Bethel Road (Rte. 708)	03/07/2014	\$40,000	5.301	\$7,546
2.	Osceola Road (Rte. 722)	01/21/2014	\$92,000	12.700	\$7,244
3.	Green Spring Road (Rte. 75)	10/17/2013	*\$106,200	9.940	*\$10,684

\*After adjusting downward for barn.

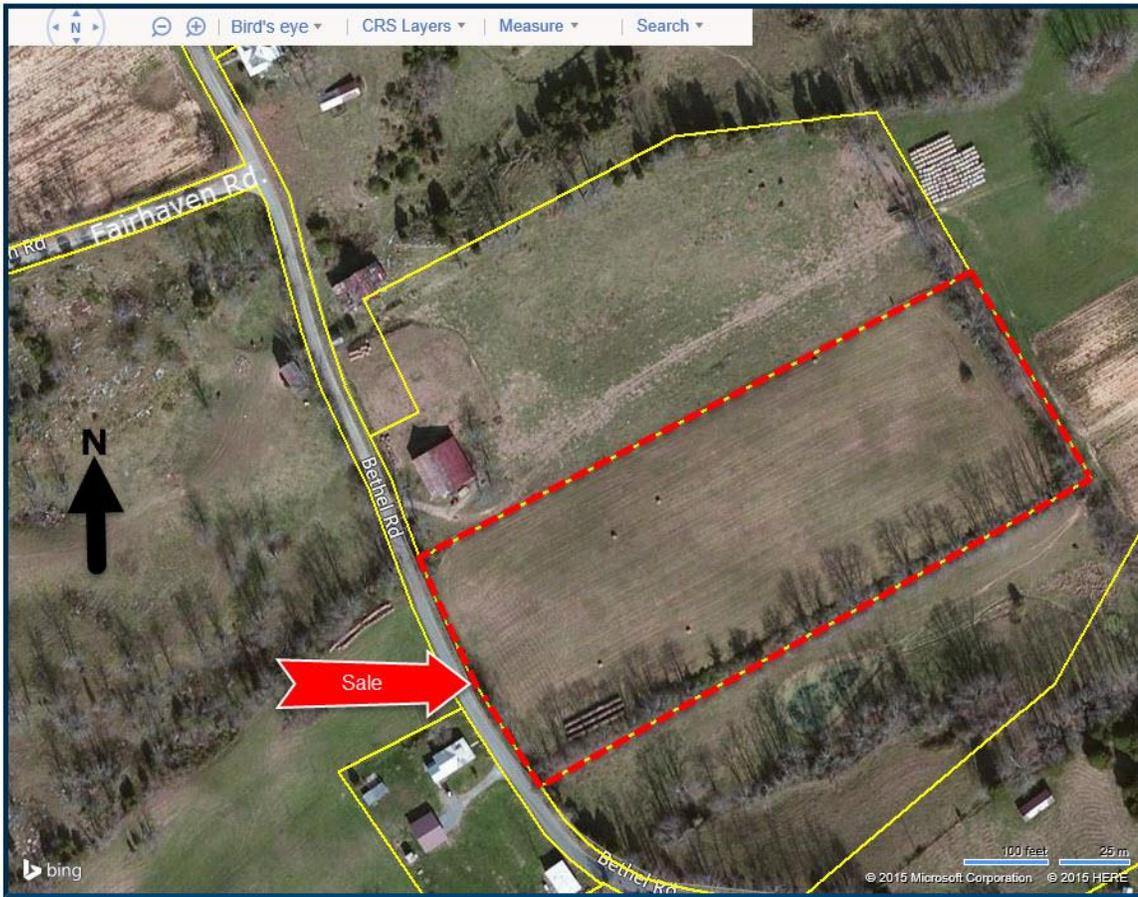


Land Sales Map.

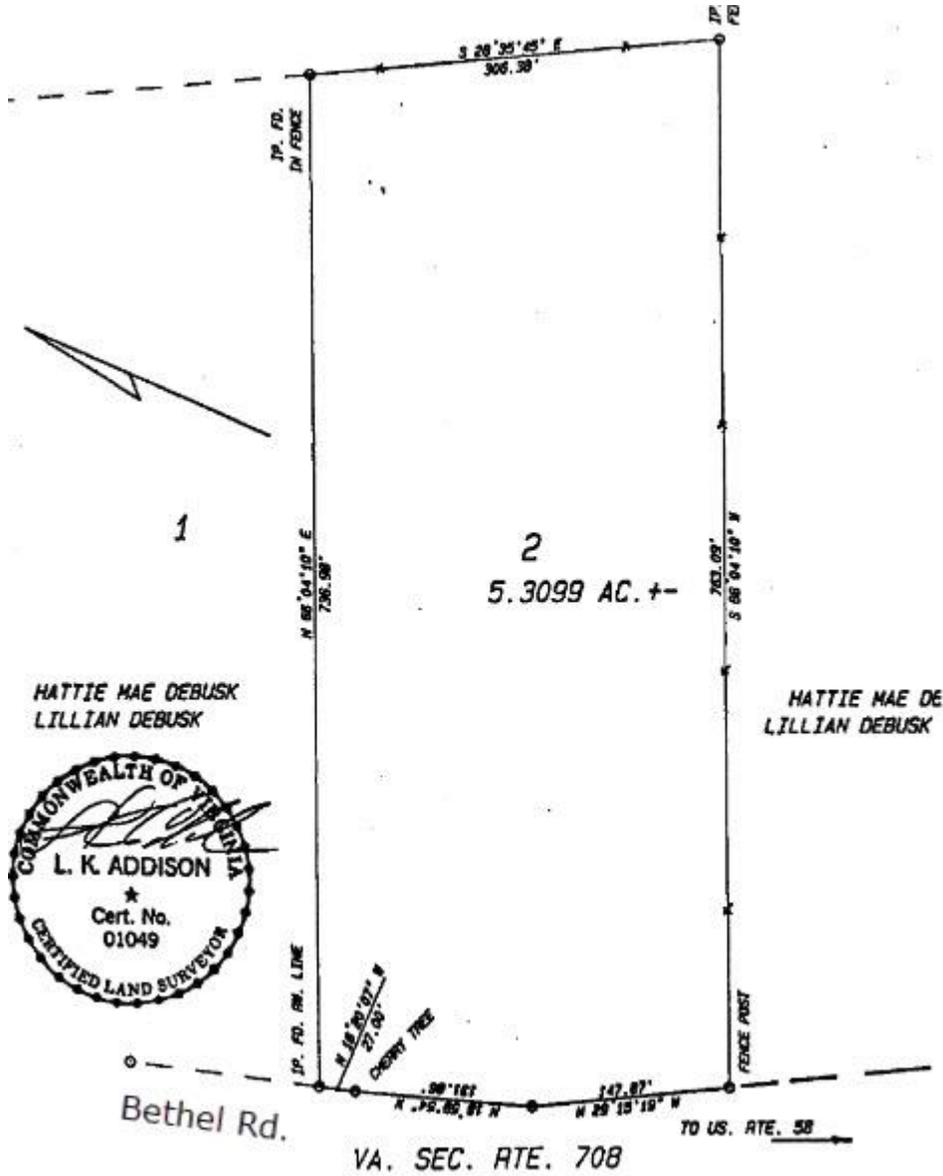
**Land Sale No. 1**



# Land Sale No. 1 (Cont.)



Land Sale No. 1 (Cont.)



**Property Identification**

**Record ID** 102  
**Property Type** Rural Residential  
**Address** 20289 Bethel Road (Rte. 708), Abingdon, Washington County, Virginia 24211  
**Location** East side of Bethel Road approximately 500 feet south of Fairhaven Road  
**Tax ID** 149/10/2  
**Longitude, Latitude** W81.515901, N36.395268

**Sale Data**

**Grantor** Roland H. Dunn and Ruth M. Dunn

### Land Sale No. 1 (Cont.)

<b>Grantee</b>	David C. Johnson and Miranda N. Johnson
<b>Sale Date</b>	March 07, 2014
<b>Deed Book/Page</b>	140001025
<b>Recorded Plat</b>	Book 784/Page 336
<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length sale
<b>Verification</b>	Miranda Johnson; Other sources: \$40,000 stated in deed, Confirmed by Warren Klutz

<b>Sale Price</b>	\$40,000
<b>Cash Equivalent</b>	\$40,000

#### Land Data

<b>Zoning</b>	A-2
<b>Topography</b>	Very gentle rolling, cleared terrain
<b>Utilities</b>	Water, elect., & telephone
<b>Dimensions</b>	See sketch
<b>Shape</b>	Rectangular

#### Land Size Information

<b>Gross Land Size</b>	5.301 Acres or 230,912 SF
<b>Front Footage</b>	307 ft. Total Frontage: 307 ft. Approx. on Bethel Road

#### Indicators

<b>Sale Price/Gross Acre</b>	\$7,546
<b>Sale Price/Gross SF</b>	\$0.17
<b>Sale Price/Front Foot</b>	\$130

#### Remarks

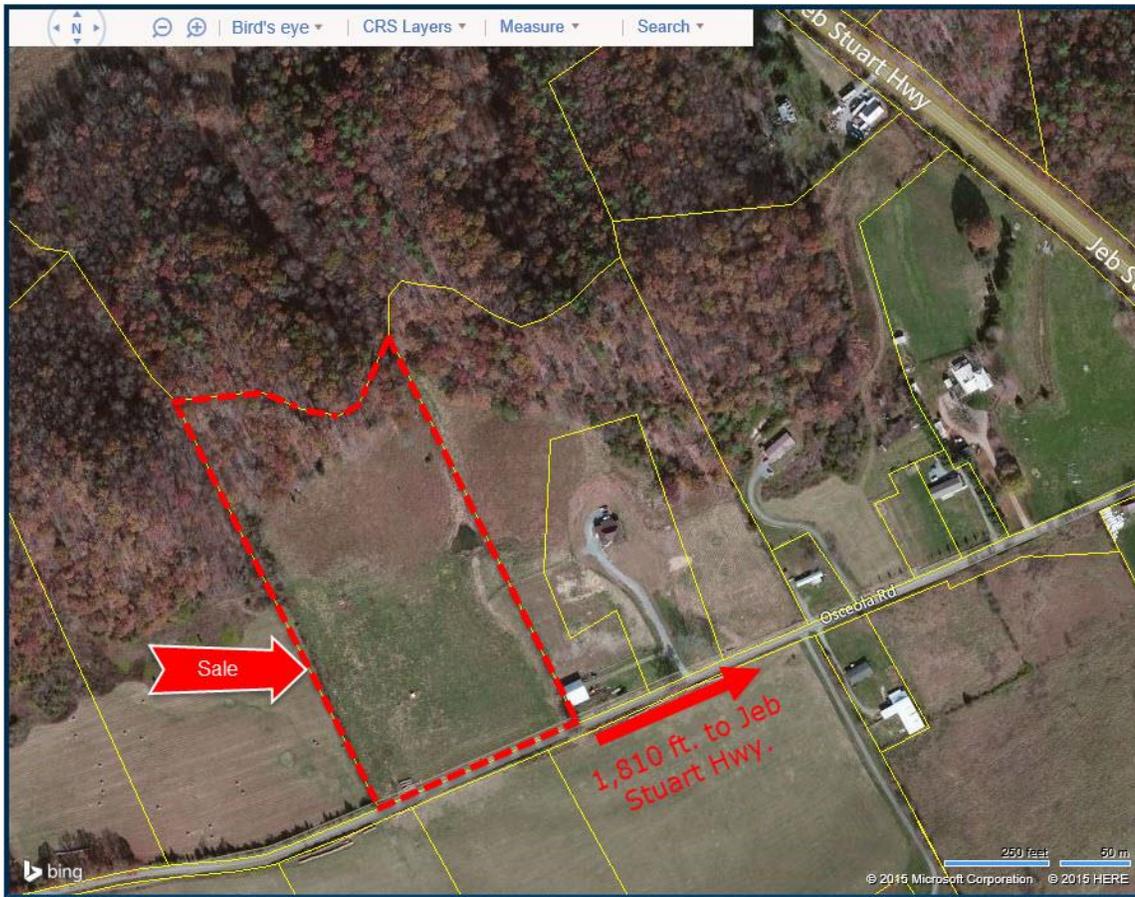
Two story dwelling under construction at time of inspection on 9/23/2015. Gravel drive shown in photograph was constructed after purchase. Barn on left in the photograph was on the adjoining property. Relatively level with Bethel Road along the front and classified as gentle rolling, cleared terrain.

Grantor's Tax: \$47.50 Recorded: 3/7/2014

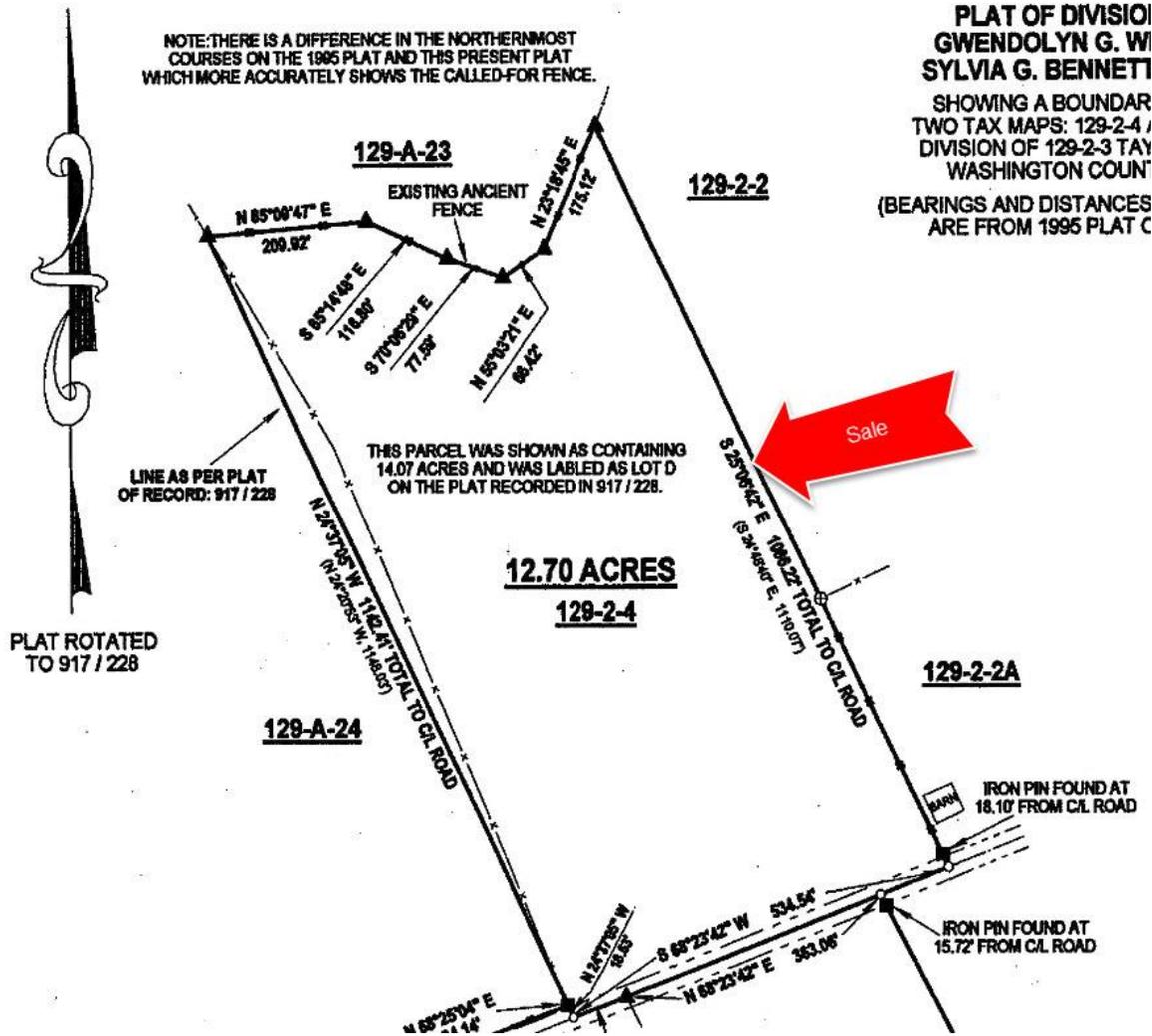
**Land Sale No. 2**



## Land Sale No. 2 (Cont.)



Land Sale No. 2 (Cont.)



**PLAT OF DIVISION  
GWENDOLYN G. W  
SYLVIA G. BENNETT**  
SHOWING A BOUNDAR  
TWO TAX MAPS: 129-2-4 /  
DIVISION OF 129-2-3 TAY  
WASHINGTON COUN'  
(BEARINGS AND DISTANCES  
ARE FROM 1995 PLAT C

Property Identification

**Record ID** 103  
**Property Type** Rural Residential  
**Address** Osceola Road (Rte. 722), Abingdon, Washington County, Virginia 24211  
**Location** North side of Osceola Road 1,810 feet west of Jeb Stuart Highway (Rte. 58)  
**Tax ID** 129/2/4  
**Longitude, Latitude** W81.521103, N36.401884

Sale Data

**Grantor** Sylvia G. Bennett, Trustee of the Sylvia Grant Bennett Living Trust  
**Grantee** Joshua D. Bourne and Lisa E. Bourne  
**Sale Date** January 21, 2014  
**Deed Book/Page** 14000635  
**Recorded Plat** Book 68/Page 59

**Land Sale No. 2 (Cont.)**

**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Joshua Bourne; Other sources: \$92,000 stated in deed  
**Sale Price** \$92,000  
**Cash Equivalent** \$92,000

**Land Data**

**Zoning** A-2  
**Topography** Very gently rolling on front rises 140 ft. above road grade at rear  
**Utilities** Water, elect., & telephone  
**Shape** Slightly irregular

**Land Size Information**

**Gross Land Size** 12.700 Acres or 553,212 SF  
**Front Footage** 535 ft. Total Frontage: 535 ft. Osceola Road

**Indicators**

**Sale Price/Gross Acre** \$7,244  
**Sale Price/Gross SF** \$0.17  
**Sale Price/Front Foot** \$172

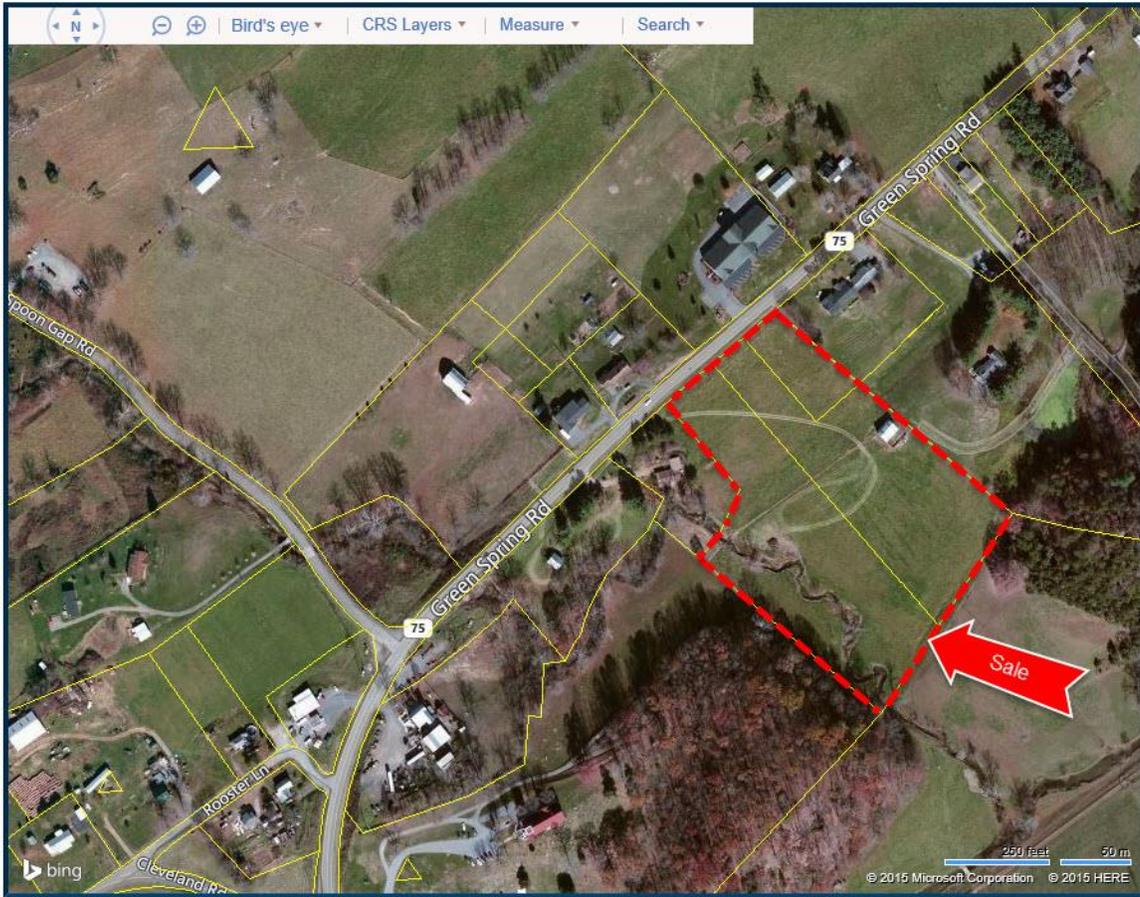
**Remarks**

Wet weather pond near the middle of east property line. Property is 90% cleared with a few trees on the back. Approximately 60% of the property is very gently rolling and rises approximately 140 feet to the rear line.  
Grantor's tax: \$100.50 Recorded: 2/11/2014

**Land Sale No. 3**



### Land Sale No. 3 (Cont.)





### Land Sale No. 3 (Cont.)

**Location** Southeast side of Green Spring Road approximately 825 feet  
northeast of Spoon Gap Road  
**Tax ID** 145/5/3  
**Longitude, Latitude** W81.594010, N36.381939

#### Sale Data

**Grantor** Lois W. Cornett  
**Grantee** Richard C. Johnston and Julia Jackson Johnston  
**Sale Date** October 17, 2013  
**Deed Book/Page** 130006118  
**Recorded Plat** Book 59/Page 55  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Lois Cornett; Other sources: Consideration of \$110,000 stated  
in deed, Confirmed by Warren Klutz

**Sale Price** \$110,000  
**Cash Equivalent** \$110,000  
**Downward Adjustment** \$3,800 Barn  
**Adjusted Price** \$106,200

#### Land Data

**Zoning** R-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect. & telephone  
**Dimensions** See plat  
**Shape** Irregular

#### Land Size Information

**Gross Land Size** 9.940 Acres or 432,986 SF  
**Front Footage** 354 ft. Total Frontage: 354 ft. Green Spring Rd. (VA Rte. 75)

#### Indicators

**Sale Price/Gross Acre** \$11,066 Actual or \$10,684 Adjusted  
**Sale Price/Gross SF** \$0.25 Actual or \$0.25 Adjusted  
**Sale Price/Front Foot** \$311 Actual or \$300 Adjusted

#### Remarks

The property is located across VA Rte. 75 from Freedom Point Apartments. The property slopes downward from road about 30 to 40 feet and then is gentle rolling, cleared land. A barn is located on the property and the sale price has been adjusted downward \$3,800 based on the tax assessment/value of the barn. A creek passes through the property along the southwest side. Grantor's tax: \$110.00 Recorded: 10/17/2014

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**SALES COMPARISON TABLE – LAND VALUE**

COMPARABLE #	SUBJECT	#1	#2	#3
TAX MAP ID	127/A/10, 127/6/13 & 14	149/10/2	129/2/4	145/5/3
Location	Watauga Road	20289 Bethel Rd. (Rte. 708)	N. side Osceola Rd.	SE side Green Spring Rd.
Proximity to Subject	N/A	3.25 mi. SE	3.7 mi. S.E.	4.3 mi. SW
Sales Price	\$ N/A	\$ 40,000	\$ 92,000	\$ 110,000 - \$3,800 barn = \$106,200
Date of Sale	N/A	3/7/14	1/21/14	10/17/13
Highest & Best Use	Rural Residential	Rural Residential	Rural Residential	Rural Residential
Size- Ac.	35.0 ac.	5.301 ac.	12.7 ac.	9.94 ac.
Unit Price Per Ac.	\$ N/A	\$ 7,546	\$ 7,244	10,684
Real Property Rights Conveyed	Fee Simple	Fee simple	Fee simple	Fee simple
Adjusted Price		\$ 7,546	\$ 7,244	\$ 10,684
Financing Terms				
Adjusted Price		7,546	7,244	\$ 10,684
Conditions of Sale				
Adjusted Price	\$	\$ 7,546	\$ 7,244	\$ 10,684
Expenditures Made Immediately After Sale				
Market Condition				
Adjusted Price	\$	\$ 7,546	\$ 7,244	\$ 10,684

Location		+20%	+1,509	+15%	+1,087		
Size							
Topography				+15%	+1,087		
Utilities							
Shape							
Depth							
Other							
Other							
Other							
Other - Access							
Other -							
Net Adjustment			+1,509		+2,174		0
Indicated Value	\$	\$	9,055	\$	9,418	\$	10,684

## EXPLANATION AND SUPPORT FOR THE ADJUSTMENTS, CORRELATION AND FINAL RECONCILIATION OF VALUE

The preceding Land Sales Comparison Table provides the analysis of sales for the appraisal of the subject's land value. Sales selected for comparison are displayed on the preceding pages and are as close in size, location, time of sale, and potential use as possible. These three sales represent rural residential land sales in the vicinity of the subject with the nearest sale located 3.25 miles southeast and the furthest sale located 4.3 miles southwest of the appraised property. As shown on the Land Sales Comparison Table, the adjustments reflect the dissimilarities between the comparable sales and the subject property. Sales are analyzed on a price per acre basis. The final concluded per acre value of the subject will be applied to the subject's land size in acres and will be used to value the area acquired for the proposed Virginia Creeper Trail enhancement project. Adjustments discussed in the following paragraphs that are made as percentages are based on subjective judgment of the appraiser unless otherwise stated. If a sale property is inferior to the subject with regard to a specific characteristic or element of comparison, a positive adjustment is made. If the sale is superior to the subject in a characteristic, a minus adjustment is made. The adjustment process has a goal of reflecting what the comparable properties would have sold for, if they possessed similar characteristics to those of the subject. The adjustments are only made for differences the market participants tend to recognize by paying more or less for a property.

**PROPERTY RIGHTS CONVEYED:** Fee Simple Estate - No adjustment was made.

**CASH EQUIVALENCY:** All of the transactions are considered to not have been influenced by atypical financing terms available in the market.

**CONDITIONS OF SALE:** All of the sales are arm's length transactions.

**EXPENDITURES MADE IMMEDIATELY AFTER SALE:** None that were required to place the properties on an equal basis for this analysis.

**MARKET CONDITIONS ADJUSTMENT (TIME):** The sales utilized for comparison have all taken place within a time frame ranging from October 17, 2013 and March 7, 2014. The Abingdon and Washington County, Virginia market for rural residential properties has remained somewhat level with regard to prices and no time adjustment is made for the passage of time between the dates of sale and the date of the appraisal.

**LOCATION:** The location adjustment considers the difference between the quality of location of the subject and each comparable sale with consideration given the locational relationship of each sale to the center of population, shopping, and service providers in Abingdon, Virginia. In addition, the location adjustment considers the quality of the surrounding properties and road system for each of the sales in relation to that of the subject. Sale 1 is inferior to the subject and all the other sales and a +20% location adjustment was made. Sale 2 is inferior to the subject but superior to Sale 1 in location and a + 15% location adjustment was required. Sale 3 is relatively similar to the subject in travel time to Abingdon and quality of surrounding properties and no adjustment was made.

**SIZE:** Typically, smaller properties sell for higher per acre prices than larger parcels, assuming all other characteristics are equal. The subject contains 35.0 acres and the sales range in size from 5.301 to 12.7 acres. Additional sales were gathered in the research phase of the appraisal production and parcels containing as many as 44.83 acres (Tax I.D. 88/14/2) were viewed that indicate no size adjustment is required for this group of sales. While the sales used for analysis are smaller than the subject, the sales were not adjusted downward as the subject could be potentially divided into smaller acreage parcels more similar in size acreage to the sales. Given

the lack of further size adjustment found by analyzing Tax I.D. 88/14/2 and the potential to divide the subject due to road frontage, no size adjustment was made.

**TOPOGRAPY:** Sales 1 and 3 were very similar to the subject with regard to topography and no adjustment was made to either sale. Sale 2 rises in elevation from front to rear with about 40% of the property in inferior sloping topography to that of the subject. A +15% topography adjustment was made to Sale 2 to account for its inferior topography.

**UTILITIES:** Utilities available to the subject and sales are similar and no adjustment was necessary.

**SHAPE:** The subject is irregular in shape and so are the sales. While the subject is more irregular in shape, this condition is deemed to have little relevance in this particular analysis. Shape is of less importance in parcels with acreage than small residential lots since the shape in small lots limits the placement of improvements. In larger parcels, improvement placement is of less concern since adequate land area is available to choose locations for a dwelling and other improvements. Therefore, no shape adjustment is required for any of the sales.

**ZONING:** Sales 1 and 2 have A-2 zoning and Sale 3 has R-2 zoning. Practical uses allowed under the zoning ordinance are similar. Comparing Sales 1 and 2 with Sale 3 indicate little noticeable difference due to zoning differences. Final concluded value relied mostly on Sale 3 which had the highest adjusted per acre price. If any difference in per acre land value exists between the two zoning classifications, reliance on Sale 3 considers the possibility some difference exists.

**ACCESS:** The subject and all the sales have adequate access and no adjustment is needed.

**RECONCILIATION:** After adjustments, the indicated value per acre ranges from a low of \$9,055 by Sale 1 to a high of \$10,684 by Sale 3. Average or mean of the indicated per acre values for the adjusted sales is \$9,719 and the median is \$9,418. Sales 1 and 2 required the greatest net and absolute adjustments (adjustment without regard to sign). Sale 3 at \$10,684 per acre required no adjustments and is considered to be most similar to the subject. In conclusion, most weight was accorded Sale 3 in concluding the indicated per acre value of the subject at \$10,700 rounded. The concluded per acre value for the appraised property is multiplied by the land area in acres to value the tract.

VALUE OF LAND: \$10,700 per sq. ft. X 35.0 acres = \$374,500 rounded

## **ACQUISITION VALUE**

**TYPE OF ACQUISITION** (Check all that apply)

- Total Acquisition  
 Partial Acquisition  
 Easement  
 Other

## **ACQUISITION DESCRIPTION**

### Land

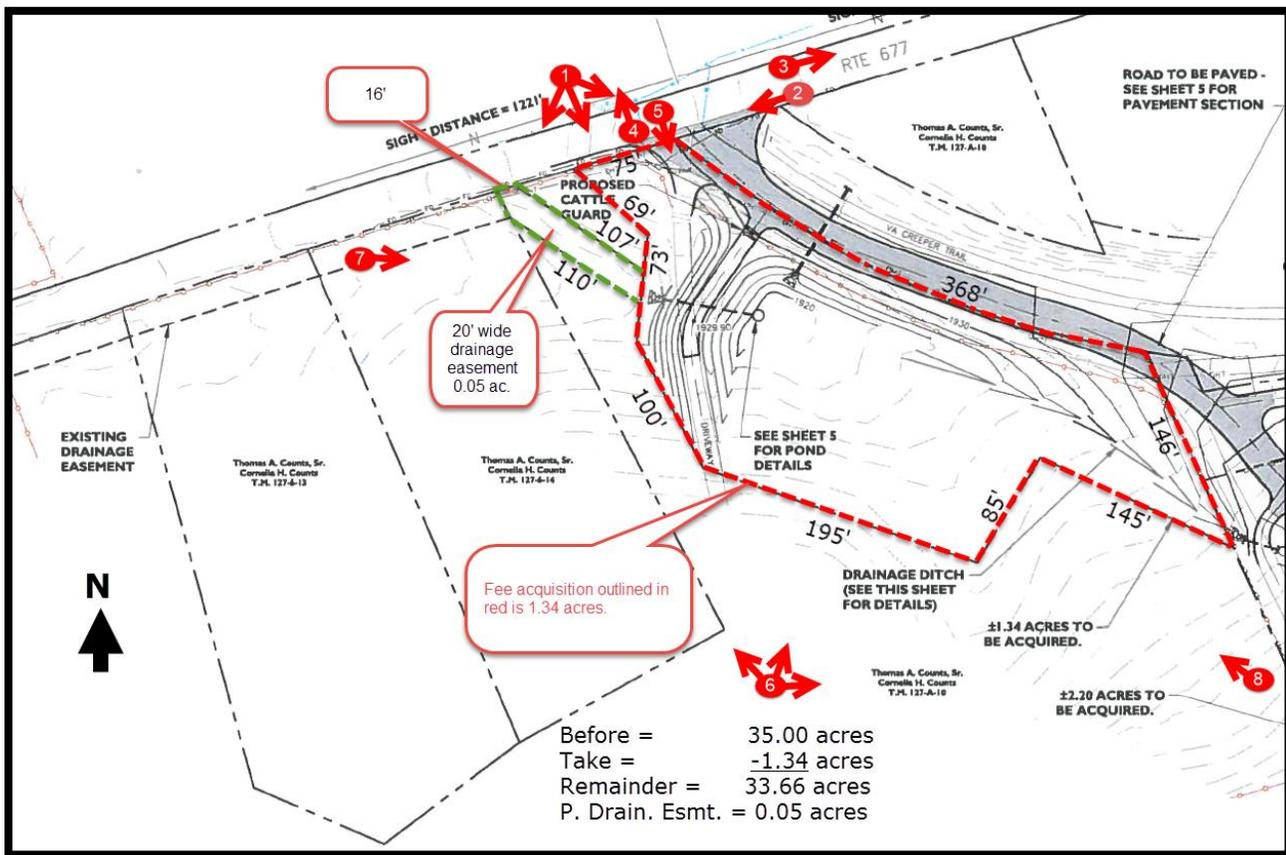
Fee acquisition from the subject is an irregular shaped parcel fronting 75 feet along the south side of Watauga Road, fronts the south side of Old South Way for 368 feet, is 146 feet along the east side, measures 667 feet along

the southwest side (including offsets), and contains 1.34 acres. The property is cleared, gently rolling terrain. In addition, a 20 foot wide permanent drainage easement is to be acquired that is 123 feet (2 calls) on the north side, is 110 feet on the south side, and contains 0.05 acre.

Acquisition includes approximately 2,760 square feet of gravel driveway; 100 feet of 4-rail, split rail, wooden fencing along Watauga Road and Old South Way; and approximately 310 feet of 5 foot high wire mesh fencing, topped with one strand of barb wire, on wood posts. The cattle guard near the entrance to the property is to be moved as part of project construction according to notes on “full size” plans furnished the appraiser but not shown on acquisition survey below. The appraisal assumes the cattle guard will be moved by the contractor and at the condemning authority’s expense. Acquisition survey follows.

Per acre value of the fee acquisition of 1.34 acres is \$10,700 per acre value and the same as the overall property per acre value before acquisition. Permanent drainage easement containing 0.05 acre is estimated at 90% of fee value or \$9,630 per acre.

### ACQUISITION SURVEY



### Improvements Acquired

Gravel drive acquired measures 230 feet by approximately 12 feet and contains 2,760 square feet of gravel driveway.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1 for median costs.

CCM = Current Cost Multiplier LM = Local Multiplier for Roanoke, Virginia

Grading and disposal cost = \$0.30 per sq. ft.

4 inch rock base = 0.71 per sq. ft.

Total cost = \$1.01 per sq. ft.

Estimated unit value of gravel drive =  $\$1.01 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$0.96$  per sq. ft. (R)

Total gravel value =  $\$0.96 \times 2,760$  sq. ft. =  $\$2,650$  (R)

No depreciation is estimated for the gravel.

Cost source for 4-rail, split rail fencing on wood posts is *Marshall Valuation Service*, Section 66, Page 5 for median costs. CCM = Current Cost Multiplier, LM = Local Multiplier for Roanoke, Virginia. Depreciation is estimated at 25% which leaves 75% of cost as the value of the fencing. Median costs are used.

4 Rail split rail fence =  $\$16.65$  per linear. ft.

Estimated unit cost of split rail fence =  $\$16.65 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$15.81$  per linear ft. (R)

Total split rail fence cost =  $\$15.81 \times 100$  ft. =  $\$1,581$  (R)

Depreciated value of split rail fence =  $\$1,581 \times 0.75 = \$1,185$  (R)

Cost source for 5 foot wire mesh fencing with one strand of barb wire on wood posts is *Marshall Valuation Service*, Section 66, Page 5 for median costs. CCM = Current Cost Multiplier, LM = Local Multiplier for Roanoke, Virginia. Depreciation is estimated at 25% which leaves 75% of cost as the value of the fencing. Median costs are used.

5 ft. wire mesh on metal posts =  $\$4.77$  per linear ft.

Add for one strand barb wire =  $+0.28$  per linear ft.

Add for wood posts =  $+0.52$  per linear ft.

Total =  $\$5.57$

Estimated unit cost value of wire mesh fence with barb wire =  $\$5.57 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$5.29$  per linear ft. (R)

Total cost of wire mesh fence =  $\$5.29 \times 310$  ft. =  $\$1,640$  (R)

Depreciated value of split rail fence =  $\$1,640 \times 0.75 = \$1,230$  (R)

Total value of the fencing acquired is  $\$1,185 + \$1,230 = \$2,415$  and less than the cost to re-enclose the property with fencing. Cost to re-enclose at  $\$3,465$  with new fencing is used as a cost to cure item and included in the amount due owner. Cost to cure is explained on the bottom of page 50.

## ACQUISITION VALUE

### **TOTAL ESTIMATED COMPENSATION BEFORE DAMAGES OR ENHANCEMENTS**

#### Value of Land in Fee Acquired

Land in Fee Acquired	1.34	AC @ \$ 10,700	= \$ 14,400 (R)
Land in Fee Acquired		SF @ \$	= \$

#### Value of Easements Acquired:

Permanent Easement - Drainage	0.05	AC @ \$ 10,700	X 90% = \$ 500 (R)
Temp. Construction Esmt.		SF @ \$	X % = \$
Temp. Work Area Esmt.		SF @ \$	X % = \$
Temporary Easement		SF @ \$	X % = \$
Other		SF @ \$	X % = \$

<b>Estimated Value of Land Acquired</b>			<b>\$ 14,900</b>
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#### Value of Buildings Acquired:

Building 1	\$
Building 2	\$
Building 3	\$

<b>Estimated Value of Buildings</b>		<b>\$ 0</b>
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#### Value of Other Improvements Acquired:

Gravel drive	2,760	SF @ \$ 0.96	X 100% = \$ 2,650 (R)
Split rail fence: Cost to cure used		LF @ \$	X % = \$
Wire mesh fence		LF @ \$	X % = \$
Drive		SF @ \$	X % = \$
Walls		SF @ \$	X % = \$
Other		SF @ \$	X % = \$
Other		SF @ \$	X % = \$

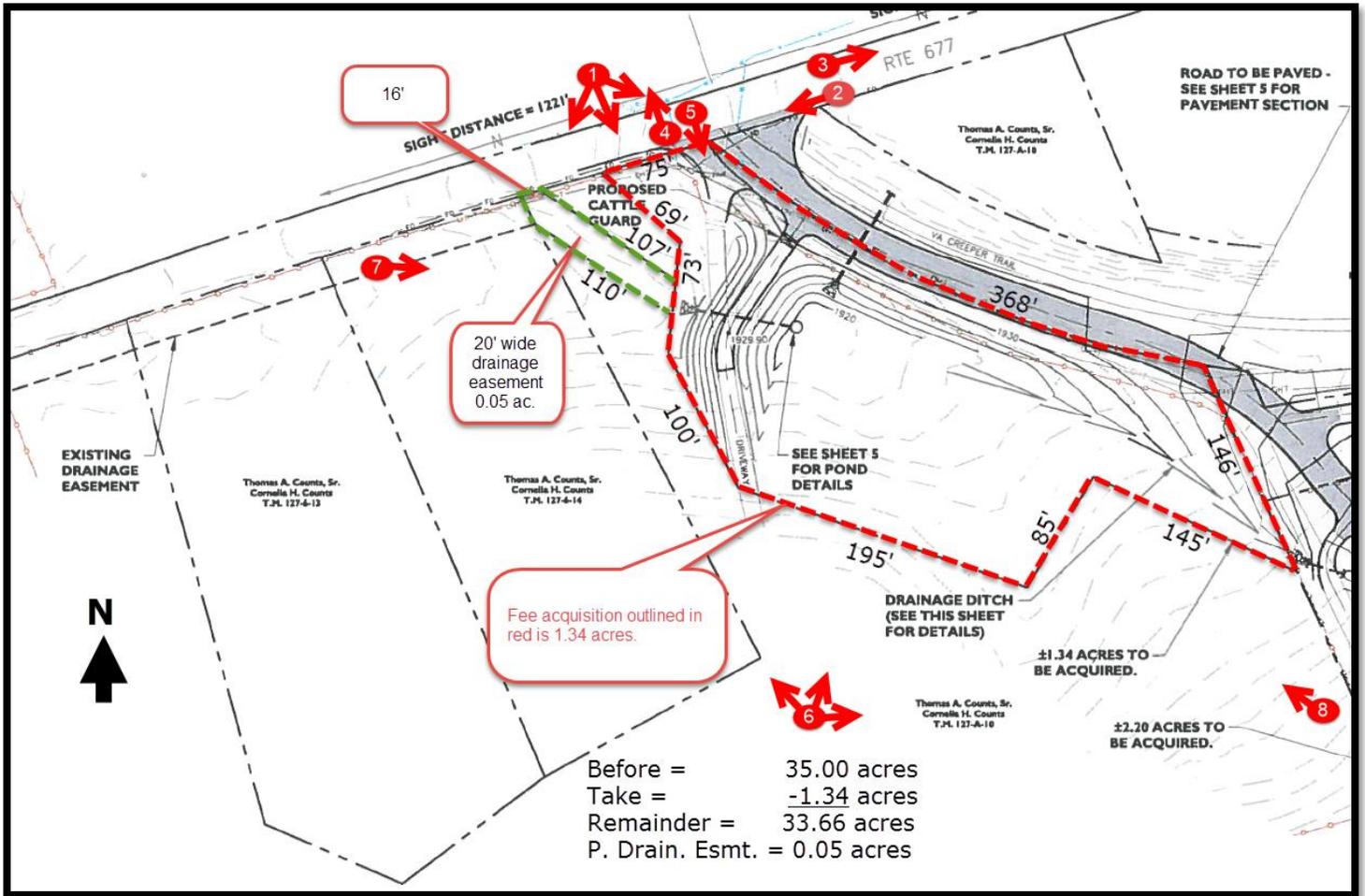
<b>Estimated Value of Other Improvements</b>		<b>\$ 2,650</b>
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<b>Total Estimated Compensation Before Damages or Enhancements</b>		<b>\$ 17,550</b>
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## Explanation of Cost to Cure Damages

Fencing acquired will be treated in this appraisal as a cost to cure item by enclosing. Approximately 655 linear feet of wire mesh fencing will be required to re-enclose the property. Estimated value of the fencing acquired is \$2,415 which is inadequate to allow the owner to re-enclose the property. There is no gate at the entrance, only an opening but there is a cattle guard which is to be moved during construction. Approximately 655 linear feet of 5-foot high wire mesh fencing with one strand of barb wire would be needed to enclose along the new boundary line on the east side where acquisition occurs. Project plans do not show or indicate that fencing will be installed along the acquisition as part of project construction.

Cost to Cure: Cost to enclose is 655 linear feet X \$5.29 = \$3,465 (R)



Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 1 Photo shows a view subject from Rte. 677 (Watauga Road) across from entrance to the property looking south.



Photo #: 2 Photo shows a view of neighborhood looking southwest along Watauga Road (Rte. 677) with entrance to subject in left center.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 3 Photo shows a view of neighborhood looking northeast along Watauga Road (Rte. 677).



Photo #: 4 Photo shows a view of neighborhood (existing Virginia Creeper Trail parking lot) looking north from Rte. 677 near entrance to property.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 5 Photo shows a view of entrance to subject from Rte. 677 looking south.



Photo #: 6 Photo shows a view of the area acquired from driveway of subject looking north.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 7 Photo shows a view of the permanent drainage easement acquisition from south side of Rte. 677 right of way looking northeast toward the entrance road.



Photo #: 8 Photo shows a view of the acquisition from the east boundary sideline looking north.

## CONTINGENT AND LIMITING CONDITIONS

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to the property. The appraiser assumes that the title is good and marketable and does not render any opinions about the title. Responsible ownership and competent property management are assumed unless otherwise stated.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made.
4. The appraiser has estimated the value of the land at its highest and best use. Improvements are estimated at their contributory value or their "cost to cure", whichever is less.
5. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) that were observed during the inspection of the subject property or that became apparent while conducting the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraiser is not qualified to detect hazardous waste and/or toxic materials.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers reliable and are believed to be true and correct. However, no warranty is given for its accuracy.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice or as required by professional appraisal peer review.
8. Unless otherwise noted, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property. Only the real property has been considered. Relocation assistance benefits were not given consideration in the appraisal.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, 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 there is no detailed evidence relating to this issue, the possibility of non-compliance with the requirements of the ADA in estimating the value of the property was not considered.
10. Sketches or plans contained in the report may show approximate dimensions, and they are included for illustrative purposes only since the appraiser did not complete a survey of the property.
11. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the report.
12. It is assumed that all required licenses, certificates of occupancy 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.
13. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. 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.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. All engineering plans are assumed to be correct. All plans submitted in this report are intended to assist the reader with visualizing the project.

**APPRAISER CERTIFICATION**

Property Owner’s Name: Cornelia H. Counts

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 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 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
7. **My analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.**
8. I have made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this report unless specifically stated within the reconciliation section of this report where such individuals are named and their specific tasks performed are disclosed. I certify that any individual so named is qualified to perform the tasks.
10. I will not reveal the findings and results of such appraisal to anyone other than the client until authorized by the client to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
11. I understand that such appraisal is to be used in connection with the acquisition of right of way for a parking lot facility to be used in connection with the Virginia Creeper Trail which is to be constructed by the Commonwealth of Virginia potentially with the assistance of federal-aid highway funds or other federal funds, and that such appraisal has been made in conformity with the appropriate state laws, regulations, and policies for procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the Commonwealth of Virginia.
12. The owner or their designated representative was contacted and given the opportunity to accompany the appraiser during the property inspection.
13. I made a personal field inspection of the comparable sales relied upon in developing the appraisal.
14. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal.
15. Regardless of any stated or limiting condition or assumption, I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits and contents collected or prepared under this agreement shall become the property of the client without restriction or limitation on their use.
16. I certify I possess sufficient competence to appraise this property through education and experience.
17. I 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.
18. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
19. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
20. As of the date of this report, Warren Klutz, has completed the continuing education program of the Appraisal Institute.

**Certifications in Addition to Those Required by USPAP:**

1. I did not base, either partially or completely, my analysis and/or the opinion of value (if any) in the appraisal review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of the owners or occupants of the subject property of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis that is prohibited by law.
2. I developed my analysis, opinions, and conclusions and prepared this review report in conformity with the Uniform Standards of Professional Appraisal Practice; Title III of the Uniform Relocation Act; the Code of Federal Regulations, 49CFR 24.102, .103, .104, .105 and .108; and the Uniform Standards of Federal Land Acquisitions (as applicable).
3. I certify that the estimate of market value, as defined, as land acquired, easements, improvements, incurable damages and cost-to-cure items as of the effective appraisal date to be: \$21,015.

**LICENSED APPRAISER**

Signature Warren Klutz

Name Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA

Date January 31, 2016

License/Certification Number 4001000330

License Type Certified General

# QUALIFICATIONS OF WARREN KLUTZ, MAI, SRA, AI-GRS, CCIM, MBA, MS

## EDUCATION:

East Tennessee State University, 1972, Bachelor of Science, Business Administration with a Minor in Military Science and Major in Real Estate.

Minor in Military Science included Army ROTC Flight Training and was commissioned as an Infantry Officer in United States Army on Graduation from East Tennessee State University. Training in military included Basic Infantry Officer Course and Airborne School. Military service completed at the rank of Captain.

Master of Science (MS) in Real Estate Appraisal from University of St. Thomas in Minneapolis, MN.

Master of Business Administration from King University in Bristol, Tennessee.

Completed all requirements except dissertation in Doctor of Education (Ed.D.) degree program at East Tennessee State University.

Awarded the MAI (Member Appraisal Institute) designation. In addition to numerous other requirements regarding experience, comprehensive examination and demonstration report; Warren Klutz successfully completed and passed the following courses given by the Appraisal Institute prior to awarding of the MAI (Member Appraisal Institute).

Standards of Professional Practice (Parts A & B), University of Georgia  
Standards of Professional Practice (Part C), Manassas, Virginia  
Real Estate Appraisal Principles, Indiana University  
Basic Valuation Procedures, Indiana University  
Capitalization Theory & Techniques Part 1, University of North Carolina  
Capitalization Theory & Techniques Part A, University of Georgia  
Capitalization Theory & Techniques Part B, University of Georgia  
Market Analysis, University of Central Florida  
Case Studies in Real Estate Valuation, University of Georgia  
Report Writing and Valuation Analysis, University of Georgia

Recent seminars taken through the Appraisal Institute:

Economic Obsolescence Seminar	Hotel Motel Valuation Seminar
Accrued Depreciation Seminar	Applied Sales Comparison Approach
Rates, Ratios and Reasonableness	Rate Extraction
Commercial Construction Overview	Appraising Troubled Properties
Discounted Cash Flow Analysis	The Appraiser As An Expert Witness
Appraising Troubled Properties	Demonstration Appraisal Report Writing
Automated Valuation Models	Appraisal of Nursing Facilities
The Internet and Appraising	The Future of Appraising
New Industrial Valuation	Appraisal Office Management
Appraisal of Non-Conforming Uses	Eminent Domain and Condemnation
Litigation Skills for the Appraiser	Data Confirmation & Verification Methods
Appraising Distressed Commercial Real Estate	

Successfully completed and passed the following courses and examinations and designated CCIM, Certified Commercial Investment Member of the Commercial Investment Real Estate Institute:

- CI-101, Fundamentals of Real Estate Investment and Taxation, Washington, D.C.
- CI-102, Fundamentals of Creating a Real Estate Investment, Atlanta, Georgia.
- CI-103, Advanced Real Estate Taxation and Marketing Tools for Investment Real Estate, Detroit, Michigan
- CI-104, Case Studies in Commercial and Investment Real Estate Brokerage, Atlanta, Georgia
- CI-105, Principles and Techniques of Effective Communication for Commercial-Investment Brokerage, Atlanta, Georgia.

Successfully completed the following courses as given by the Society of Real Estate Appraisers and designated SRA, Senior Residential Appraiser:

- An Introduction to Appraising Real Property, Course 101, Knoxville, Tennessee
- Applied Residential Property Valuation, Course 102, Appalachian State University.

Successfully completed the following courses as given by the International Right-of-Way Association:

- |                                       |                            |
|---------------------------------------|----------------------------|
| The Appraisal of Partial Acquisitions | Skills of Expert Testimony |
| Interpreting Engineering Drawings     | Easement Valuation         |

Graduated from Missouri Auction School, Kansas City, Missouri

**MEMBERSHIP AND LICENSES:**

- Licensed Certified General Real Estate Appraiser in Tennessee and Virginia
- Licensed Real Estate Broker in Tennessee, Virginia and North Carolina
- Licensed Real Estate Auctioneer in Tennessee and Virginia
- Member of the Bristol, Tennessee-Virginia Board of Realtors
- Member of the Tennessee-Virginia Regional Multiple Listing Service
- Member of the Southwest Virginia Association of Realtors Multiple Listing Service
- Member of the NETAR Commercial Multiple Listing Service
- President of the Bristol, Virginia-Tennessee Board of Realtors in 1978, 1982 and 1987
- President of the TENNEVA Chapter of the Society of Real Estate Appraisers, 1987
- Vice President, Blue Ridge Chapter of the Appraisal Institute, 2000
- Vice President, Virginia Commonwealth Chapter of the Appraisal Institute, 2003
- President, Virginia Commonwealth Chapter of the Appraisal Institute, 2004
- Member of the Commercial Investment Real Estate Institute
- MAI and SRA Designated Member of the Appraisal Institute
- Recipient of Appraiser of the Year 1985 - TENNEVA Chapter of the Society of Real Estate Appraisers

**EXPERIENCE:**

Owned and operated Warren Klutz and Company since 1975, specializing in commercial and investment real estate brokerage, consulting, and appraising in Tennessee, Virginia and North Carolina. Experience includes appraisals of various interests in all types of properties for financial institutions, utility companies, private, corporate and government clients. Qualified as expert witness in numerous courts in Tennessee and Virginia. Klutz serves as an instructor for the Appraisal Institute and was a contributing author for *Applications in Litigation Valuation: A Pragmatist's Guide* published by the Appraisal Institute in 2012.

**PARTIAL CLIENT LIST:**

Financial

NationsBank  
Signet Bank  
First Union  
Tri-Cities Bank  
Charter Federal  
First American Bank  
Dominion Bank  
Sovran  
First Tennessee Bank  
Bank of Baltimore  
Home Federal  
Chrysler First  
Highlands Union  
SunTrust Bank  
TruPoint Bank  
Settler's Life Insurance  
Valley Bank  
Darby Bank & Trust  
Bank of America  
Wells Fargo Bank

Governmental

State of Virginia  
State of Tennessee  
City of Johnson City  
Army Corps of Engineers  
Virginia Dept. of Trans.  
Tennessee Dept. of Trans.  
Virginia Attorney General  
Tennessee Dept. of Finance  
City of Bristol Tennessee  
City of Bristol Virginia  
Smyth County, Virginia  
Washington County, Virginia  
Sullivan County, Tennessee  
Tennessee Attorney General  
U.S. Dept. of Justice  
Wise County, Virginia  
Dickenson County, Virginia  
ETSU  
North Carolina State University  
Federal Bureau of Prisons

Corporations & Utility

Raytheon  
UNISYS  
IBM  
Smith Kline Beecham  
CONOCO  
Electrolux  
Shoney's Restaurants  
Hospital Corporation of America  
East Tennessee Natural Gas Company  
Norfolk Southern Railway  
Tennessee Valley Authority  
Appalachian Power Company  
CSX Railroad  
Virginia Gas Company  
Duke Energy  
Alpha Natural Resources  
Johnson Memorial Hospital  
TVA  
Bristol Motor Speedway  
Washington Co. Service Authority

**APPRAISAL OF PROPERTY**

**LOCATION OF PROPERTY:**

24648 Old South Way  
Abingdon, Virginia 24211-6187

**FOR:**

Mr. Kevin W. Worley, CPRP  
Director, Parks and Recreation  
Abingdon Parks and Recreation Department  
Coomes Recreation Center  
300 Stanley Street  
Abingdon, Virginia

**SUBMITTED BY:** Warren Klutz, MAI, AI-GRS, SRA, CCIM, MS, MBA

**DATE OF VALUATION:** November 2, 2015

**PROJECT IDENTIFICATION:**

Virginia Creeper Trail Enhancement Project

**PROPERTY IDENTIFICATION:**

Landowner(s) Name: John R. White  
Address: 24648 Old South Way, Abingdon, Virginia  
Tax I.D. 127/A/18 and 18A  
Phone: 276-614-0412

Appraisal Prepared By Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA  
 Warren Klutz & Co.  
 1241 Volunteer Parkway, Suite 426  
 Bristol, Tennessee 37620

**EXECUTIVE SUMMARY**

<b>SUBJECT INFORMATION</b>		
Parcel Size Before Acquisition:	20.11	AC
Fee Simple Acquisition Size	2.20	AC
Utility Easement Acquired	0.00	AC
Temporary Construction Easement Acquired	0.00	AC
Temporary Work Area Easement Acquired	0.00	AC
Parcel Size After Acquisition:	11.82	AC

**TOTAL ESTIMATED COMPENSATION**

Value of Land in Fee Acquired

Land in Fee	2.20	AC @ \$ 10,700	= \$ 23,540 (Rounded)
Land in Fee		SF @ \$	= \$

Value of Easements Acquired:

Permanent Easement	SF @ \$	X	0% = \$
Temp. Const. Esmt.	SF @ \$	X	0% = \$
Temp. Work Area Esmt.	SF @ \$	X	0% = \$
Temporary Easement	SF @ \$	X	0% = \$
Other	SF @ \$	X	0% = \$

<b>Total Estimated Value of Land Acquired</b>			<b>\$ 23,540</b>
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Value of Buildings Acquired:

Building 1	\$
Building 2	\$
Building 3	\$

<b>Total Estimated Value of Buildings</b>			<b>\$ 0</b>
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Value of Other Improvements Acquired:

Asphalt paving	SF @ \$	X	0% = \$
Concrete curbs	SF @ \$	X	0% = \$
Parking lot lights	EA @ \$	X	0% = \$
Gravel Drive	7,425 SF @ \$ 0.98	X	0% = \$ 7,275 (R)
Walls	SF @ \$	X	0% = \$
Other	SF @ \$	X	0% = \$
Other	SF @ \$	X	0% = \$

<b>Total Estimated Value of Other Improvements</b>			<b>\$ 7,275</b>
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<b>Value of Cost to Cure Items</b>	<b>\$ 0</b>
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<b>Damages (less Enhancements)</b>	<b>\$ 0</b>
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**I ESTIMATE THE MARKET VALUE, AS DEFINED, of ACQUIRED LAND, IMPROVEMENTS, EASEMENTS and COST TO CURE ITEMS as of the EFFECTIVE APPRAISAL DATE TO BE: \$ 30,815**

**IMPORTANT DATES**

Effective Date of the Appraisal	November 2, 2015
Property Inspection Date	September 18, 2015 & November 2, 2015
Appraisal Report Date	November 7, 2015

**LICENSED APPRAISER**

Signature

*Warren Klutz*

Name	Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA
Date	November 7, 2015
Tennessee License/Certification Number	<b>4001 000330</b>
License Type	Certified General

## INTRODUCTION

### APPRAISAL PROBLEM

The appraised property consists of two parcels containing a total of 20.11 acres. The property is improved with a two story, brick dwelling; a detached one car garage/2 car carport; an aircraft hangar; and miscellaneous other site improvements. The improvements remaining after acquisition are not affected by the acquisition and the owner agrees; therefore, the appraised value for the improvements as estimated by the Commissioner of Revenue's Office will be adopted for this appraisal. Acquisition is an irregular shaped piece of land containing 2.2 acres in the northwest corner of the subject.

### CONTACT

The landowner, Mr. John White, was contacted for authorization of the appraiser's inspection of the property. Inspection was made on September 18, 2015. Mr. White was present during the inspection.

### PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple and/or easement interests acquired and their financial impact (if applicable) on the remaining property as of the effective date of the appraisal.

The conveyance represents a:

Total Acquisition. The purpose of this appraisal is to estimate the market value of the whole property. The appraiser is to ignore the influences, both positive and negative, of the proposed project.

Partial Acquisition - If the acquisition is vacant land or includes only minor improvements, then the purpose of this appraisal is to estimate the value of the land, easements, and minor improvements acquired. If any, "cost to cure" damage should be estimated and included. If damages (those not otherwise addressed by a "cost to cure" item) are present, a value is estimated for the remainder, both "before acquisition" and "after acquisition", to determine the amount of the damages, less any enhancements. The appraiser has determined that:

**No damages result to the Remainder after the proposed acquisition:** The appraiser(s) concludes that no apparent damage occurred to the remainder as a result of the partial acquisition above and beyond those items addressed by a "cost to cure". This determination is based in part upon an "after acquisition scenario" review of the physical site characteristics, zoning compliance and the highest and best use of the property. Thus, the implication is that the report serves as a "before acquisition" and an "after acquisition" report. NOTE: If there are no damages, there is no need to quantify enhancement after the acquisition (except when preparing for trial) because this has no impact on compensation.

**Yes, Damages, less any Enhancements, result to the remainder after the proposed acquisition.** If damages do result to the remainder from the partial acquisition, they can be offset by benefits that may accrue to the property.

### DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after

reasonable exposure in a competitive 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 undue duress.<sup>1</sup>

The definitions of "Market Value" and "Fair Market Value" are typically considered to be synonymous and may be used interchangeably by some appraisers.

### **CLIENT AND INTENDED USER**

Mr. Kevin W. Worley, CPRP serving as Director of Parks and Recreation for the Abingdon Parks and Recreation Department. In addition, the Virginia Department of Transportation considered a client and potential user of the appraisal.

### **INTENDED USE OF THE APPRAISAL**

The intended use of this complete appraisal, summary report, is to provide the client with a basis for compensation due the property owner for the proposed property acquisition.

### **SCOPE OF THE APPRAISAL**

Market research was conducted to gather pertinent data required to estimate the value of any land, easements, and improvements acquired. Also, if applicable, the "cost to cure" damage to the remainder property as a result of the proposed acquisition is estimated. If the proposed conveyance is a partial acquisition, then the appraiser examined the impact of the partial acquisition and the proposed project improvements on the value of the remaining property.

Land and any improvements located within the acquisition area were inspected. If the proposed conveyance is a partial acquisition and the "before value" of the improvements located within the remainder is different from the "after value", then all of the improvements were inspected.

The applicable data collected to complete this appraisal includes, but is not limited to:

- Deeds, deed restrictions, easements, restrictive covenants, proffers, leases, sales history, and listing agreements for the subject property.
- The availability and capacity of public and private utilities.
- Flood plain, topography
- Zoning and the master plan
- Market and land use trends
- Sales data for competing properties
- Other data that the appraiser considers relevant to the valuation.

The most pertinent data collected is reported. Verification of the authenticity of this information was made from one or more of the following sources: public records, personal interviews, and any other sources with respect to sales of properties in the general area of the subject property. The research, analysis, and interpretation of information in the marketplace were completed in accordance with sound appraisal principles. The opinions and conclusions of value in this report are considered to be reasonable and reliable.

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).

## **JURISDICTIONAL EXCEPTION**

An assignment condition that voids the force of a part of or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment

## **HYPOTHETICAL CONDITIONS**

(That which is contrary to what exists but is supposed for the purpose of analysis.)

Any “after” value assumptions are based on the premise that the project is completed as of the effective date of the appraisal and according to the plans available to the appraiser.

## **EXTRAORDINARY ASSUMPTIONS**

The appraisal assumes an asphalt paved parking lot and entrance will be constructed as shown on the survey/project plans. Entrance to the subject’s remaining 17.91 acres is across the acquisition and this appraisal assumes a right of way or right to enter the remaining property will be retained or available to the owner.

## **EXPOSURE TIME**

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Estimated marketing time and exposure time for the subject is six to nine months.

## **“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

### **PROPERTY INFORMATION**

#### ***MARKET AREA***

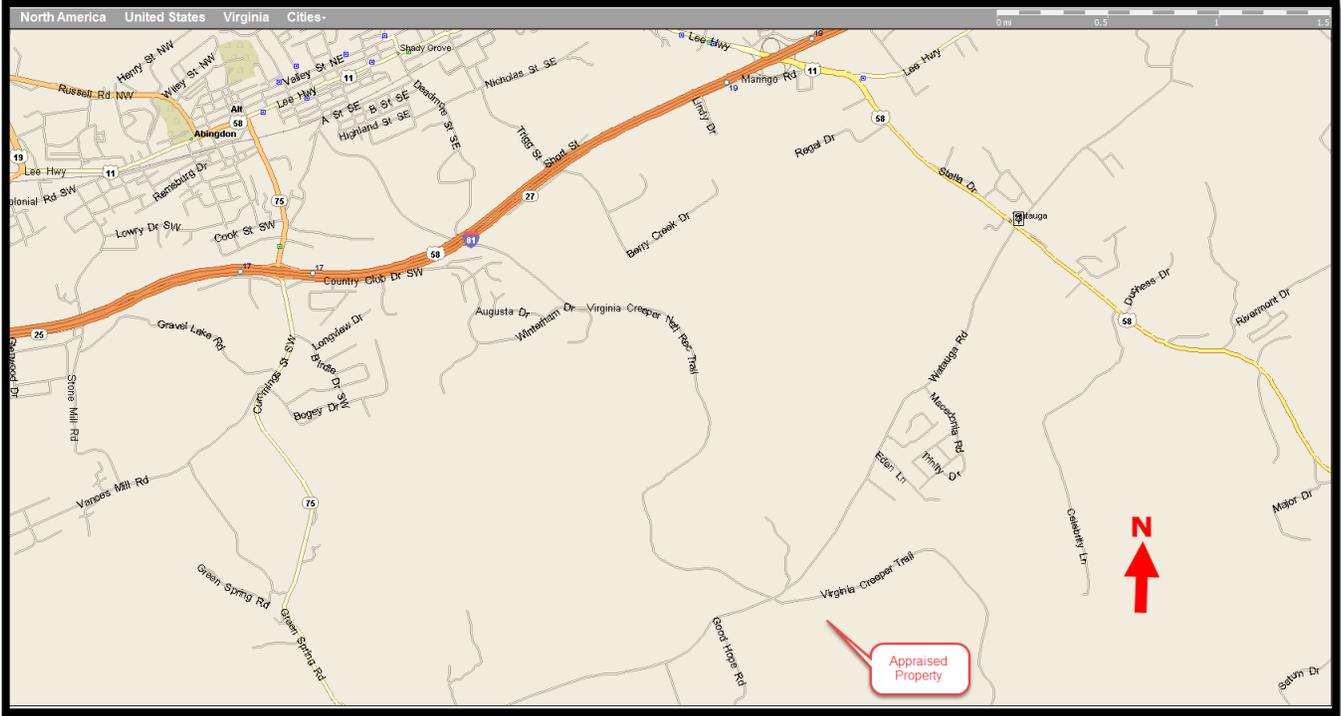
MARKET AREA INFLUENCES (Marketing times, pertinent demographics, etc.):

An understanding of the community in which the subject is located and analysis of the area is a necessary part of a marketability study as it provides consideration of the environment in which the subject exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable.

#### **COMMUNITY DATA**

An understanding of the community in which the subject is located and analysis of the area is a necessary part of the valuation process as it provides consideration of the environment in which the appraised property exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential to appraising since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable. For this reason study of the community is necessary to understand the environment in which the subject would be offered for sale.

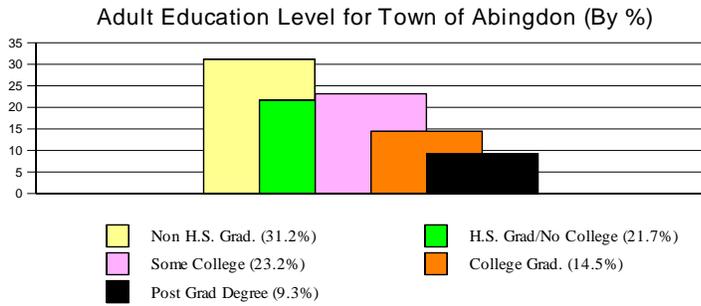
**ENVIRONMENTAL FORCES:** The subject is located 3.4 miles southeast from the center of Abingdon, Virginia. Abingdon contains 8.2 square miles of land area and is 15 miles east of Bristol, Tennessee, 130 miles west of Roanoke, Virginia and is adjacent to the Tri-Cities Area consisting of Bristol, Kingsport and Johnson City. In 1760, Daniel Boone gave Abingdon its first name, “Wolf Hills.” The town carried the name until 1774 when it was renamed “Black’s Fort” by Joseph Black who erected a fort in the area. In December of 1776, the General Assembly of Virginia established Washington County, the first region in the world named after General George Washington. Black’s Fort was designated the county seat of Washington County. In 1778, Blacks Fort was incorporated into the town of Abingdon and today, remains as the county seat.



**Subject Location Map.**

Public air transportation is available from the Tri-Cities Regional Airport, located 34 miles southwest of Abingdon. It is a new modern air facility constructed as a joint project of the Tri-Cities. Combined inbound and outbound daily flights total 46 with service provided by USAir, Eagle/American, Delta, Eastern and United. Virginia Highlands Airport, located two miles west of Abingdon on US 11, is a 4,470 ft. by 75 ft., lighted runway serving private aircraft and charter services. Greyhound Bus Lines and Appalachian Coach Lines provide the area with commercial bus service. Norfolk Southern mainline rail runs through Washington County. Major Highways include Interstate 81, US 11, US 58 and US 19. Interstate 77, a major interstate connecting the Great Lakes with the southeast, intersects Interstate 81 approximately 55 miles northeast of the Town of Abingdon. Motor freight is provided by 32 interstate motor carriers serving the area. Climate for Washington County is considered moderate. Average temperature is 55.8 degrees. Average Annual rainfall is 41 inches. Average annual snowfall is 23 inches. Elevation in Washington County varies from a low of 1,698 feet to a high of 5,520 feet.

**SOCIAL FORCES:** Education for Abingdon is provided by the Washington County School System consisting of a total county enrollment of 7,952 students in 13 elementary schools and four high schools.



Private education within a 30 mile radius of the Town of Abingdon is provided by Temple Christian School, Saint Anne’s School, Sullins Academy, Tri Cities Christian School, Copper Ridge Christian Academy, Fountain City Seventh Day Adventist and Gethsemane Christian Academy. Higher education is provided by Virginia Highlands Community College located in Abingdon; Emory and Henry College located in Emory, Virginia; Virginia Intermont College located in Bristol,

Virginia; King University located in Bristol, Tennessee; and East Tennessee State University located in Johnson City, Tennessee. Population count for the Town of Abingdon of 4,318 per 1980 census provides a misleading indication of growth when compared to the 1990 census count at 7,003 since annexation has created the illusion of a doubling of the population for that decade.

**Washington County, Virginia Census Data**

Census	Washington Co.	Abingdon	Damascus	Glade Spring
1980	46,487	4,318	1,330	1,722
1990	45,887	7,681	981	1,374
2000	51,103	7,780	981	1,374
2010	54,443	8,009	1,066	1,525

In 1987, the Town of Abingdon annexed 5.5 square miles of Washington County. Based on the new boundaries, the 1980 population was 7,027 (source: U.S. Census Bureau). Therefore, Abingdon increased a total of 654 persons between 1980 and 1990 or about 9.3% for that decade. Washington County was estimated to have a population of 54,443 in 2010, covering 564.2 square miles with a population density of 96.5 persons per square mile. Age Breakdown for the Town of Abingdon and Washington County follow:

POPULATION BREAKDOWN BY AGE GROUP		
Age Bracket	Town of Abingdon	Washington County
0-9 years	10.0%	11.4%
10-17 Years	9.1%	11.0%
18-29 Years	15.5%	16.9%
30-39 Years	15.4%	15.9%
40-49 Years	13.6%	14.4%
50-64 Years	16.9%	16.3%
65+ Years	19.6%	14.2%
Average Age	41.6 years	38.1 years

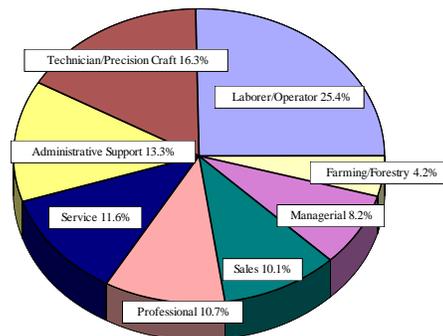
Medical services are provided by Johnston Memorial Hospital with 116 beds, 12 bassinets and a Neonatal Intensive Care Unit. The hospital is a state of the art Mountain States Health Alliance facility located in Abingdon. Wellmont-Bristol Regional Hospital with 337 beds and 40 psychiatric beds is located approximately 15 miles from Abingdon in Bristol, Tennessee.

Places of interest and recreation include: Abingdon Cinemall Theater, Mount Rogers National Recreation Area, South Holston Lake, Grayson Highlands and Hungry Mother State parks, Clinch Mountain Wildlife Management Area, Bristol Motor Speedway, the William King Regional Arts Center and the old Virginia Creeper Trail. The Appalachian Trail passes through the middle of Damascus (located in Washington County) on its way from Maine to Georgia. Camberley’s Martha Washington Inn is located at 150 West Main Street in Abingdon. Originally built by a Virginia General as a private residence, the Inn has served as a hospital during the Civil War and The Martha Washington College for Women. Restored in 1984, it is now a luxury, 61 room inn. The Barter Theater, founded by Robert Porterfield, is located across Main Street from Camberley’s Martha Washington Inn and opened in June 1933 with the advertised slogan for admission of “35 cents or the equivalent in produce.” The Barter Theater became the State Theater of Virginia in 1946 and is now open 11 months of the year. It is the second oldest performing arts theater in the United States, predated only by the Walnut Street Theater in Philadelphia. Abingdon is the site of the Virginia Highlands Festival held each year in August. The festivals main locations are adjacent to the Martha Washington Inn/Barter Theater and also on the Virginia Highlands Community College Campus. Activities at the festival include an antique car show, tours of historic homes and historic district, art shows, theater productions and antique displays/sales.

**GOVERNMENT FORCES:** A zoning ordinance and building code exists for the town of Abingdon and provides orderly planning, health, safety and welfare of residents. Washington County is also controlled by a county zoning ordinance. Washington County has a Board of Supervisors and County Administrator form of Government with a Planning Commission, an Industrial Development Authority and a county E-911 system. Three towns are incorporated in Washington County, Abingdon, Damascus and Glade Springs. All three towns operate with Mayor/Council forms of government. Police protection is provided by the Washington County Sheriff’s Department in the county and the Abingdon Police Department in the town. The Abingdon Volunteer Fire Department and Washington County Lifesaving Crew also serve the town. Washington County operates a transfer station for solid waste disposal. The station accepts most forms of non-hazardous industrial waste for transportation to a non-county disposal center. Private pick up of industrial waste is available.

**ECONOMIC FORCES:** Washington County is served by 11 banks, with statewide assets over \$30 billion dollars. According to the Bureau of Labor and Statistics, in March of 2012, approximately 19,901 were employed in Washington County with an average weekly pay of \$766. Unemployment in Washington County was at 6% in March of 2013.

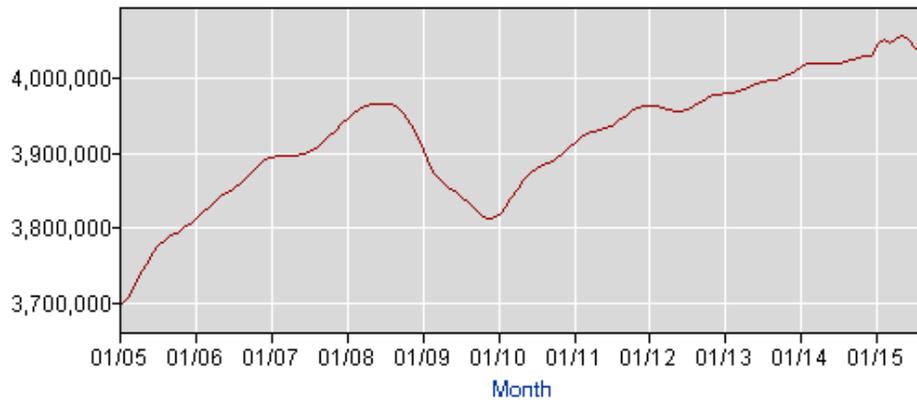
**Employment for Washington County**



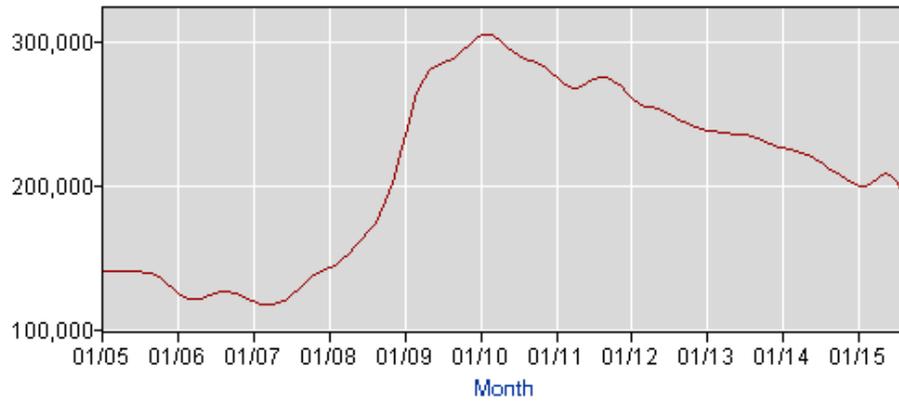


# Virginia Statewide Employment and Unemployment

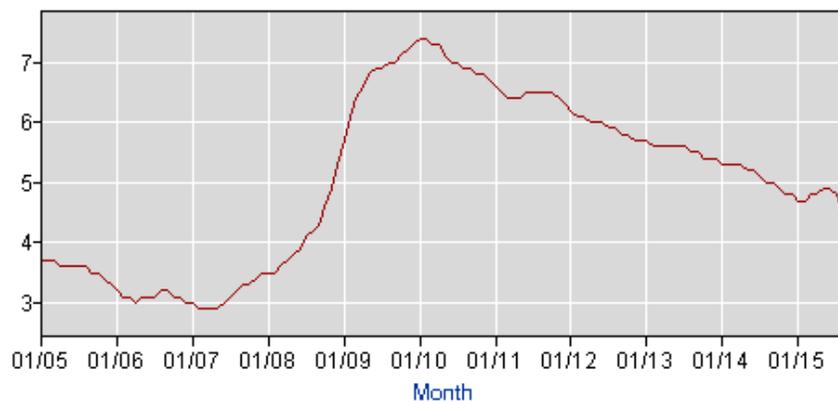
## employment



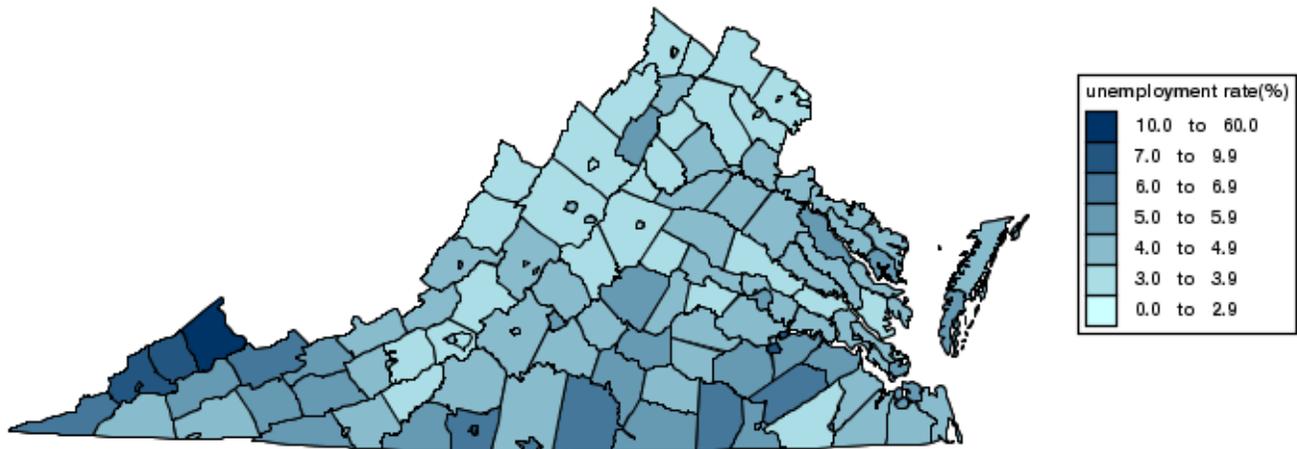
## unemployment



## unemployment rate



## Unemployment rates by county, not seasonally adjusted, Virginia September 2015



Source: [http://www. http://data.bls.gov/map/MapToolServlet](http://www.data.bls.gov/map/MapToolServlet)  
Retrieved 11/3/2015

Unemployment for Washington County, Virginia was 4.3% in September 2015. Unemployment has declined over the past 12 months. Industrial parks and sites in the area are the Bristol-Washington County Industrial Park, containing 400 acres, Washington County Industrial Park, containing 85 acres, William A. Cole Industrial Park, containing 34.66 acres, Carolina Steel Site, containing 27 acres, Burris Site, containing 99.7 acres, and Glade Highlands Industrial Park, containing 436 acres. The Washington County Chamber of Commerce list the largest employers in the area as: Bristol Compressors with 2,500 employees, Mid mountain Foods, Inc., 464; Camac Cookson Fibers, Inc., 455; Dutt Wagner of Virginia, Inc., 152; Joy Mining Machinery, 130; General Engineering Company, 120; Tri-Tube Inc., 103; and Hapco/American Flagpole Division of Kearney National, Inc., 100.

According to the United States Census Bureau, Abingdon has a per capita income in 2013 dollars of \$28,214 compared to Virginia at \$33,493 with people of all ages in poverty (2009-2013) of 20.0%. Median household income for Abingdon in 2009-2013 was \$38,477 compared to Virginia at \$63,907. (Source: <http://quickfacts.census.gov/qfd/states/51/5100148.html>)

### **THE REAL ESTATE MARKET**

A survey was prepared for a seven year cycle covering the local real estate market based on sales data reported by the Southwest Virginia Multiple Listing Service (SWVMLS) for Washington County, Virginia. The following transactions were reported annually for property types displayed below which included residential, multi-family, land, and commercial property types. The report does not cover all transactions as some sales will occur without the aid of a real estate broker and some property types are not included in the data. The appraiser recognizes that other transactions have occurred in Washington County, Virginia. The sales discussed immediately below do not include sales reported by the Bristol VA-TN Multiple Listing Service members or privately arranged transactions not reported through Southwest Virginia Multiple Listing Service. Sales from the Bristol VA-TN Multiple Listing Service

will be discussed later in this section of the report. The data presented here is useful for interpreting trends in sales volume and number of transactions between years since the data is from a relatively consistent pool of real estate brokers operating in most of Washington County and Abingdon, Virginia. The subject is located in Washington County and residents and property owners in the vicinity of the subject and the subject's neighborhood typically use Realtors located in Abingdon. Realtors located in Abingdon usually belong to the Southwest Virginia MLS and sales trends for the area and the market conditions for that area are reflected by the sales data discussed here. The data covered does provide an insight into the sales activity and trend over the time period covered between January 1, 2006 and January 1, 2013. Total of all sales reported in 2012 at \$50,443,353 is only 52.2% of the volume in sales reported in 2006. The total number of properties sold in 2012 is about 41.7% of the number sold in 2006.

### Sales Data Reported by the Southwest Virginia Multiple Listing Service

Areas: Washington County, VA

Property Type	<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Residential	453	\$76,847,302	412	\$78,428,721	338	\$60,683,168	330	\$62,132,476
Multi-Family	4	2,709,900	2	216,400	5	590,000	2	975,000
Land	123	16,058,969	109	9,904,477	86	7,682,400	66	3,876,995
Commercial	5	980,000	9	5,019,500	7	1,880,000	6	2,117,500
<b>Totals:</b>	<b>585</b>	<b>\$96,596,171</b>	<b>532</b>	<b>\$93,569,098</b>	<b>436</b>	<b>\$70,835,568</b>	<b>404</b>	<b>\$69,101,971</b>

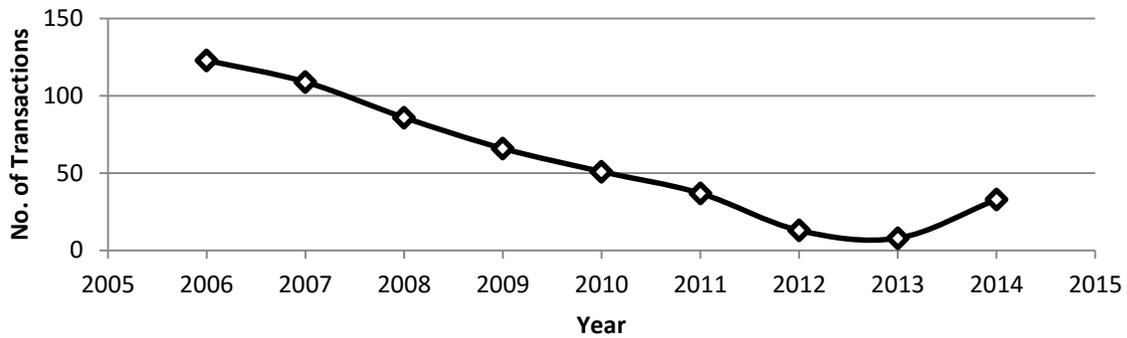
Property Type	<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Residential	298	\$59,180,702	229	\$47,348,997	197	\$43,024,825	248	\$47,144,437
Multi-Family	2	1,620,000	0	0	0	\$0	2	\$230,000
Land	37	3,371,725	13	2,884,356	8	\$513,500	33	\$3,849,350
Commercial	3	836,000	2	210,000	1	\$330,000	3	\$226,000
<b>Totals</b>	<b>340</b>	<b>\$65,008,427</b>	<b>244</b>	<b>\$50,443,353</b>	<b>206</b>	<b>\$43,868,325</b>	<b>286</b>	<b>\$51,449,787</b>

The above data is graphically depicted on the following page.

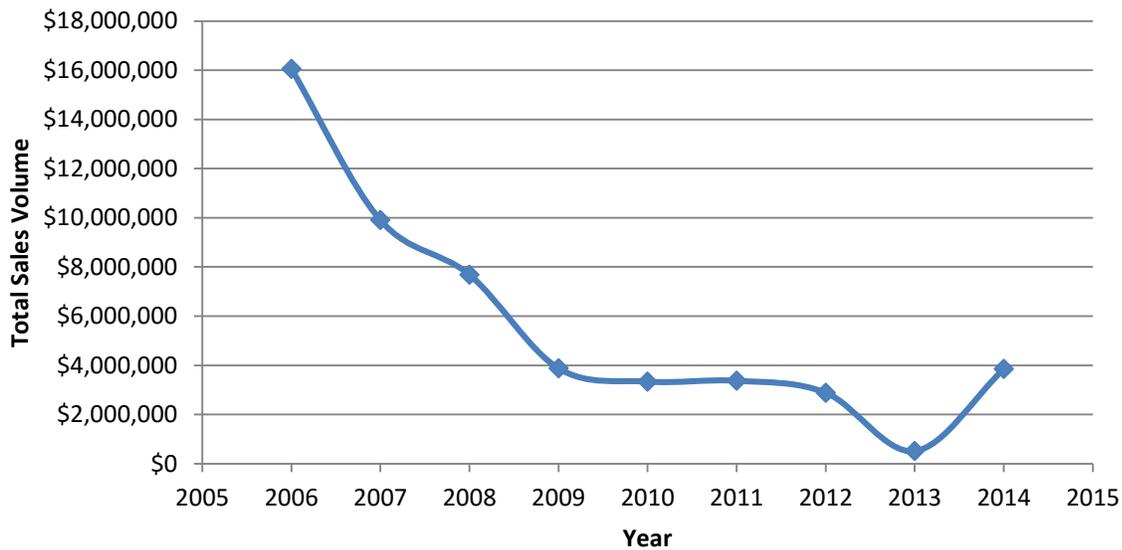
Based on the sales in the above table, the average residential sale price in 2010 was \$198,592 and in 2014 it was \$190,099. The decrease in the average residential sale price between 2010 and 2014 represents a 1.01% per annum decrease over the time period. Over short periods of time, no measurable change is noted in residential prices between the beginning of 2010 and ending in December 2014.

The number of annual transactions for the land segment of the Washington County real estate market between 2006 and January 1, 2015 has declined from a high of 123 to a low of 8 in 2013 and the total volume of sales for land transactions has declined from \$16,058,969 in 2006 to \$3,849,350 in 2014. MLS Reporting methodology and combining of different land types makes comparison on a year to year basis for land difficult. The two charts derived from the above data follow and depict the depressed market and the "relative" decline in demand for land over the time period covered between 2006 and January 1, 2015.

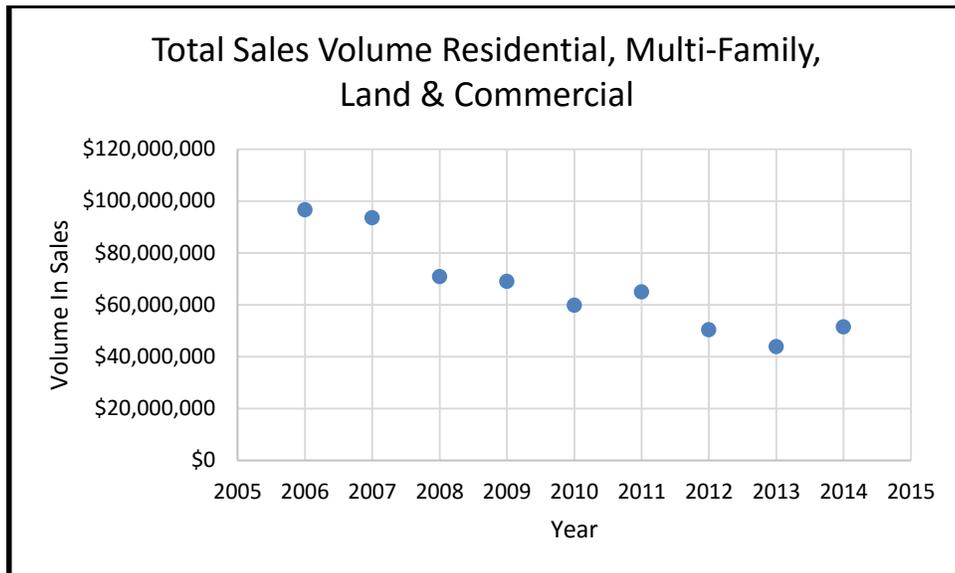
### No. of Land Sales Reported by Southwest VA MLS Washington Co., VA



### Total Volume In Land Sales Reported by Southwest VA MLS



Total sales volume for residential, multi-family, land and commercial properties has declined since 2006 with minor upticks in 2011 and 2014.



**Total Volume Residential Sales – Bristol, TN-VA, Sullivan and Washington Counties  
Reported in the Bristol, Tennessee-Virginia MLS**

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
\$3,130,989	\$3,726,660	\$4,825,701	\$6,214,110	\$5,050,131	\$7,240,846	\$5,550,894	\$6,168,601	\$8,573,721	\$8,468,312	\$5,500,998

As observed in the preceding table, total volume has declined since the peak in 2012 at \$8,573,721 to \$5,500,998 in 2014 or a total of a 35.85% decline in sales volume. Average sale price for residential properties have been somewhat volatile over time and in 2014 was still below the average price in 2004. Average number of days on the market for all property types was 103 days in 2014. Insufficient statistical data is available due to the low number of commercial and industrial sales to provide meaningful overall trends based on averages for the commercial and industrial segments of the local real estate market based on the Bristol, Tennessee-Virginia MLS.

**Average Residential Sale Price – Bristol, TN-VA, Sullivan and Washington Counties  
Bristol, Tennessee-Virginia MLS Data**

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
\$68,065	\$66,548	\$62,671	\$66,108	\$58,047	\$73,140	\$64,545	\$69,310	\$66,463	\$ 78,410	\$ 65,488



## Market Statistics & Trends

You're currently viewing statistics for **Kingsport-Bristol-Bristol** [Change This](#)

**1.3 million SF**

Commercial Space For Sale

**624,027 SF**

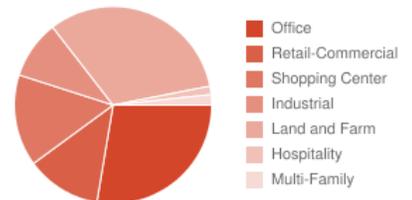
Commercial Space For Lease

**853 Acres**

Land & Farm For Sale

**\$114.7 million**

Total Sale Price



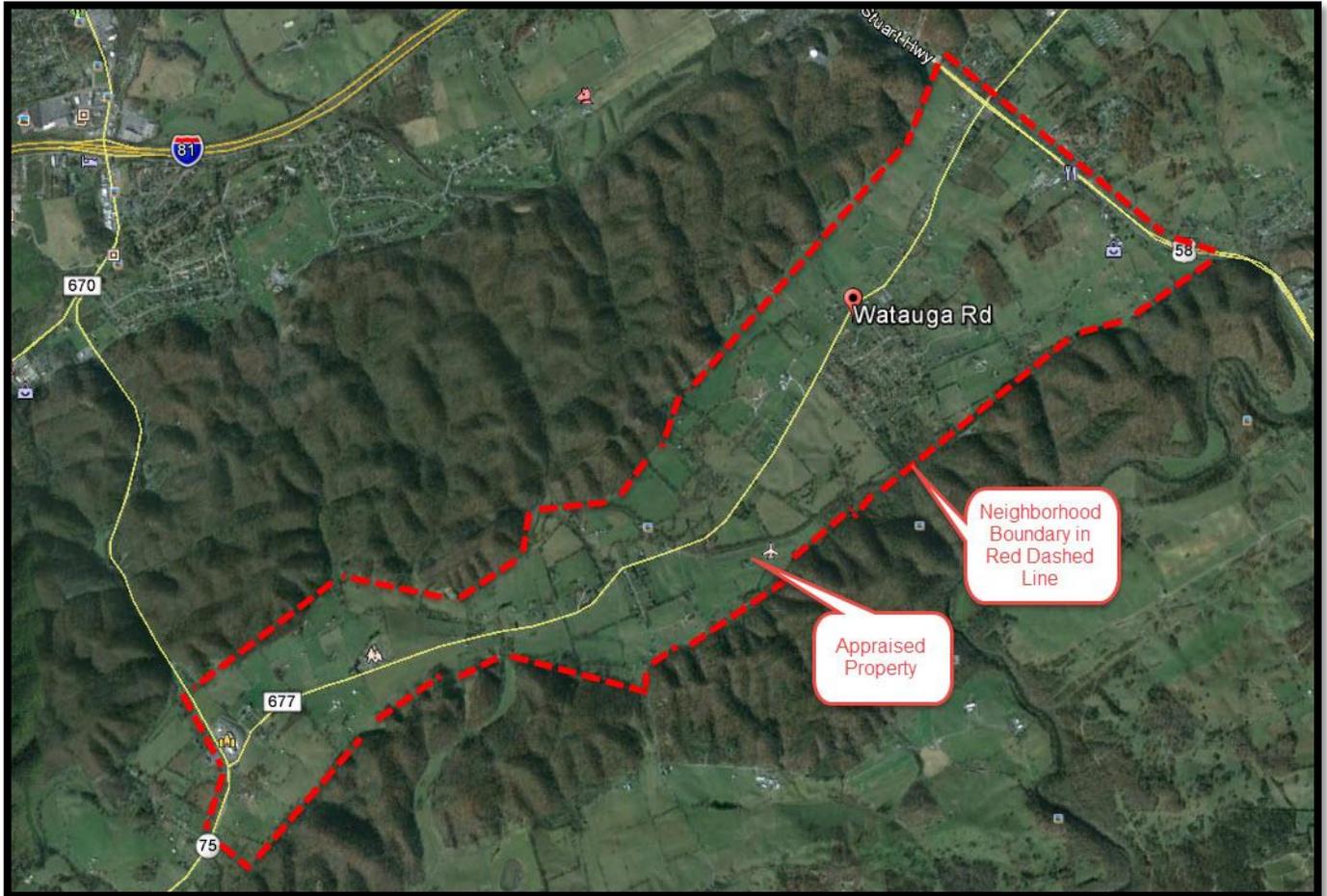
### Current Statistics for Kingsport-Bristol-Bristol

Property Type	Listings	Asking Lease Rate	Asking Sale Price	Below List	Days on Market	Total Available	More...
Industrial	28	\$4.19 PSF	\$32.75 PSF	-	20	453,041 SF	-
Office	81	\$13.02 PSF	\$77.90 PSF	10.7%	1,203	552,574 SF	-
Retail-Commercial	36	\$5.64 PSF	\$69.72 PSF	-	-	255,356 SF	-
Shopping Center	44	\$6.54 PSF	\$90.10 PSF	-	-	203,318 SF	-
Vacant Land	95	\$0.56 PSF	\$1.54 PSF	-	-	37.6 million SF	-
Hospitality	4	-	\$11.27 PSF	-	-	335,648 SF	-
Multi-Family	5	-	\$19.01 PSF	-	-	92,800 SF	-

Market Statistics & Trends Report for Kingsport-Bristol, TN & Bristol, VA as of 5/17/2015 from Northeast Tennessee Association of Realtors Commercial MLS.

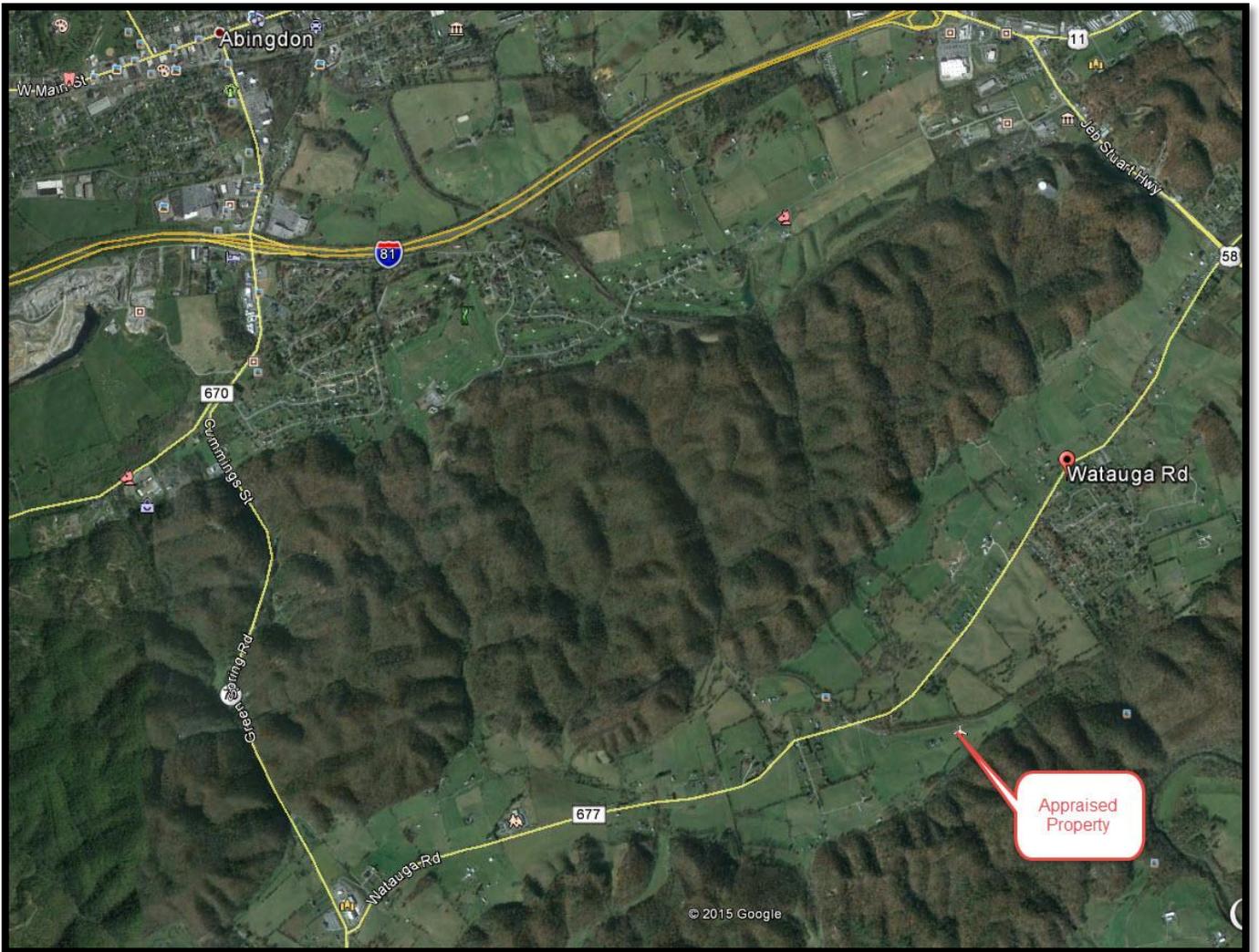
**DESCRIBE THE IMMEDIATE MARKET AREA OF THE SUBJECT PROPERTY:**

The subject is located on the south side of The Virginia Creeper Trail about 430 feet from the south side of Watauga Road (Rte. 677) in Washington County, Virginia. Property in the immediate vicinity of the subject primarily includes residential and agricultural uses. Aerial map depicting nearby properties follows.



Neighborhood Boundary Map.

The neighborhood boundary is as outlined on the map depicted above. General demographics and description of the neighborhood are based on the “Executive Summary” table which follow the and provide greater detail regarding population characteristics of the area defined as the neighborhood. Population for the neighborhood covering 2.93 square miles is 515 as of 2015 is only five more than the 510 2000 census. Median age in the area is 44.3 years. The 2015 household count for the neighborhood is 211 with an average household size of 2.44 persons. Average 2015 household income for the neighborhood is \$60,084 which is below the \$74,669 average household income for all the U.S. Median home value in 2010 for the neighborhood was \$165,833 compared to 200,006 for the U.S. A total of 217 housing units are located in the neighborhood in 2015 and 168 are estimated to be owner occupied. Overall neighborhood occupancy in 2015 is 97.2%.



Neighborhood and subject in relation to Abingdon.



## Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Population

2000 Population	510
2010 Population	522
2015 Population	515
2020 Population	508
2000-2010 Annual Rate	0.23%
2010-2015 Annual Rate	-0.26%
2015-2020 Annual Rate	-0.27%
2015 Male Population	50.5%
2015 Female Population	49.3%
2015 Median Age	44.3

In the identified area, the current year population is 515. In 2010, the Census count in the area was 522. The rate of change since 2010 was -0.26% annually. The five-year projection for the population in the area is 508 representing a change of -0.27% annually from 2015 to 2020. Currently, the population is 50.5% male and 49.3% female.

### Median Age

The median age in this area is 44.3, compared to U.S. median age of 37.9.

### Race and Ethnicity

2015 White Alone	98.1%
2015 Black Alone	0.8%
2015 American Indian/Alaska Native Alone	0.2%
2015 Asian Alone	0.2%
2015 Pacific Islander Alone	0.0%
2015 Other Race	0.6%
2015 Two or More Races	0.2%
2015 Hispanic Origin (Any Race)	1.2%

Persons of Hispanic origin represent 1.2% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 6.4 in the identified area, compared to 63.0 for the U.S. as a whole.

### Households

2000 Households	208
2010 Households	213
2015 Total Households	211
2020 Total Households	208
2000-2010 Annual Rate	0.24%
2010-2015 Annual Rate	-0.18%
2015-2020 Annual Rate	-0.29%
2015 Average Household Size	2.44

The household count in this area has changed from 213 in 2010 to 211 in the current year, a change of -0.18% annually. The five-year projection of households is 208, a change of -0.29% annually from the current year total. Average household size is currently 2.44, compared to 2.45 in the year 2010. The number of families in the current year is 153 in the specified area.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Median Household Income

2015 Median Household Income	\$43,589
2020 Median Household Income	\$50,179
2015-2020 Annual Rate	2.86%

### Average Household Income

2015 Average Household Income	\$60,084
2020 Average Household Income	\$69,233
2015-2020 Annual Rate	2.88%

### Per Capita Income

2015 Per Capita Income	\$24,831
2020 Per Capita Income	\$28,589
2015-2020 Annual Rate	2.86%

### Households by Income

Current median household income is \$43,589 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$50,179 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$60,084 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$69,233 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$24,831 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$28,589 in five years, compared to \$32,501 for all U.S. households

### Housing

2000 Total Housing Units	209
2000 Owner Occupied Housing Units	177
2000 Renter Occupied Housing Units	31
2000 Vacant Housing Units	1
2010 Total Housing Units	217
2010 Owner Occupied Housing Units	173
2010 Renter Occupied Housing Units	40
2010 Vacant Housing Units	4
2015 Total Housing Units	217
2015 Owner Occupied Housing Units	168
2015 Renter Occupied Housing Units	43
2015 Vacant Housing Units	6
2020 Total Housing Units	217
2020 Owner Occupied Housing Units	166
2020 Renter Occupied Housing Units	42
2020 Vacant Housing Units	9

Currently, 77.4% of the 217 housing units in the area are owner occupied; 19.8% are renter occupied; and 2.8% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 217 housing units in the area - 79.7% owner occupied, 18.4% renter occupied, and 1.8% vacant. The annual rate of change in housing units since 2010 is 0.00%. Median home value in the area is \$165,833, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 7.65% annually to \$239,773.

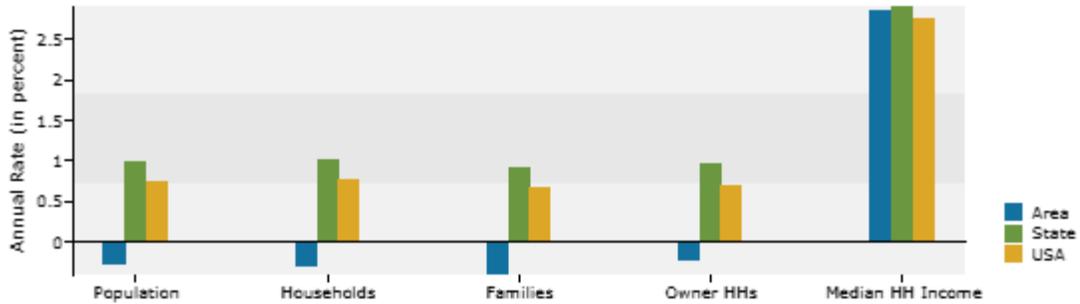


# Demographic and Income Comparison Profile

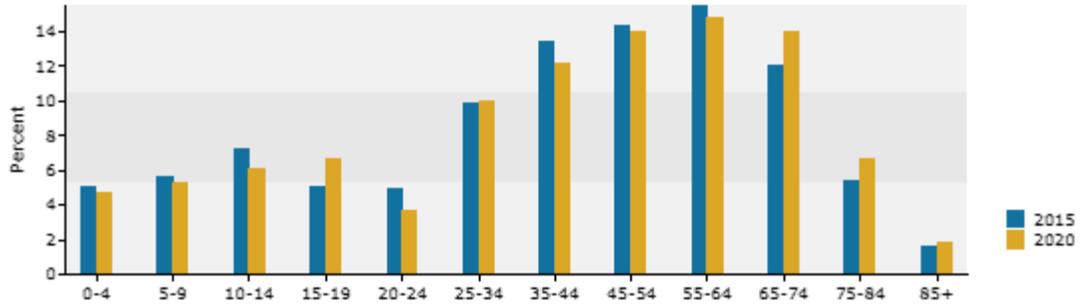
Neighborhood 2  
Area: 2.93 square miles

Watsuga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

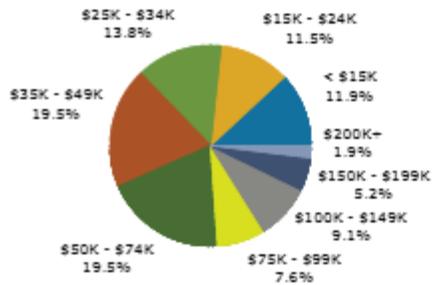
## Trends 2015-2020



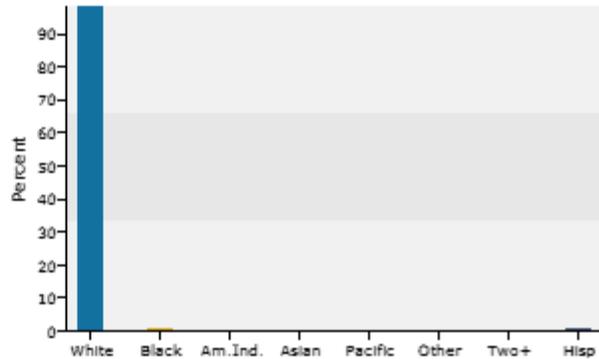
## Population by Age



## 2015 Household Income



## 2015 Population by Race



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

November 04, 2015

**DELINEATION OF TITLE**

Title Report Furnished:  Yes  No. Has the property sold in the last 5 years:  Yes  No  
Last Conveyance: From: Warren W. McCray and Imogene McCray To: John Russell White and Nina Castle White

Date: 8/20/1994 D.B.: 900 Page: 350 Verified/Indicated Consideration \$100,000 when the property contained a total of 37.16 acres and was vacant. Consideration represents \$2,691 per acre in 1994 for the 37.16.

The appraiser was not furnished a title report and title search is beyond the scope of work performed by appraisers. Deeds and surveys were gathered which allowed a means of describing the property. The survey indicates the property does not have road frontage and field inspection indicates access is by a gravel driveway leading along the Virginia Creeper Trail to its intersection with Watauga Road approximately 430 feet west of the subject's northwest corner. This appraisal assumes a right of way exists which provides legal access.

**PROPERTY ASSESSMENT**

Tax Map #: 127-A-18.0 and 18A      Taxes: \$2,925 county taxes total for both parcels  
Real Estate Assessment:  
Year: 2014    Land: \$176,700      Improvements: \$287,700      TOTAL: \$464,400

**ZONING AND PROPERTY RESTRICTIONS**

Zoning and Current Property Use: The property is zoned A-2 (General Agricultural). Currently, no major improvements are situated on the property and it is classified as vacant except for a well and septic system.



Zoning Map. Subject is zoned A-2.

- **Sec. 66-322. - Permitted uses and accessory uses and structures.**

- (a) *Permitted uses.* In the A-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:
- (1) Agriculture, general farming, dairying, greenhouses and forestry.
  - (2) Beauty shops and barbershops.
  - (3) Cemeteries.
  - (4) Ecotourism, minor.
  - (5) General stores, gift and antique shops and small handicraft shops having less than 1,500 square feet of total floor area and no more than six paid employees. Small handicraft shops include but are not limited to woodworking, upholstery, framing, glass blowing and ceramic shops.
  - (6) Home occupations conducted by the occupant.
  - (7) Lodges and private clubs.
  - (8) Parks, playgrounds, preserves and conservation areas.
  - (9) Professional offices (within occupant's dwelling).
  - (10) Schools and churches.
  - (11) Single-, two- and multiple-family dwellings, including manufactured homes, provided that no manufactured home shall be used for business purposes in the A-2 district except for home occupations as defined by this chapter and subject to the provisions of article XI, division 2 of this chapter.
  - (12) Small boat docks (with repair).
  - (13) Townhouses, if public water and public sewer systems are available.
  - (14) Utilities and public services as follows:
    - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, electrical power substations, electrical power transmission towers, telecommunication switching facilities and telecommunication towers and antennas.
    - b. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.
    - c. Solid waste disposal convenience station operated by the county after a public hearing shall have been held by the board of supervisors.
  - (15) Veterinary and related services.
- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line. The following accessory uses and structures are permitted in the A-2 district:
- (1) Church bulletin boards and identification signs.
  - (2) Directional signs, business signs and home occupation signs.
  - (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
  - (4) Off-street parking as required in this chapter.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, § 1(66-362), 4-11-2000; Ord. No. 2015-003, § 4, 5-12-2015)

- **Sec. 66-323. - Special exception uses.**

In the A-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Airports.
- (2) Ecotourism, major.

- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
  - (4) Gas wells.
  - (5) Golf courses.
  - (6) Group homes and day care centers.
  - (7) Hotels and restaurants.
  - (8) Land application of human waste sludge or industrial sludge pursuant to article VI.
  - (9) Nonagriculturally related storage facilities having a single story and no more than 2,000 square feet in floor area.
  - (10) Off-site uses related to airport safety as defined in section 66-695.
  - (11) Recreation, commercial.
  - (12) Rest homes.
  - (13) Sawmills, planing mills, agriculturally related businesses, small businesses in general, and light industry.
  - (14) Water and wastewater treatment plants.
- (Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, §1(66-362), 4-11-2000; Ord. No. 2014-008, § 3, 9-9-2014; Ord. No. 2015-003, §§ 5, 6, 5-12-2015)

- **Sec. 66-324. - Area regulations.**

The lot area for each permitted use in the A-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
  - (2) A minimum of 30,000 square feet with public water.
  - (3) A minimum of 15,000 square feet with public sewer and water.
- (Code 1997, § 66-363)

- **Sec. 66-325. - Setback regulations.**

Structures in the A-2 district shall be 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising the sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-364)

- **Sec. 66-326. - Frontage regulations.**

The minimum frontage for permitted uses in the A-2 district shall be 100 feet at the setback line.

(Code 1997, § 66-365)

- **Sec. 66-327. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the A-2 district shall be 15 feet, and the total width of the two required side yards shall be 35 feet or more.
- (b) *Rear.* Each main structure in the A-2 district shall have a rear yard of 35 feet or more.

(Code 1997, § 66-366)

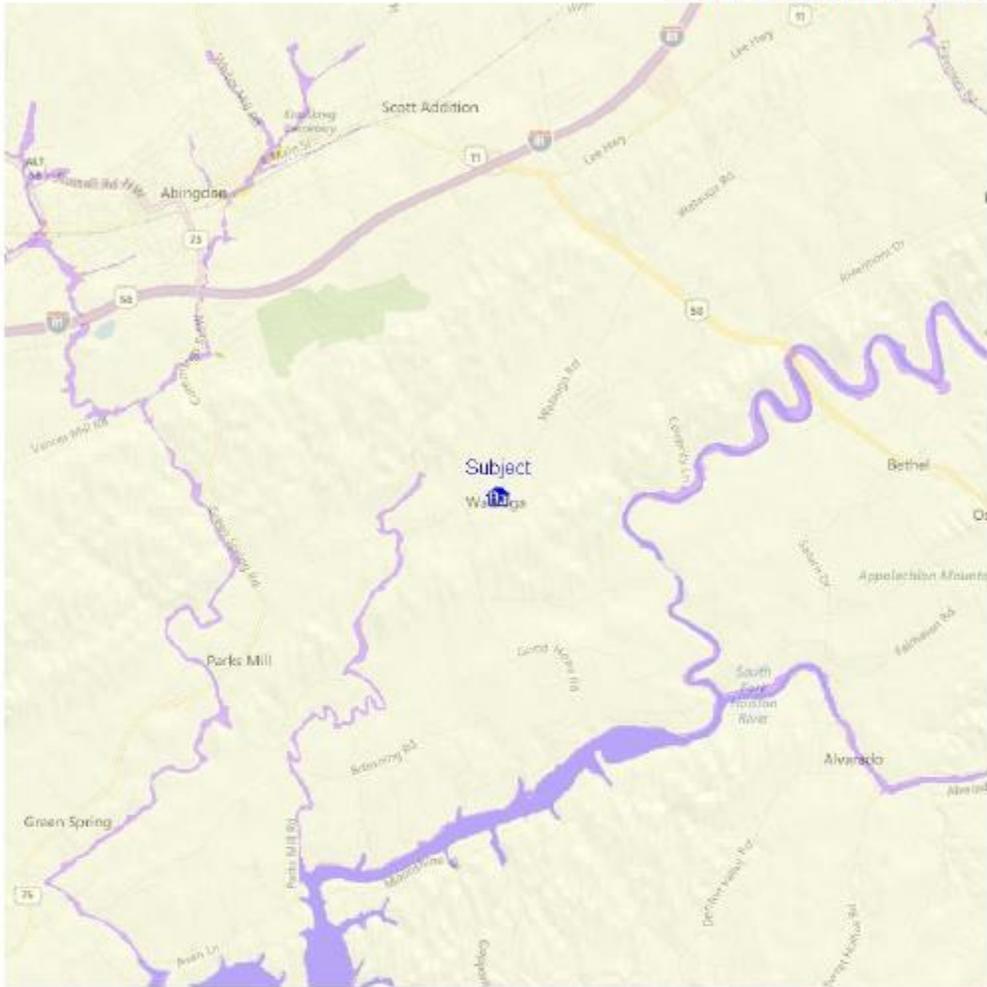
- **Sec. 66-328. - Height regulations.**

Buildings in the A-2 district may be erected up to 35 feet in height; except that:

- (1) The height limit for dwellings may be increased up to 45 feet and up to three stories, provided there are two side yards for each permitted use, each of which is 15 feet or more, plus one foot or more of side yard for each additional foot of building height over 35 feet.
  - (2) A public or semipublic building such as a school, church, library or general hospital may be erected to a height of 60 feet from grade provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
  - (3) Church spires, belfries, silos and barns, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aerials are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
  - (4) No accessory building that is within 20 feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.
- (Code 1997, § 66-367)

## **FLOOD ZONE**

Property Located in Flood Zone:  Yes  No    Zones: The subject is not located in a flood hazard zone. Flood map and source of information regarding flood zones follows.



**MAP DATA**

Map Number : **51191C0295C**  
 Panel Date : **September 29, 2010**  
 FIPS Code : **51191**

Census Tract : **0110.00**  
 Geo Result : **S4 - single close match, point located at the center of shape point path**

Flood	
	X or C Zone
	X500 or B Zone
	A Zone
	V Zone
	D Zone
	Area Not Mapped

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Map # 51191C0295C Date Sept. 29, 2010

Hazardous Material:  Yes  No  None observed. If yes, explain:

Proffers:  Yes  No. If yes, explain:

**TENANT INFORMATION**

Are tenants located on the property?  Yes  No  Unknown

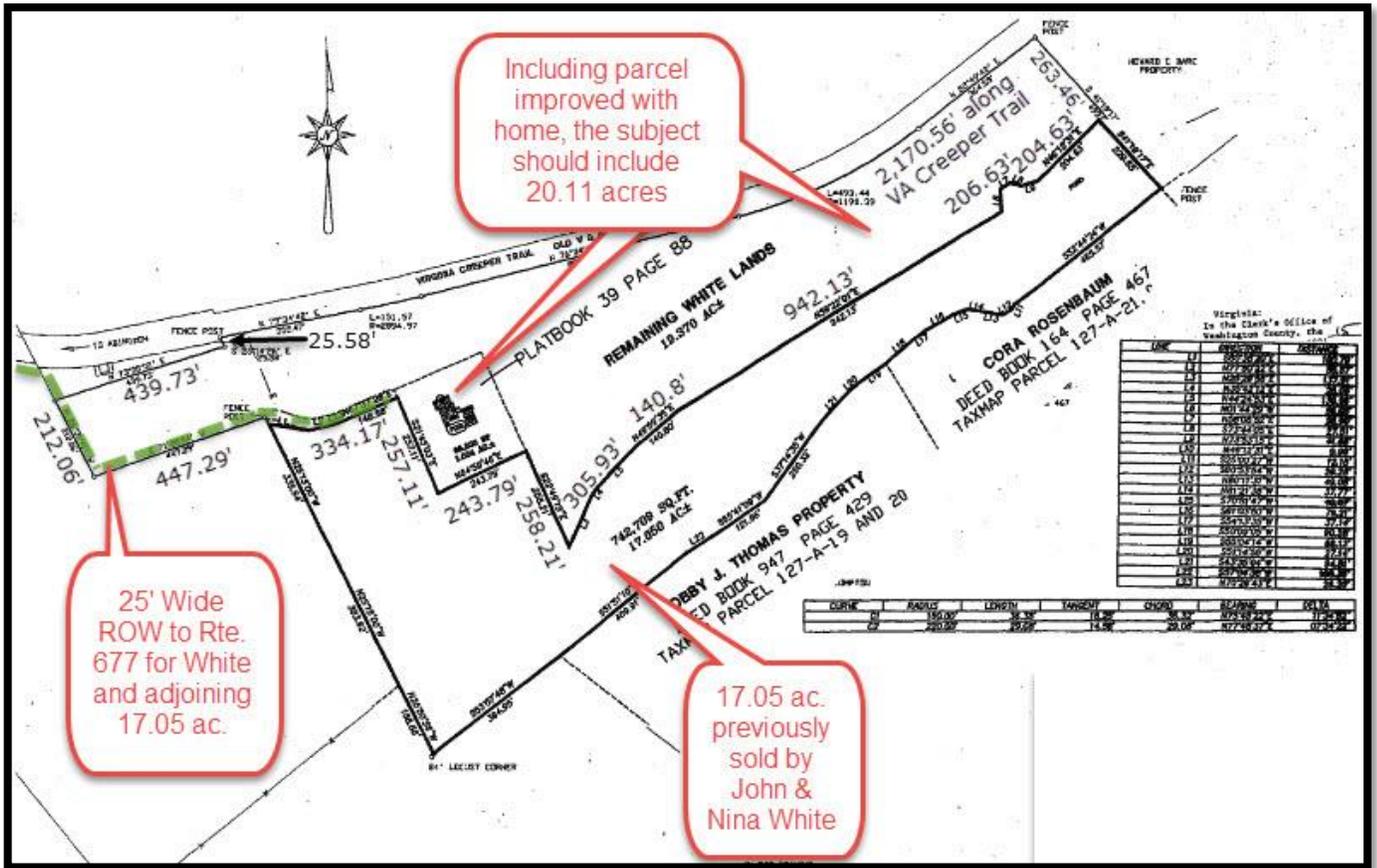
**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**PROPERTY INFORMATION**

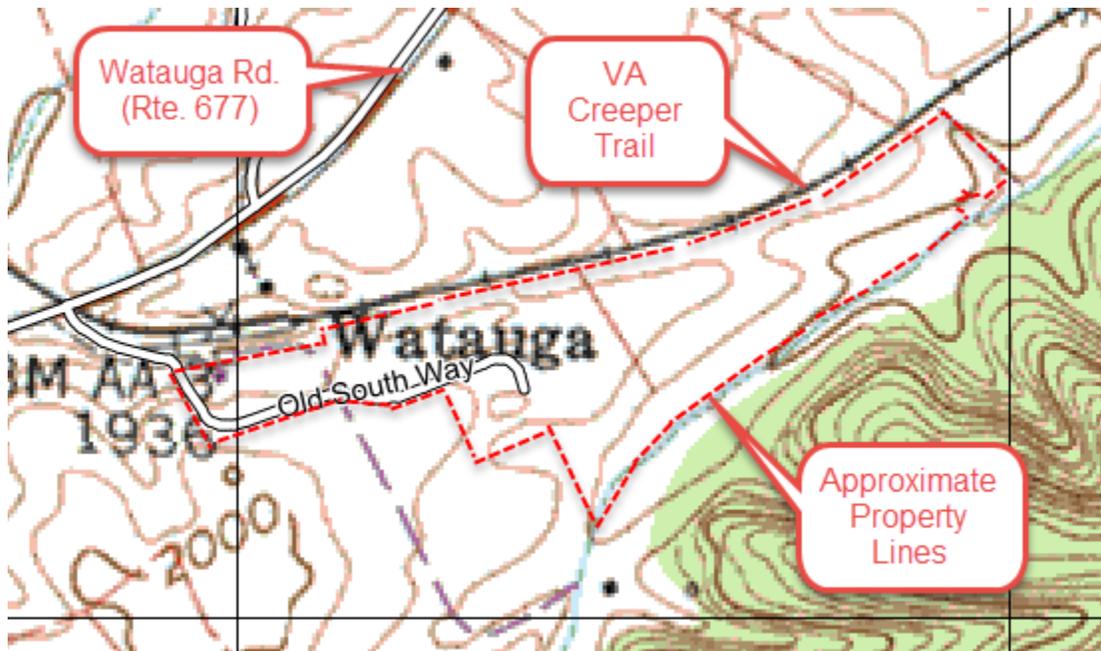
***GENERAL DESCRIPTION of LAND AND IMPROVEMENTS***

**LAND:**

The subject is an irregular shaped property containing 20.11 acres consisting of two contiguous parcels fronting the south side of the Virginia Creeper Trail about 430 feet east of its intersection with Watauga Road (Rte. 677). The property is 2,453.3 feet on the north boundary (including offset), measures 263.45 feet on the northeast side, is 3,097.91 feet along the south side (including offsets), measures 212.06 feet on the west sideline, and contains 20.11 acres. According to project plans furnished by Thompson & Litton, access appears to be by an easement over a gravel driveway leading from the northwest corner of the subject and across property owned by Karen Saltz Hunger and property owned by Thomas A. Counts, Sr. and Cornelia H. Counts. Access is depicted differently on the Washington County tax map and suggests the easement may only be across the Counts property. Survey referenced in the legal description does not depict the easement for access. Survey of the property referenced in the legal description is provided on the following page and represents a combining of two surveys, the original acquisition and a conveyance out of 17.05 acres. A portion of the property that is approximately 1,800 feet in length by 65 feet wide has been graded for purposes of a grass landing strip.



Topography is classified as gentle rolling to sloping, cleared terrain and varies in elevation from about 1,910 feet ASL to 1,958 feet ASL.



Topographic Map. Approximate location of subject's property lines are red dashed lines.

Soils are depicted on the soil map below along with map legend. The subject is outlined in turquois.



Washington County Area and the City of Bristol, Virginia (VA191)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
16B	Frederick silt loam, 2 to 8 percent slopes	0.7	3.4%
16C	Frederick silt loam, 8 to 15 percent slopes	13.2	66.4%
16D	Frederick silt loam, 15 to 25 percent slopes	4.0	20.3%
20D	Hagerstown silt loam, 15 to 25 percent slopes, very rocky	0.6	3.0%
42C	Timberville-Marbie complex, 7 to 15 percent slopes, rarely flooded	1.0	5.2%
55C	Wyrick-Marbie complex, 7 to 15 percent slopes	0.3	1.7%
<b>Totals for Area of Interest</b>		<b>19.9</b>	<b>100.0%</b>

Major utilities available include a 2 inch public water line on the north side of Watauga Road, electric service, and telephone.

**IMPROVEMENTS:**

The property is fenced and major improvements include a two story dwelling, an airplane hangar, a combination two car carport/one car garage, and a in ground swimming pool. The value of the remainder parcel and improvements are not affected due to the nature of the proposed acquisition. For purposes of this appraisal, the value of improvements estimated by the commissioner of revenue's office are adopted.

PUBLIC UTILITIES AVAILABLE:  Electric  Telephone  Water  Sewer  
 Gas  Other \_\_\_\_\_; Private  Well  Septic System  Other \_\_\_\_\_.

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**HIGHEST AND BEST USE**

The Appraisal of Real Estate, 13<sup>th</sup> edition, defines highest and best use as:

*The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*

In addition, it states:

*In the analysis of pertinent data, four steps are implicit and are applied in the following order to develop adequate support for the appraiser's highest and best use opinion*

- 1. Physically possible*
- 2. Legally permissible*
- 3. Financially feasible*
- 4. Maximally productive*

***AS IF VACANT***

Highest and best use, if vacant, is for rural residential use. Rural residential use is defined here as parcels that are larger than typical subdivision lots but smaller than large operating farms. The present zoning of A-2, General Agricultural, allows rural residential use. cursory view of the aerial photograph of the subject and surrounding area suggest density of development is relatively low. Total population in the neighborhood is 515 in 2015 and the land area within the neighborhood covers 2.93 square miles or 1,875.2 acres.

$$1,875.2 \text{ acres} \div 515 \text{ population} = 3.64 \text{ acres per person}$$

The low density of population suggests rural residential use as the highest and best use as though vacant. Access is assumed to be over a right of way rather than the subject having road frontage on Watauga Road. The limited access via a right of way suggests use of the property as a rural residential use. In addition, the highest and best use is considered to be as two parcels (lot with dwelling and acreage tract) used in combination with each other as shown on the survey.

## ***AS IMPROVED***

The subject is improved with a two story dwelling, an airplane hangar, a 2-car carport/1-car garage combination, and a swimming pool. The present improvements are considered to fulfill the concluded highest and best use for rural residential use.

## **APPROACHES TO VALUE EXCLUDED**

The income approach was not processed due to the lack of recently negotiated leases of similar size acreage parcels with similar highest and best use for rural residential purpose. Typically, this type property is not leased. The cost approach was not processed as it is not an applicable valuation approach for land.

## **APPROACHES TO VALUE EXPLAINED**

### ***COST APPROACH***

The Cost Approach to value is based on the principle that a prudent purchaser would not pay more for a property than the cost to purchase a similar parcel and erect similar improvements. The replacement cost new of an improvement is typically estimated by use of local contractors and/or a national cost service. Depreciation from all causes is then deducted from the estimated replacement cost new. The depreciated cost new of the improvements is then added to the site improvements and land value to arrive at the value indicated by the Cost Approach.

The Cost Approach is summarized as follows:

Cost New  
- Depreciation  
+ Land Value  
= Value

### ***THE INCOME APPROACH***

The Income Approach typically involves projecting the income and expenses of a property over a period or periods of time into a cash flow projection, before debt service and depreciation. The cash flow (net operating income) is then capitalized into a value estimate. The capitalization rate is typically based upon current financial market requirements and equity return requirements of the specific real estate market of which the property is a part. The validity of this approach is largely based upon the principle of anticipation. An investor purchasing an income producing property is paying a sum of money in present dollars for the right to receive future dollars.

In arriving at a value estimate via this approach the following steps are taken:

- 1) Estimate the annual gross income of the property based upon the actual lease in effect and/or on comparable leases.
- 2) Deduct from the Gross Potential Income the estimated loss of income resulting from vacancies and/or non-collections to arrive at an estimate of gross effective income.

- 3) Estimate the expenses that are anticipated to be incurred on the operation of the property. The total expenses are deducted from the effective gross income to arrive at the estimate of net operating income (NOI- income before debt service, income taxes and depreciation).
- 4) Derive a capitalization rate by reference to the competitive markets. Select an appropriate method of capitalization and convert the NOI into a value estimate.

**THE SALES COMPARISON APPROACH – LAND VALUATION**

The sales comparison approach is based upon the principle of substitution. That is, a knowledgeable purchaser would pay no more for a property than they would for a substitute property of similar utility and desirability. In applying this approach the appraiser will:

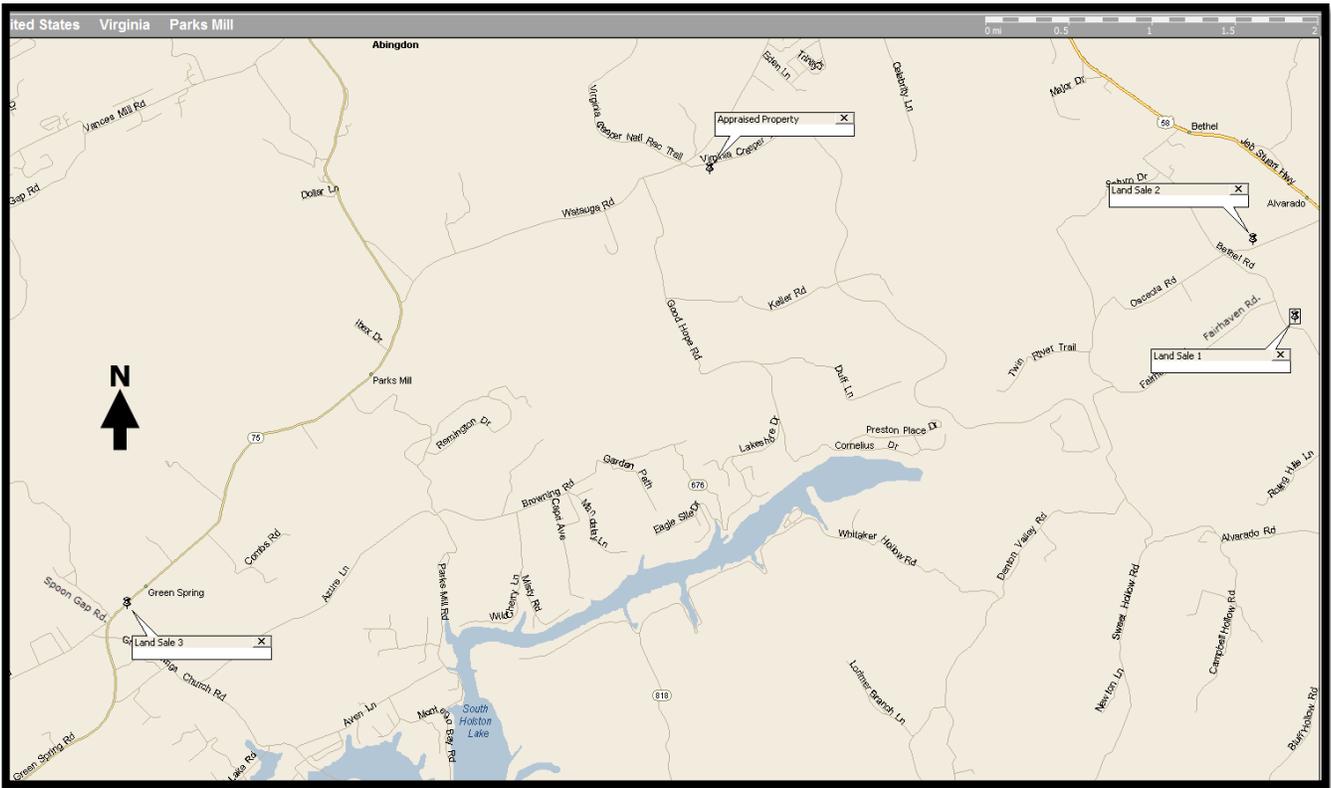
- Research and verify sales data on properties similar to the subject.
- Select relevant units of comparison and develop a comparative analysis for each unit
- Compare the sales to the subject property and adjust the comparables for those items that influence value
- Reconcile the various value indications produced from analysis of the comparables into an estimate of value for the subject.

Sales of similar vacant parcels with rural residential highest and best use in the subjects’ market area were researched for comparison to the subject. The following pages contain a summary and analysis of those sales.

**COMPARABLE LAND SALES SUMMARY TABLE**

<b>No.</b>	<b>Location</b>	<b>Sale Date</b>	<b>Price</b>	<b>Size in Acres</b>	<b>Price/ Acre</b>
1.	20289 Bethel Road (Rte. 708)	03/07/2014	\$40,000	5.301	\$7,546
2.	Osceola Road (Rte. 722)	01/21/2014	\$92,000	12.700	\$7,244
3.	Green Spring Road (Rte. 75)	10/17/2013	*\$106,200	9.940	*\$10,684

\*Before adjusting downward for barn.

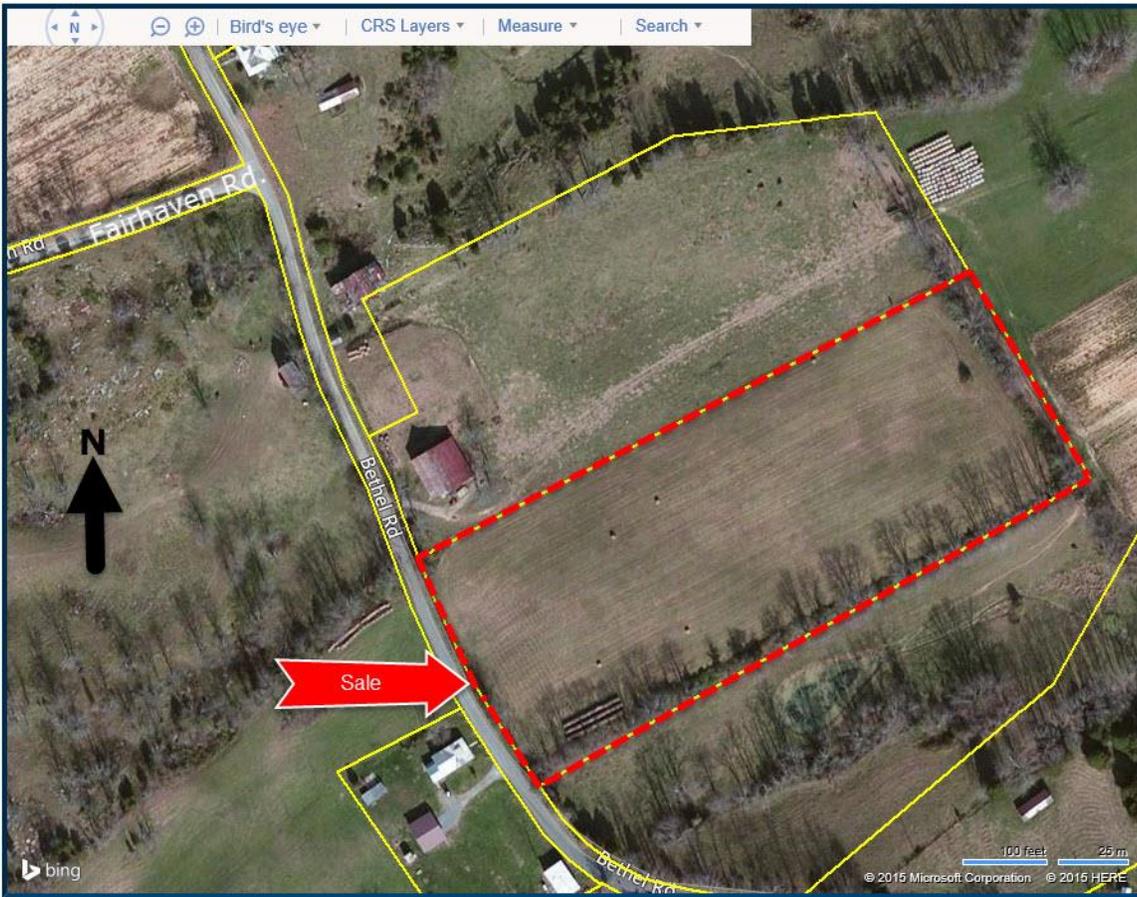


Land Sales Map.

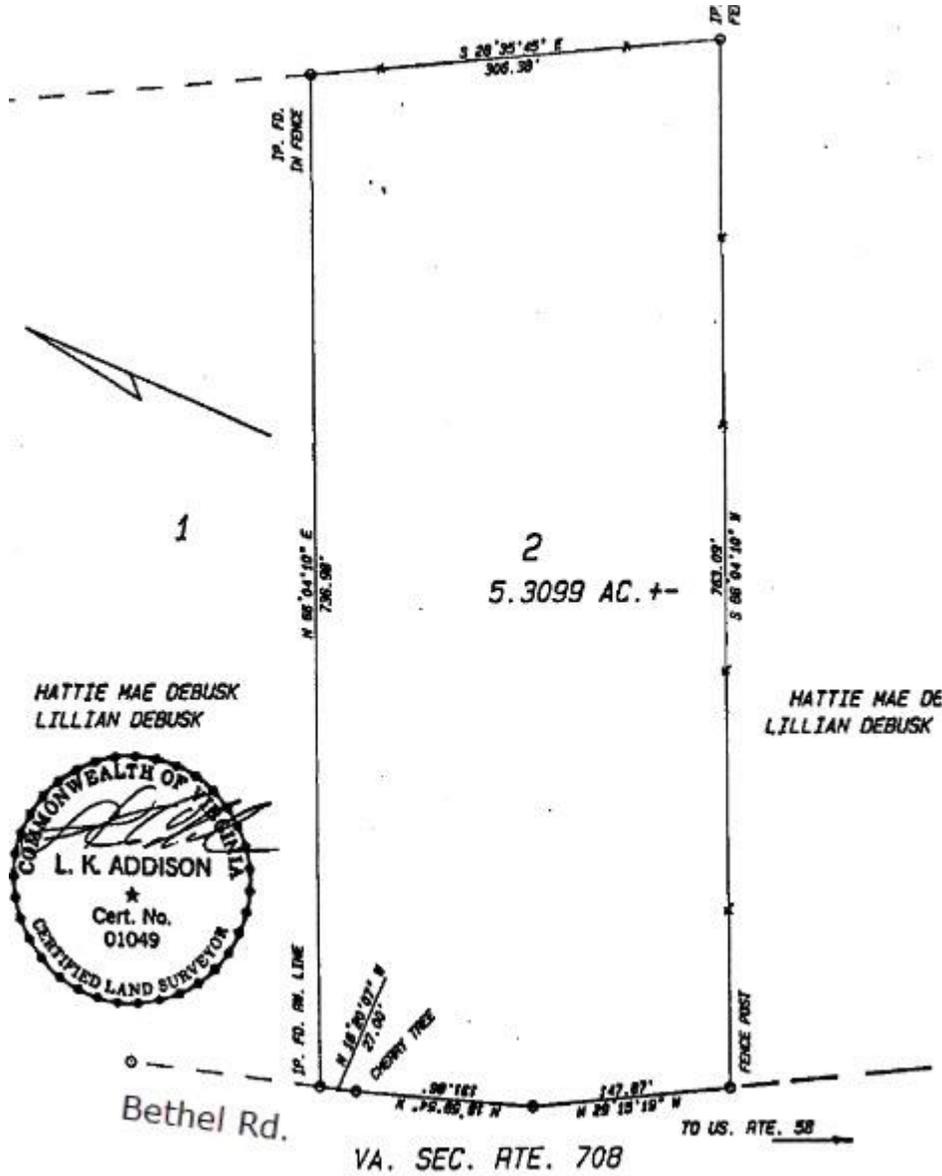
**Land Sale No. 1**



# Land Sale No. 1 (Cont.)



Land Sale No. 1 (Cont.)



<b><u>Property Identification</u></b>	
Record ID	102
Property Type	Rural Residential
Address	20289 Bethel Road (Rte. 708), Abingdon, Washington County, Virginia 24211
Location	East side of Bethel Road approximately 500 feet south of Fairhaven Road
Tax ID	149/10/2
Longitude, Latitude	W81.515901, N36.395268

**Sale Data**  
**Grantor** Roland H. Dunn and Ruth M. Dunn

**Land Sale No. 1 (Cont.)**

**Grantee** David C. Johnson and Miranda N. Johnson  
**Sale Date** March 07, 2014  
**Deed Book/Page** 140001025  
**Recorded Plat** Book 784/Page 336  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Miranda Johnson; Other sources: \$40,000 stated in deed,  
Confirmed by Warren Klutz

**Sale Price** \$40,000  
**Cash Equivalent** \$40,000

**Land Data**

**Zoning** A-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect., & telephone  
**Dimensions** See sketch  
**Shape** Rectangular

**Land Size Information**

**Gross Land Size** 5.301 Acres or 230,912 SF  
**Front Footage** 307 ft. Total Frontage: 307 ft. Approx. on Bethel Road

**Indicators**

**Sale Price/Gross Acre** \$7,546  
**Sale Price/Gross SF** \$0.17  
**Sale Price/Front Foot** \$130

**Remarks**

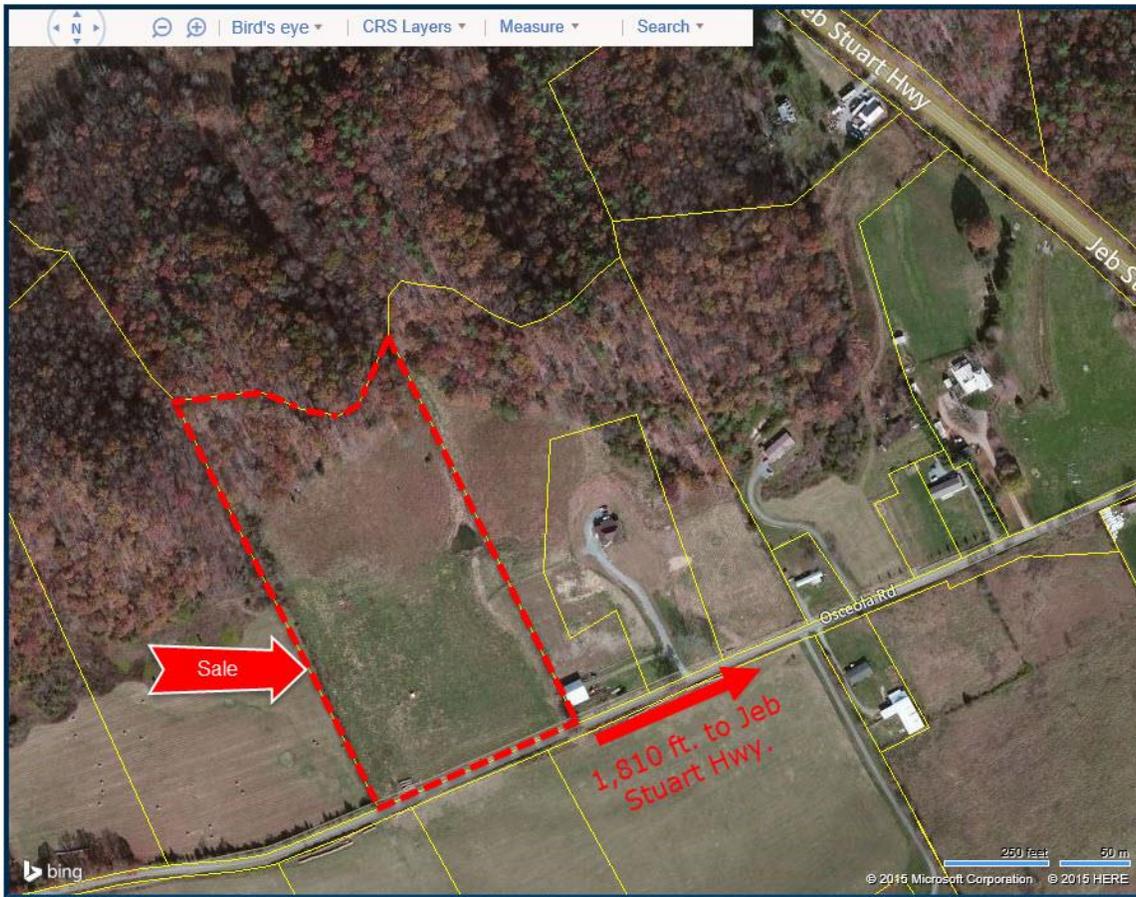
Two story dwelling under construction at time of inspection on 9/23/2015. Gravel drive shown in photograph was constructed after purchase. Barn on left in the photograph was on the adjoining property. Relatively level with Bethel Road along the front and classified as gentle rolling, cleared terrain.

Grantor's Tax: \$47.50 Recorded: 3/7/2014

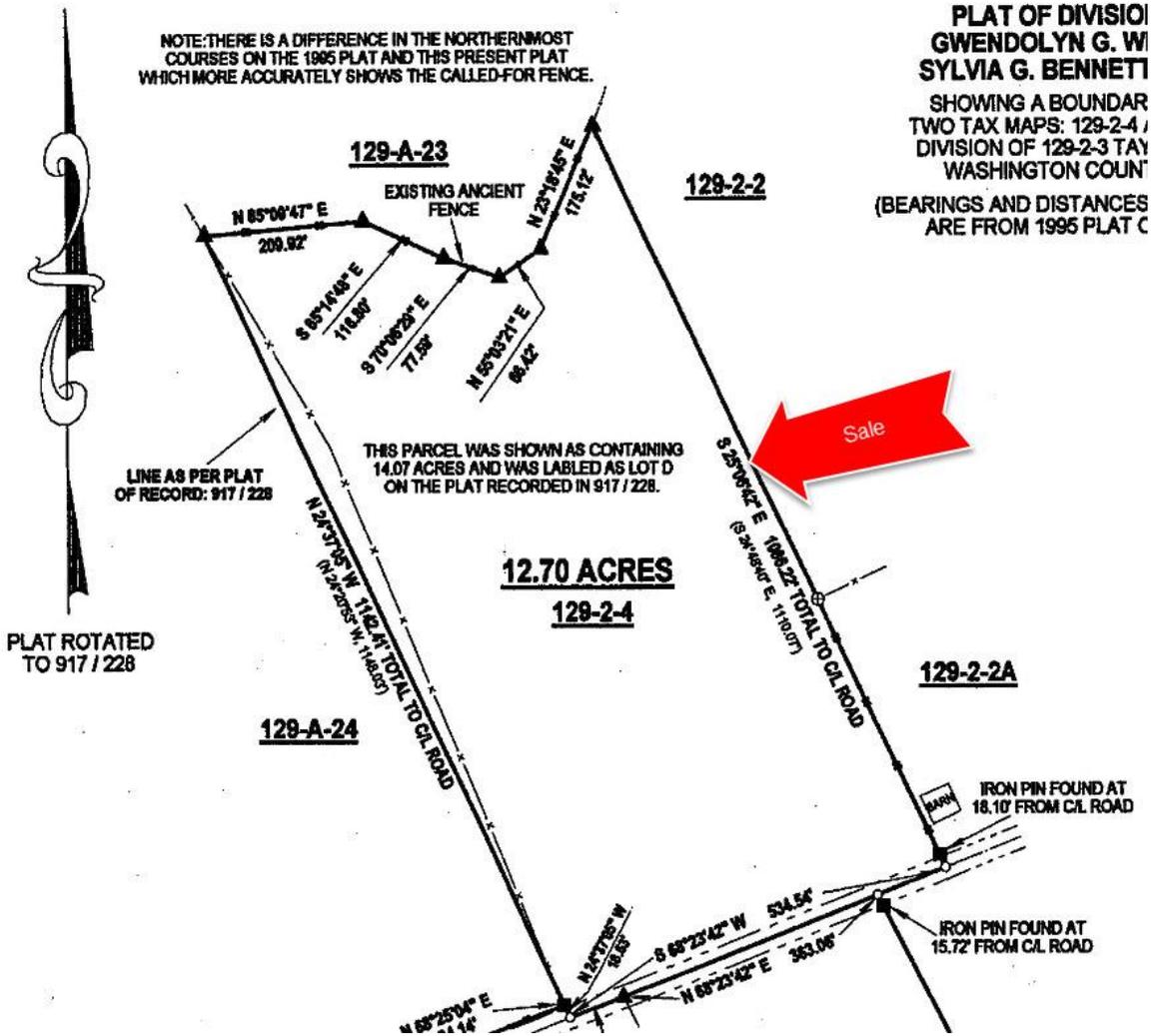
**Land Sale No. 2**



## Land Sale No. 2 (Cont.)



Land Sale No. 2 (Cont.)



**Property Identification**

**Record ID** 103  
**Property Type** Rural Residential  
**Address** Osceola Road (Rte. 722), Abingdon, Washington County, Virginia 24211  
**Location** North side of Osceola Road 1,810 feet west of Jeb Stuart Highway (Rte. 58)  
**Tax ID** 129/2/4  
**Longitude, Latitude** W81.521103, N36.401884

**Sale Data**

**Grantor** Sylvia G. Bennett, Trustee of the Sylvia Grant Bennett Living Trust  
**Grantee** Joshua D. Bourne and Lisa E. Bourne  
**Sale Date** January 21, 2014  
**Deed Book/Page** 14000635  
**Recorded Plat** Book 68/Page 59

**Land Sale No. 2 (Cont.)**

<b>Property Rights</b>	Fee simple
<b>Conditions of Sale</b>	Arm's length sale
<b>Verification</b>	Joshua Bourne; Other sources: \$92,000 stated in deed
<b>Sale Price</b>	\$92,000
<b>Cash Equivalent</b>	\$92,000

**Land Data**

<b>Zoning</b>	A-2
<b>Topography</b>	Very gently rolling on front rises 140 ft. above road grade at rear
<b>Utilities</b>	Water, elect., & telephone
<b>Shape</b>	Slightly irregular

**Land Size Information**

<b>Gross Land Size</b>	12.700 Acres or 553,212 SF
<b>Front Footage</b>	535 ft. Total Frontage: 535 ft. Osceola Road

**Indicators**

<b>Sale Price/Gross Acre</b>	\$7,244
<b>Sale Price/Gross SF</b>	\$0.17
<b>Sale Price/Front Foot</b>	\$172

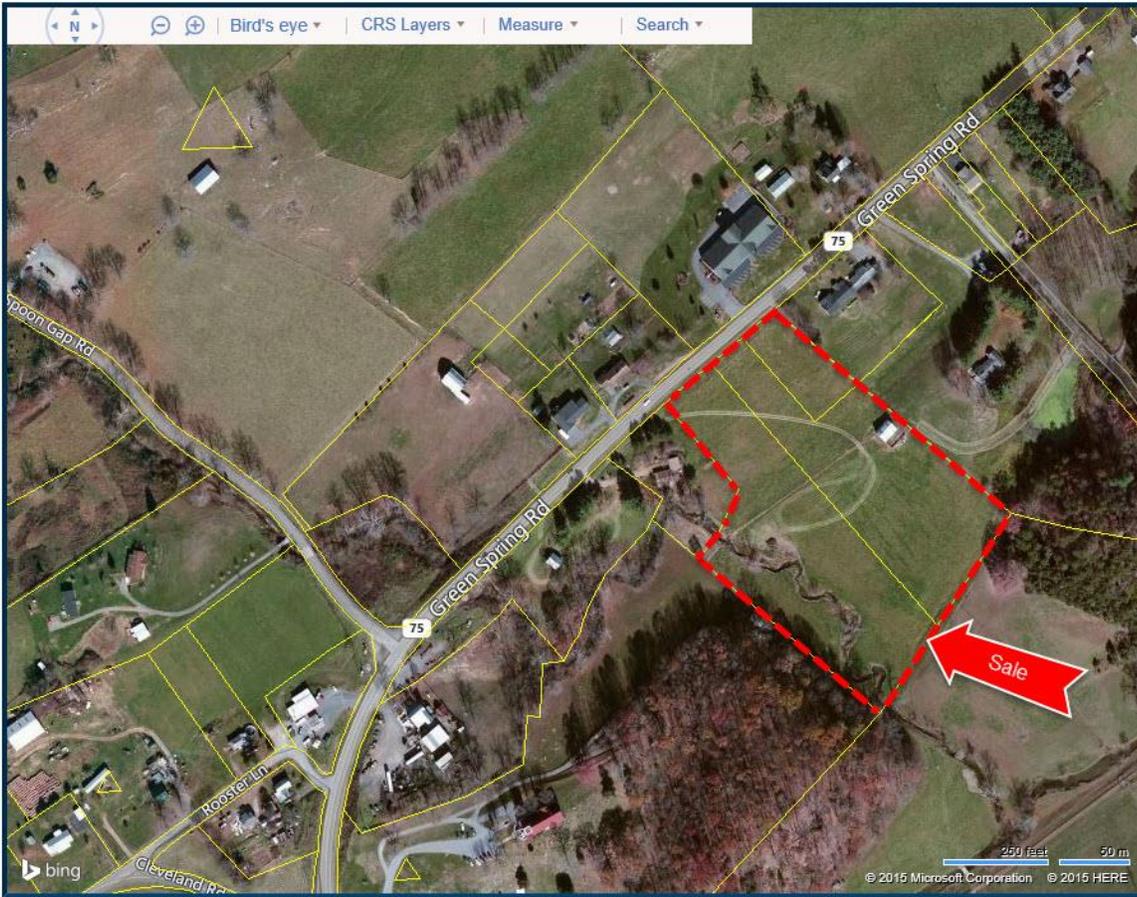
**Remarks**

Wet weather pond near the middle of east property line. Property is 90% cleared with a few trees on the back. Approximately 60% of the property is very gently rolling and rises approximately 140 feet to the rear line.  
Grantor's tax: \$100.50 Recorded: 2/11/2014

**Land Sale No. 3**



### Land Sale No. 3 (Cont.)





### Land Sale No. 3 (Cont.)

**Location** Southeast side of Green Spring Road approximately 825 feet  
northeast of Spoon Gap Road  
**Tax ID** 145/5/3  
**Longitude, Latitude** W81.594010, N36.381939

#### Sale Data

**Grantor** Lois W. Cornett  
**Grantee** Richard C. Johnston and Julia Jackson Johnston  
**Sale Date** October 17, 2013  
**Deed Book/Page** 130006118  
**Recorded Plat** Book 59/Page 55  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Lois Cornett; Other sources: Consideration of \$110,000 stated  
in deed, Confirmed by Warren Klutz

**Sale Price** \$110,000  
**Cash Equivalent** \$110,000  
**Downward Adjustment** \$3,800 Barn  
**Adjusted Price** \$106,200

#### Land Data

**Zoning** R-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect. & telephone  
**Dimensions** See plat  
**Shape** Irregular

#### Land Size Information

**Gross Land Size** 9.940 Acres or 432,986 SF  
**Front Footage** 354 ft. Total Frontage: 354 ft. Green Spring Rd. (VA Rte. 75)

#### Indicators

**Sale Price/Gross Acre** \$11,066 Actual or \$10,684 Adjusted  
**Sale Price/Gross SF** \$0.25 Actual or \$0.25 Adjusted  
**Sale Price/Front Foot** \$311 Actual or \$300 Adjusted

#### Remarks

The property is located across VA Rte. 75 from Freedom Point Apartments. The property slopes downward from road about 30 to 40 feet and then is gentle rolling, cleared land. A barn is located on the property and the sale price has been adjusted downward \$3,800 based on the tax assessment/value of the barn. A creek passes through the property along the southwest side. Grantor's tax: \$110.00 Recorded: 10/17/2014

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**SALES COMPARISON TABLE – LAND VALUE**

COMPARABLE #	#1	#2	#3	#4
TAX MAP ID	149/10/2	129/2/4	145/5/3	
Location	20289 Bethel Rd. (Rte. 708)	N. side Osceola Rd.	SE side Green Spring Rd.	
Proximity to Subject	3.25 mi. SE	3.7 mi. SE	4.3 mi. SW	
Sales Price	\$ 40,000	\$ 92,000	\$ 110,000 - \$3,800 barn = \$106,200	\$
Date of Sale	3/7/14	1/21/14	10/17/13	
Highest & Best Use	Rural Residential	Rural Residential	Rural Residential	
Size- Ac.	5.301 ac.	12.7 ac.	9.94 ac.	
Unit Price Per Ac.	\$ 7,546	\$ 7,244	\$ 10,684	
Real Property Rights Conveyed	Fee simple	Fee simple	Fee simple	
Adjusted Price	\$ 7,546	\$ 7,244	\$ 10,684	\$
Financing Terms				
Adjusted Price	\$ 7,546	\$ 7,244	\$ 10,684	\$
Conditions of Sale				
Adjusted Price	\$ 7,546	\$ 7,244	\$ 10,684	\$
Expenditures Made Immediately After Sale				
Market Condition				
Adjusted Price	\$ 7,546	\$ 7,244	\$ 10,684	\$

Location	+20%	+1,509	+15%	+1,087				
Size								
Topography			+15%	+1,087				
Utilities								
Shape								
Depth								
Other								
Other								
Other								
Other - Access								
Other -								
Net Adjustment		+1,509		+2,174		0		
Indicated Value	\$	9,055	\$	9,418	\$	10,684	\$	

## EXPLANATION AND SUPPORT FOR THE ADJUSTMENTS, CORRELATION AND FINAL RECONCILIATION OF VALUE

The preceding Land Sales Comparison Table provides the analysis of sales for the appraisal of the subject's land value. Sales selected for comparison are displayed on the preceding pages and are as close in size, location, time of sale, and potential use as possible. These three sales represent rural residential land sales in the vicinity of the subject with the nearest sale located 3.25 miles southeast and the furthest sale located 4.3 miles southwest of the appraised property. As shown on the Land Sales Comparison Table, the adjustments reflect the dissimilarities between the comparable sales and the subject property. Sales are analyzed on a price per acre basis. The final concluded per acre value of the subject will be applied to the subject's land size in acres and will be used to value the area acquired for the proposed Virginia Creeper Trail enhancement project. Adjustments discussed in the following paragraphs that are made as percentages are based on subjective judgment of the appraiser unless otherwise stated. If a sale property is inferior to the subject with regard to a specific characteristic or element of comparison, a positive adjustment is made. If the sale is superior to the subject in a characteristic, a minus adjustment is made. The adjustment process has a goal of reflecting what the comparable properties would have sold for, if they possessed similar characteristics to those of the subject. The adjustments are only made for differences the market participants tend to recognize by paying more or less for a property.

**PROPERTY RIGHTS CONVEYED:** Fee Simple Estate - No adjustment was made.

**CASH EQUIVALENCY:** All of the transactions are considered to not have been influenced by atypical financing terms available in the market.

**CONDITIONS OF SALE:** All of the sales are arm's length transactions.

**EXPENDITURES MADE IMMEDIATELY AFTER SALE:** None that were required to place the properties on an equal basis for this analysis.

**MARKET CONDITIONS ADJUSTMENT (TIME):** The sales utilized for comparison have all taken place within a time frame ranging from October 17, 2013 and March 7, 2014. The Abingdon and Washington County, Virginia market for rural residential properties has remained somewhat level with regard to prices and no time adjustment is made for the passage of time between the dates of sale and the date of the appraisal.

**LOCATION:** The location adjustment considers the difference between the quality of location of the subject and each comparable sale with consideration given the locational relationship of each sale to the center of population, shopping, and service providers in Abingdon, Virginia. In addition, the location adjustment considers the quality of the surrounding properties and road system for each of the sales in relation to that of the subject. Sale 1 is inferior to the subject and all the other sales and a +20% location adjustment was made. Sale 2 is inferior to the subject but superior to Sale 1 in location and a + 15% location adjustment was required. Sale 3 is relatively similar to the subject in travel time to Abingdon and quality of surrounding properties and no adjustment was made.

**SIZE:** Typically, smaller properties sell for higher per acre prices than larger parcels, assuming all other characteristics are equal. The subject contains 20.11 acres and the sales range in size from 5.301 to 12.7

acres. Additional sales were gathered in the research phase of the appraisal production and parcels containing 44.83 acres (Tax I.D. 88/14/2) were viewed that indicate no size adjustment is required for this group of sales.

**TOPOGRAPHY:** Sales 1 and 3 were very similar to the subject with regard to topography and no adjustment was made to either sale. Sale 2 rises in elevation from front to rear with about 40% of the property in inferior sloping topography to that of the subject. A +15% topography adjustment was made to Sale 2 to account for its inferior topography.

**UTILITIES:** Utilities available to the subject and sales are similar and no adjustment was necessary.

**SHAPE:** The subject is irregular in shape and so are the sales. While the subject is more irregular in shape, this condition is deemed to have little relevance in this particular analysis. Shape is of less importance in parcels with acreage than small residential lots since the shape in small lots limits the placement of improvements. In larger parcels, improvement placement is of less concern since adequate land area is available to choose locations for a dwelling and other improvements. Therefore, no shape adjustment is required for any of the sales.

**ACCESS:** The subject and all the sales have adequate access and no adjustment is needed. While access differences exist between the subject and sales, they are deemed to not be recognized for this size property.

**RECONCILIATION:** After adjustments, the indicated value per acre ranges from a low of \$9,055 by Sale 1 to a high of \$10,684 by Sale 3. Average or mean of the indicated per acre values for the adjusted sales is \$9,719 and the median is \$9,418. Sales 1 and 2 required the greatest net and absolute adjustments (adjustment without regard to sign). Sale 3 at \$10,684 per acre required no adjustments and is considered to be most similar to the subject. In conclusion, most weight was accorded Sale 3 in concluding the indicated per acre value of the subject at \$10,700 rounded. The concluded per acre value for the appraised property is multiplied by the land area in acres to value the tract.

VALUE OF LAND: \$10,700 per sq. ft. X 20.11 acres = \$215,000 rounded

The tax assessment values of the improvements are adopted for this appraisal.

**SUMMARY OF THE SALES**

<b>COMPARISON APPROACH:</b>	Land:	<u>\$215,000</u>
	Buildings	<u>\$282,700</u>
	Other Improvements:	<u>\$5,000</u>
	<b>TOTAL PROPERTY VALUE:</b>	<u><u>\$502,700</u></u>

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**RECONCILIATION OF THE COST, SALES COMPARISON AND INCOME APPROACHES**

***INDICATED VALUE BY EACH APPROACH***

Cost Approach	\$ <u>Not processed</u>
Sales Comparison Approach	\$ <u>502,700</u>
Income Approach	\$ <u>Not processed</u>

**TOTAL VALUE OF THE PROPERTY “BEFORE ACQUISITION”**                      \$ 502,700

## **ACQUISITION VALUE**

**TYPE OF ACQUISITION** (Check all that apply)

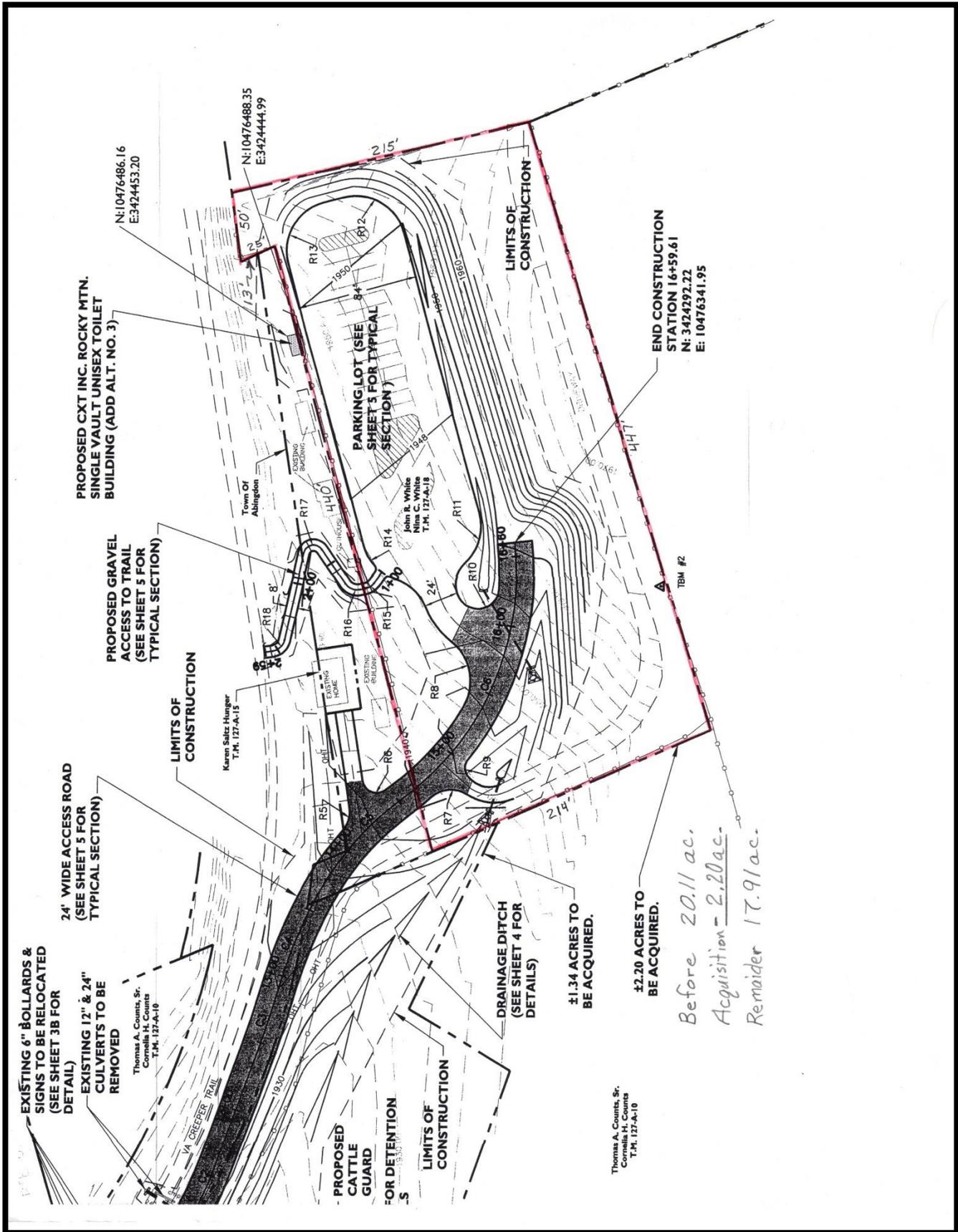
- Total Acquisition  
 Partial Acquisition  
 Easement  
 Other

## **ACQUISITION DESCRIPTION**

### Land

Fee acquisition from the subject is an irregular shaped parcel fronting 440 feet along the south side of the Karen Saltz Hunger property, is about 63 feet (including offset) along the south side of the Virginia Creeper Trail, measures 215 feet on the east side, is 447 feet along the south side, measures 214 feet on the west side, and contains 2.20 acres. The property is cleared, gently rolling terrain. Entrance to the subject's remaining 17.91 acres is across the acquisition and this appraisal assumes a right of way or right to enter the remaining property will be retained or available to the owner. Acquisition survey follows.

ACQUISITION SURVEY



Improvements Acquired

Any fencing acquired is included in the land value because the comparable sales used were fenced and fencing is included in the concluded per acre value derived from the sales. Gravel drive acquired measures 675 feet by approximately 11 feet and contains 7,425 square feet of gravel driveway.

Per acre value of the acquisition is the same \$10,700 per acre value of property before acquisition.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1.

Grading and disposal cost = \$0.29 per sq. ft.

4 inch rock base = 0.69 per sq. ft.

Total cost = \$0.98 per sq. ft.

Estimated value of gravel drive = \$0.98 X 7,425 sq. ft. = \$7,275 (R)

No depreciation is estimated for the gravel.

**ACQUISITION VALUE**

**TOTAL ESTIMATED COMPENSATION BEFORE DAMAGES OR ENHANCEMENTS**

Value of Land in Fee Acquired

Land in Fee Acquired	2.20	AC @ \$ 10,700	= \$ 23,540 (rounded)
Land in Fee Acquired		SF @ \$	= \$

Value of Easements Acquired:

Permanent Easement		SF @ \$	X	% = \$
Temp. Construction Esmt.		SF @ \$	X	% = \$
Temp. Work Area Esmt.		SF @ \$	X	% = \$
Temporary Easement		SF @ \$	X	% = \$
Other		SF @ \$	X	% = \$

<b>Estimated Value of Land Acquired</b>			<b>\$ 23,540</b>
---	--	--	------------------

Value of Buildings Acquired:

Building 1			\$
Building 2			\$
Building 3			\$

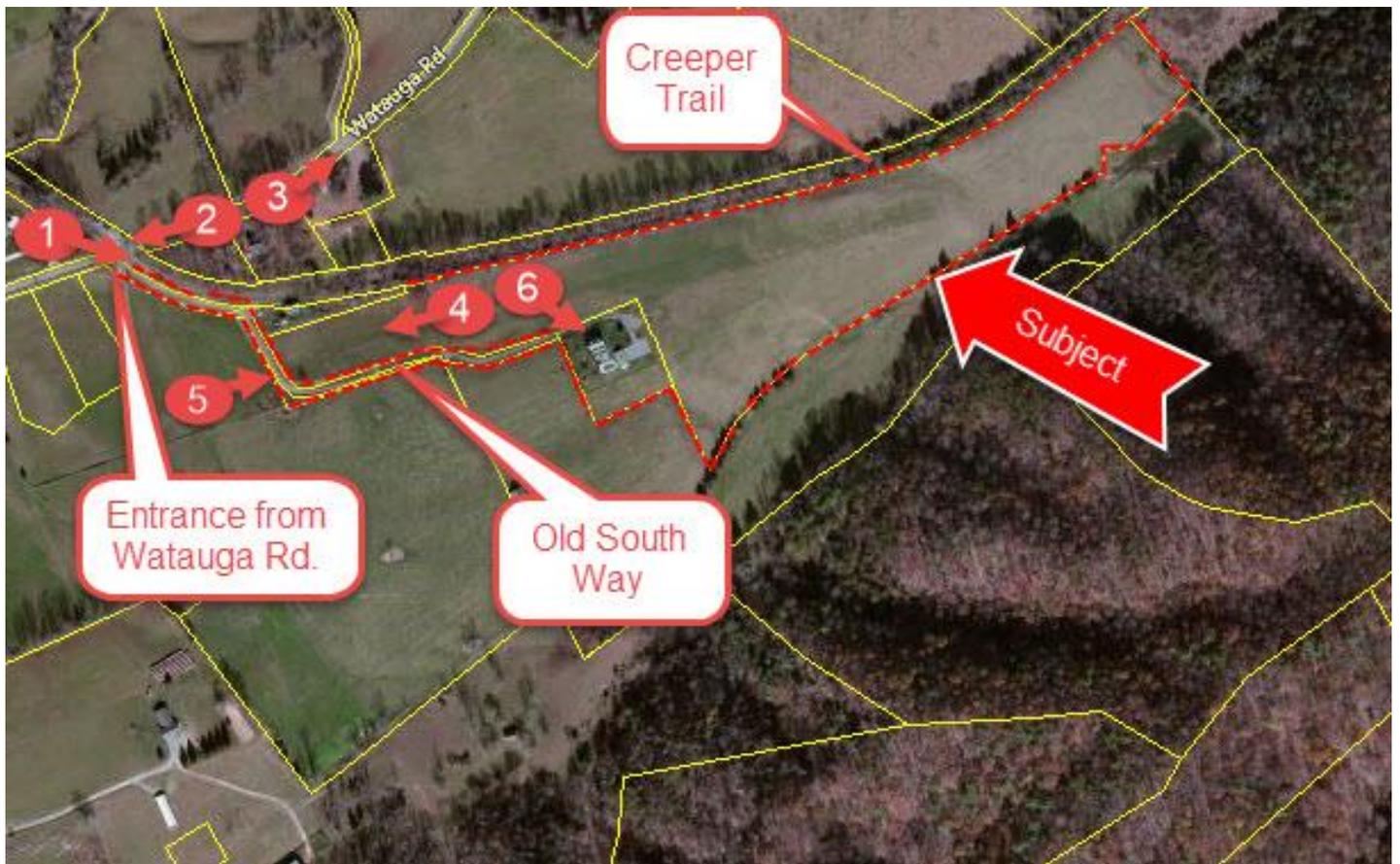
<b>Estimated Value of Buildings</b>			<b>\$ 0</b>
-------------------------------------	--	--	-------------

**Value of Other Improvements Acquired:**

Asphalt paving		SF @ \$	X	% = \$
Concrete curbs		LF @ \$	X	% = \$
Parking lot lights		SF @ \$	X	% = \$
Drive	7,425	SF @ \$ 0.98	X	% = \$ 7,275 (R)
Walls		SF @ \$	X	% = \$
Other		SF @ \$	X	% = \$
Other		SF @ \$	X	% = \$

<b>Estimated Value of Other Improvements</b>			<b>\$ 7,275</b>
--	--	--	-----------------

<b>Total Estimated Compensation Before Damages or Enhancements</b>			<b>\$ 30,815</b>
--	--	--	------------------



Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 1 Photo shows a view from left to right: Watauga Road (far left), Virginia Creeper Trail, driveway to subject and driveway leading to the Counts property. Center of photograph is looking southwest from Watauga Road.



Photo #: 2 Photo Shows a View of: Neighborhood looking southwest along Watauga Road (Rte. 677).

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 3 Photo Shows a View of: Neighborhood view looking northeast along Watauga Road (Rte. 677).



Photo #: 4 Photo Shows a View of: Acquisition from the east end looking southwest.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 5 Photo Shows a View of: Proposed acquisition from the Counts property approximately 40 feet west of the west end of the acquisition looking northeast.



Photo #: 6 Photo Shows a View of: View of dwelling on the property with green roof of the aircraft hangar in background.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 7 Photo Shows a View of: Grass landing strip on subject looking northeast from beyond the east side of the proposed acquisition.

## CONTINGENT AND LIMITING CONDITIONS

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to the property. The appraiser assumes that the title is good and marketable and does not render any opinions about the title. Responsible ownership and competent property management are assumed unless otherwise stated.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made.
4. The appraiser has estimated the value of the land at its highest and best use. Improvements are estimated at their contributory value or their "cost to cure", whichever is less.
5. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) that were observed during the inspection of the subject property or that became apparent while conducting the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraiser is not qualified to detect hazardous waste and/or toxic materials.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers reliable and are believed to be true and correct. However, no warranty is given for its accuracy.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice or as required by professional appraisal peer review.
8. Unless otherwise noted, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property. Only the real property has been considered. Relocation assistance benefits were not given consideration in the appraisal.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, 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 there is no detailed evidence relating to this issue, the possibility of non-compliance with the requirements of the ADA in estimating the value of the property was not considered.
10. Sketches or plans contained in the report may show approximate dimensions, and they are included for illustrative purposes only since the appraiser did not complete a survey of the property.
11. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the report.
12. It is assumed that all required licenses, certificates of occupancy 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.
13. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. 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.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. All engineering plans are assumed to be correct. All plans submitted in this report are intended to assist the reader with visualizing the project.

**APPRAISER CERTIFICATION**

Property Owner's Name: John Russell White and Nina Castle White

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 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 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
7. **My analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.**
8. I have made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this report unless specifically stated within the reconciliation section of this report where such individuals are named and their specific tasks performed are disclosed. I certify that any individual so named is qualified to perform the tasks.
10. I will not reveal the findings and results of such appraisal to anyone other than the client until authorized by the client to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
11. I understand that such appraisal is to be used in connection with the acquisition of right of way for a parking lot facility to be used in connection with the Virginia Creeper Trail which is to be constructed by the Commonwealth of Virginia potentially with the assistance of federal-aid highway funds or other federal funds, and that such appraisal has been made in conformity with the appropriate state laws, regulations, and policies for procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the Commonwealth of Virginia.
12. The owner or their designated representative was contacted and given the opportunity to accompany the appraiser during the property inspection.
13. I made a personal field inspection of the comparable sales relied upon in developing the appraisal.
14. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal.
15. Regardless of any stated or limiting condition or assumption, I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits and contents collected or prepared under this agreement shall become the property of the client without restriction or limitation on their use.
16. I certify I possess sufficient competence to appraise this property through education and experience.
17. I 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.
18. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
19. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
20. As of the date of this report, Warren Klutz, has completed the continuing education program of the Appraisal Institute.

**Certifications in Addition to Those Required by USPAP:**

1. I did not base, either partially or completely, my analysis and/or the opinion of value (if any) in the appraisal review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of the owners or occupants of the subject property of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis that is prohibited by law.
2. I developed my analysis, opinions, and conclusions and prepared this review report in conformity with the Uniform Standards of Professional Appraisal Practice; Title III of the Uniform Relocation Act; the Code of Federal Regulations, 49CFR 24.102, .103, .104, .105 and .108; and the Uniform Standards of Federal Land Acquisitions (as applicable).

**LICENSED APPRAISER**

Signature Warren Klutz  
Name Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA  
Date November 7, 2013  
License/Certification Number 4001000330  
License Type Certified General

## **QUALIFICATIONS OF WARREN KLUTZ, MAI, SRA, AI-GRS, CCIM, MBA, MS**

### **EDUCATION:**

East Tennessee State University, 1972, Bachelor of Science, Business Administration with a Minor in Military Science and Major in Real Estate.

Minor in Military Science included Army ROTC Flight Training and was commissioned as an Infantry Officer in United States Army on Graduation from East Tennessee State University. Training in military included Basic Infantry Officer Course and Airborne School. Military service completed at the rank of Captain.

Master of Science (MS) in Real Estate Appraisal from University of St. Thomas in Minneapolis, MN.

Master of Business Administration from King University in Bristol, Tennessee.

Completed all requirements except dissertation in Doctor of Education (Ed.D.) degree program at East Tennessee State University.

Awarded the MAI (Member Appraisal Institute) designation. In addition to numerous other requirements regarding experience, comprehensive examination and demonstration report; Warren Klutz successfully completed and passed the following courses given by the Appraisal Institute prior to awarding of the MAI (Member Appraisal Institute).

Standards of Professional Practice (Parts A & B), University of Georgia  
Standards of Professional Practice (Part C), Manassas, Virginia  
Real Estate Appraisal Principles, Indiana University  
Basic Valuation Procedures, Indiana University  
Capitalization Theory & Techniques Part 1, University of North Carolina  
Capitalization Theory & Techniques Part A, University of Georgia  
Capitalization Theory & Techniques Part B, University of Georgia  
Market Analysis, University of Central Florida  
Case Studies in Real Estate Valuation, University of Georgia  
Report Writing and Valuation Analysis, University of Georgia

Recent seminars taken through the Appraisal Institute:

Economic Obsolescence Seminar	Hotel Motel Valuation Seminar
Accrued Depreciation Seminar	Applied Sales Comparison Approach
Rates, Ratios and Reasonableness	Rate Extraction
Commercial Construction Overview	Appraising Troubled Properties
Discounted Cash Flow Analysis	The Appraiser As An Expert Witness
Appraising Troubled Properties	Demonstration Appraisal Report Writing
Automated Valuation Models	Appraisal Of Nursing Facilities
The Internet and Appraising	The Future Of Appraising
New Industrial Valuation	Appraisal Office Management
Appraisal of Non-Conforming Uses	Eminent Domain and Condemnation
Litigation Skills for the Appraiser	Data Confirmation & Verification Methods

## Appraising Distressed Commercial Real Estate

Successfully completed and passed the following courses and examinations and designated CCIM, Certified Commercial Investment Member of the Commercial Investment Real Estate Institute:

- CI-101, Fundamentals of Real Estate Investment and Taxation, Washington, D.C.
- CI-102, Fundamentals of Creating a Real Estate Investment, Atlanta, Georgia.
- CI-103, Advanced Real Estate Taxation and Marketing Tools for Investment Real Estate, Detroit, Michigan
- CI-104, Case Studies in Commercial and Investment Real Estate Brokerage, Atlanta, Georgia
- CI-105, Principles and Techniques of Effective Communication for Commercial-Investment Brokerage, Atlanta, Georgia.

Successfully completed the following courses as given by the Society of Real Estate Appraisers and designated SRA, Senior Residential Appraiser:

- An Introduction to Appraising Real Property, Course 101, Knoxville, Tennessee
- Applied Residential Property Valuation, Course 102, Appalachian State University.

Successfully completed the following courses as given by the International Right-of-Way Association:

- |                                       |                            |
|---------------------------------------|----------------------------|
| The Appraisal of Partial Acquisitions | Skills of Expert Testimony |
| Interpreting Engineering Drawings     | Easement Valuation         |

Graduated from Missouri Auction School, Kansas City, Missouri

### **MEMBERSHIP AND LICENSES:**

- Licensed Certified General Real Estate Appraiser in Tennessee and Virginia
- Licensed Real Estate Broker in Tennessee, Virginia and North Carolina
- Licensed Real Estate Auctioneer in Tennessee and Virginia
- Member of the Bristol, Tennessee-Virginia Board of Realtors
- Member of the Tennessee-Virginia Regional Multiple Listing Service
- Member of the Southwest Virginia Association of Realtors Multiple Listing Service
- Member of the NETAR Commercial Multiple Listing Service
- President of the Bristol, Virginia-Tennessee Board of Realtors in 1978, 1982 and 1987
- President of the TENNEVA Chapter of the Society of Real Estate Appraisers, 1987
- Vice President, Blue Ridge Chapter of the Appraisal Institute, 2000
- Vice President, Virginia Commonwealth Chapter of the Appraisal Institute, 2003
- President, Virginia Commonwealth Chapter of the Appraisal Institute, 2004
- Member of the Commercial Investment Real Estate Institute
- MAI and SRA Designated Member of the Appraisal Institute
- Recipient of Appraiser of the Year 1985 - TENNEVA Chapter of the Society of Real Estate Appraisers

### **EXPERIENCE:**

Owned and operated Warren Klutz and Company since 1975, specializing in commercial and investment real estate brokerage, consulting, and appraising in Tennessee, Virginia and North Carolina. Experience includes appraisals of various interests in all types of properties for financial institutions, utility companies, private, corporate and government clients. Qualified as expert witness in numerous courts in Tennessee and Virginia.

Klutz serves as an instructor for the Appraisal Institute and was a contributing author for *Applications in Litigation Valuation: A Pragmatist's Guide* published by the Appraisal Institute in 2012.

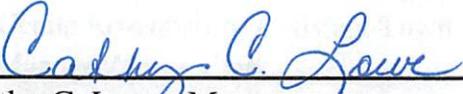
**PARTIAL CLIENT LIST:**

<u>Financial</u>	<u>Governmental</u>	<u>Corporations &amp; Utility</u>
NationsBank	State of Virginia	Raytheon
Signet Bank	State of Tennessee	UNISYS
First Union	City of Johnson City	IBM
Tri-Cities Bank	Army Corps of Engineers	Smith Kline Beecham
Charter Federal	Virginia Dept. Of Trans.	CONOCO
First American Bank	Tennessee Dept. Of Trans.	Electrolux
Dominion Bank	Virginia Attorney General	Shoney's Restaurants
Sovran	Tennessee Dept. Of Finance	Hospital Corporation Of America
First Tennessee Bank	City of Bristol Tennessee	East Tennessee Natural Gas Company
Bank Of Baltimore	City of Bristol Virginia	Norfolk Southern Railway
Home Federal	Smyth County, Virginia	Tennessee Valley Authority
Chrysler First	Washington County, Virginia	Appalachian Power Company
Highlands Union	Sullivan County, Tennessee	CSX Railroad
SunTrust Bank	Tennessee Attorney General	Virginia Gas Company
TruPoint Bank	U.S. Dept. of Justice	Duke Energy
Settler's Life Insurance	Wise County, Virginia	Alpha Natural Resources
Valley Bank	Dickenson County, Virginia	Johnson Memorial Hospital
Darby Bank & Trust	ETSU	TVA
Bank of America	North Carolina State University	Bristol Motor Speedway
Wells Fargo Bank	Federal Bureau of Prisons	Washington Co. Service Authority

Artisans because of difficulty obtaining the necessary easements from surrounding property owners.

16. John Dew, Director of Public Services and Construction reported VDOT now has an Abingdon office and one of the main focuses is the maintenance of the exit ramps and entrances to the town.
17. Mr. Kelly, Town Manager reported the property owners near the Watauga parking section of the Virginia Creeper Trail have agreed to sell their properties to the Town. Mr. Kelly noted that this project has been ongoing over eight (8) years but appears to be moving towards a conclusion. Mr. Kelly reported that revenue sharing funds approved by VDOT will be used for the project and any overages on land purchase, not approved by VDOT, will be paid by the Town over the next 2 years.

Mayor Lowe declared a 5-minute recess for Council and Town staff to reconvene in the Council Chambers for the regular 7:30 meeting.

  
Cathy C. Lowe, Mayor

  
Tonya Triplet, Deputy Town Clerk



## Parks and Recreation Department

November 2, 2016

TO:            Mr. Greg Kelly, Town Manager  
FROM:        Mr. Kevin Worley, Director Parks and Recreation  
RE:            Watauga Parking Lot Project – Land Acquisition Terms

Here is the information for the Watauga Land Acquisition. Let me know if you need additional information.

### **Terms for land acquisition payment: (Maximum of 3 installments):**

1. Establish a final negotiated price with each respective land owner.
2. Secure paperwork for land acquisition and seek VDOT approval for next phase of operation.
3. Funding for the project:
  - a. Use the maximum allowable funding through the VDOT Enhancement Grant
  - b. One half of the balance of funding be paid during the first quarter of FY 2017-18 (July-October)
  - c. Balance of funding paid during first quarter of FY 2018-19 (July-October). If an alternate source of funds are secured, the balance can be paid prior to this established time line.

### **Agreed Land Price**

John White Land = \$100,000.00  
Cornelia Counts = \$85,000.00

### **VDOT Appraisal Value**

John White = \$30,815.00  
Cornelia Counts = \$21,015.00

### **Payments for John White**

First =        **\$30,815.00** from VDOT Enhancement Funds (payment to be made once paperwork is approved and signed)  
Second =     **\$34,592.50** from budgeted amount (or extra funds from the VDOT enhancement once project is finalized and approved)  
Third =       **\$34,592.50** from TOA budgeted amount

### **Payments for Cornelia Counts**

First =        **\$21,015.00** from VDOT Enhancement Funds (payment to be made once paperwork is approved and signed)  
Second =     **\$31,992.50** from budgeted amount (or extra funds from the VDOT enhancement once project is finalized and approved)  
Third =       **\$31,992.50** from TOA budgeted funds

### **NOTE:**

If funds are left over from the overall project, after all expenses are paid and original land acquisition payment is made, these additional funds can be used to supplement the balance of land acquisition. This has been discussed with VDOT but will be subject to their final approval.

**HERMAN**

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10-31

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BrVA- 3BR \$600 mo+dep  
BrTN- 2BR \$500 mo +dep  
NO Pets Call 423-968-7662

**Houses, Unfurnished**

**BRVA Bungalow cottage**

near down town Bristol, 4br 2 full ba, 2200 sq ft, pets considered, \$1300 mo + \$1300 depos., 1 yrs lease, Andrew Niece 276-619-1187 www.cgprentals.com

**Houses, Unfurnished**

BRVA 3BR 2BA 2 car garage CH&A 13507 KingMill Pike \$950  
BRTN 3BR 2BA 1 car garage CH&A 188 Springdale Rd \$800  
NO PETS 423-534-8164 / 989-3352

**HOUSE FOR RENT**  
Centrally located in BRVA. Newly remodeled, 2 bd, 1 ba, gas & electric. New stove/ref., w/d hook up, full basement 1/2 is finished. New central heat & air. \$750 mo. plus dep. No pets, No smoking. 276-591-5242 please leave a message.

Right on the river, like living on a houseboat, great community, 1 Bathroom, 2 Bedrooms-473 Riverview Road, Bristol, TN- \$900.00 per month, 900.00 deposit and a year's lease and renter's application required. 423-571-4567--You will think you are on vacation all the time. Must see to appreciate!

**Mobile Home, Lots, Rent**

**MOBILE HOME LOT FOR RENT IN ABINGDON** @ Rolling Hills Retirement Park- \$145 mo Background checks reqd. 276-492-6727

**RECREATION**

**Boats**

**HOUSE BOAT FOR SALE**  
16' x 38' Navigable, S. Holston Lake 2 bd, 1 ba, 4 bunk beds, full kitchen, w/fridge, stove, water heater & pump, furnace, front/rear decks  
\$18,000  
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**Motor Homes, RVs**

**Motorhome- Holiday Rambler 2004 Endeavor 38'** diesel pusher, 2 slides, immaculate cond. No pets, non-smoking. New tires & batteries 42K mi. \$65,000. may consider trade for small unit. Call 540-529-5699

**TRANSPORTATION**

**Auto for Sale**

**Mitsubishi 2002 Eclipse: 2.4L** four cylinder. 5 speed manual transmission. This vehicle will be offered for auction on Nov. 14 at 10 a.m. Address is 1701 W State St. Bristol VA. 24201. \$1500 min bid 276 669 5238

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**\$\$\$ CASH \$\$\$**  
Wanted to buy cars & trucks for parts. Running, wrecked or junk! 423-335-0941

**We pay top dollar\$ for Junk Cars, & Trucks. Fast Free Pkup. Call: 276-356-2889**

**Looking for a great recipe or an idea for dinner tonight?**

**Read the FLAVOR pages in the Wednesday BRISTOL HERALD COURIER**

**LEGAL ADS**

**Legal Notices**



**NOTICE OF PUBLIC HEARING**

Pursuant to Section 15.2-1800, et seq., of the Code of Virginia, 1950, as amended, the Town of Abingdon will hold a public hearing before the members of the Town Council at 7:30 p.m. on Monday, November 7, 2016 in the Council Chambers of the Town Hall, 133 West Main Street, Abingdon, Virginia, to receive comments from the public regarding the proposed purchase of properties, 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts. The proposed plat of said property is available for public inspection at the Office of the Town Manager for the Town of Abingdon, 133 West Main Street, Abingdon, Virginia.

Gregory W. Kelly, Town Manager

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**Power Washing**

**Power Washing**

**TriCity Pressure Washing**  
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Sat. 8-3  
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Shawn Kulena  
Welcome Walk-Ins  
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No job too big or too small!  
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\*Leaves  
\* Trees & Shrubs  
\* Trimming and Removal  
\* Licensed & Insured  
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**Asphalt-Coating**

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4th Generation Paver  
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Ask about our Senior, Church & Military discounts  
Call your locally owned & legitimate company  
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**ADULT CAREGIVER NEEDING A POSITION**  
13 years exp. females only, 7 days/week, day/night, great companion! Honest, Dependable, Trustworthy Great references. CNA certified  
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Jackie L. Cox, FICF  
423-383-5553  
jlcox@woodmen.org  
WoodmenLife  
woodmen.org  
The rates apply to certificates issued in October 2016. The initial interest rate of 4.00% is guaranteed for the first certificate year and includes a first-year-only interest bonus of 5.00%. This initial rate is payable on a certificate with annuity values of \$10,000-\$999,999. After the first certificate year, a secondary guaranteed interest rate of 1.00% is guaranteed until the end of the surrender charge period, and a minimum interest rate of 1.00% is guaranteed thereafter. Renewal interest rates are set monthly by WoodmenLife and will never be lower than those guaranteed. Call for current rates on certificates with higher annuity values. Product may not be available in all states. Contact a WoodmenLife Representative to find out if this product is right for you. Membership is part of eligibility. Certificate: 7961-3X-0107, 7961-02-0905. CD#0489 10/16 Woodmen of the World Life Insurance Society, Omaha, NE  
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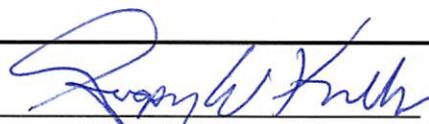
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## NOTICE OF PUBLIC HEARING

Pursuant to Section 15.2-1800, *et seq.*, of the Code of Virginia, 1950, as amended, the Town of Abingdon will hold a public hearing before the members of the Town Council at 7:30 p.m. on Monday, November 7, 2016 in the Council Chambers of the Town Hall, 133 West Main Street, Abingdon, Virginia, to receive comments from the public regarding the proposed purchase of properties, 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts. The proposed plat of said property is available for public inspection at the Office of the Town Manager for the Town of Abingdon, 133 West Main Street, Abingdon, Virginia.

---

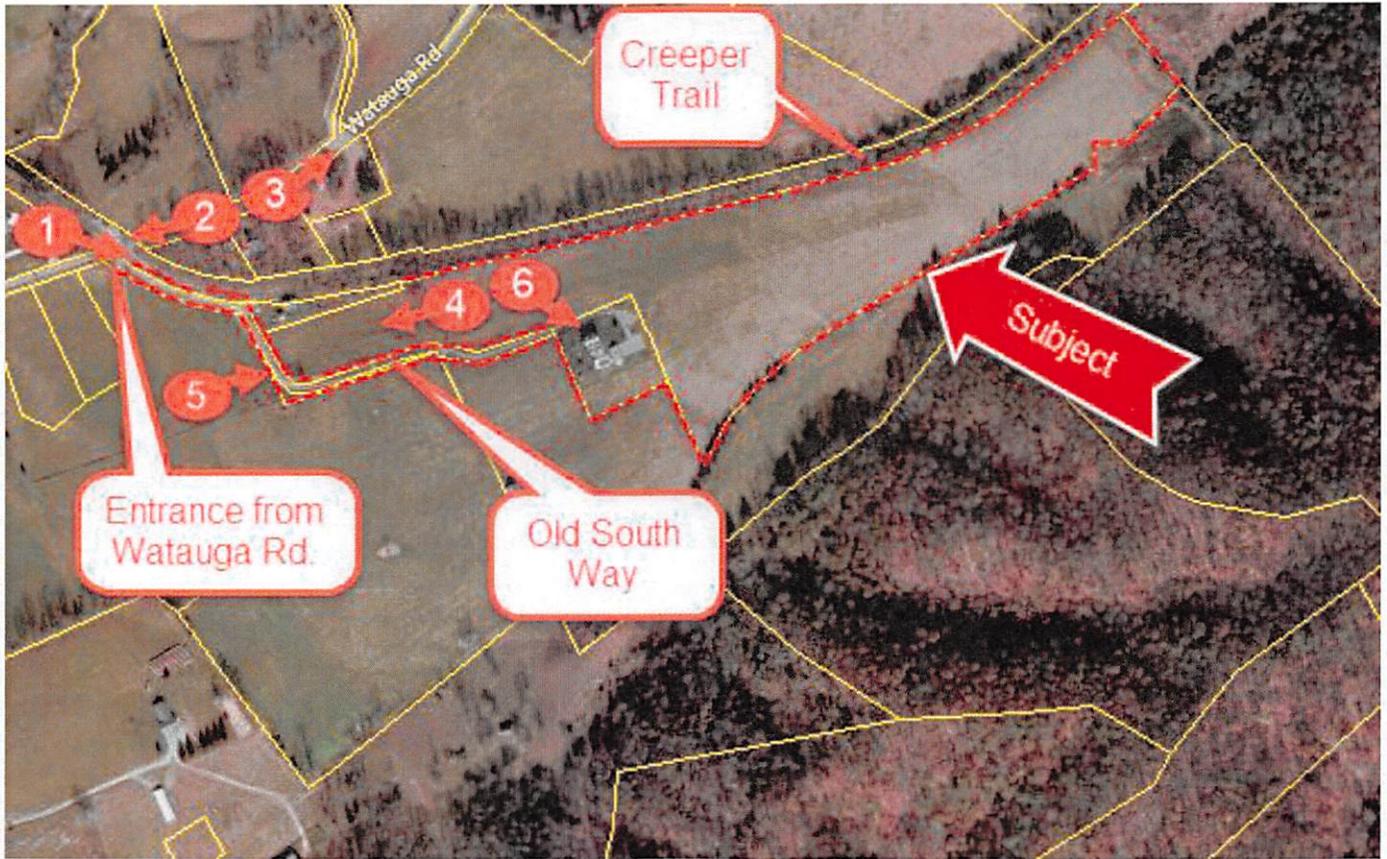
  
\_\_\_\_\_  
**Gregory W. Kelly, Town Manager**

Please advertise in **Bristol Herald Courier** under the Town of Abingdon Seal on:  
**Monday, October 31, 2016**

*I, Deborah C. Icenhour, Town Attorney for the Town of Abingdon, Virginia, do hereby acknowledge that this notice is true and correct in form and that it meets all of the procedural and substantive requirements set forth in the Town Code, this the 17<sup>th</sup> day of October, 2016.*

  
\_\_\_\_\_  
**Deborah C. Icenhour**

Please send confirmation once advertisement has been completed, together with invoice, to Deborah C. Icenhour, Town Attorney, P. O. Box 789, Abingdon, Virginia 24212-0789.



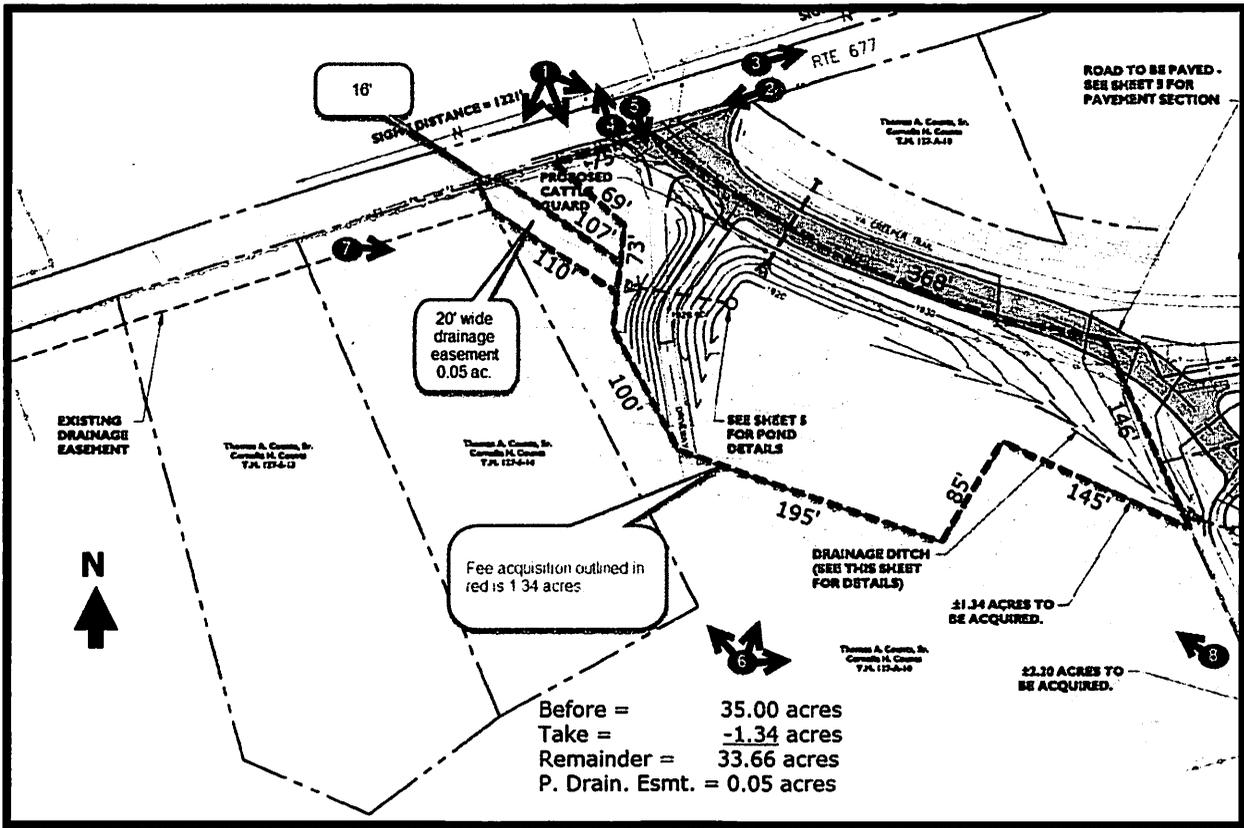
Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

the southwest side (including offsets), and contains 1.34 acres. The property is cleared, gently rolling terrain. In addition, a 20 foot wide permanent drainage easement is to be acquired that is 123 feet (2 calls) on the north side, is 110 feet on the south side, and contains 0.05 acre.

Acquisition includes approximately 2,760 square feet of gravel driveway; 100 feet of 4-rail, split rail, wooden fencing along Watauga Road and Old South Way; and approximately 310 feet of 5 foot high wire mesh fencing, topped with one strand of barb wire, on wood posts. The cattle guard near the entrance to the property is to be moved as part of project construction according to notes on "full size" plans furnished the appraiser but not shown on acquisition survey below. The appraisal assumes the cattle guard will be moved by the contractor and at the condemning authority's expense. Acquisition survey follows.

Per acre value of the fee acquisition of 1.34 acres is \$10,700 per acre value and the same as the overall property per acre value before acquisition. Permanent drainage easement containing 0.05 acre is estimated at 90% of fee value or \$9,630 per acre.

**ACQUISITION SURVEY**



Before =	35.00 acres
Take =	-1.34 acres
Remainder =	33.66 acres
P. Drain. Esmt. =	0.05 acres

Improvements Acquired

Gravel drive acquired measures 230 feet by approximately 12 feet and contains 2,760 square feet of gravel driveway.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1 for median costs.

CCM = Current Cost Multiplier LM = Local Multiplier for Roanoke, Virginia

Grading and disposal cost = \$0.30 per sq. ft.

4 inch rock base = 0.71 per sq. ft.

Total cost = \$1.01 per sq. ft.



## TOWN OF ABINGDON

133 WEST MAIN STREET

P. O. BOX 789

ABINGDON, VIRGINIA 24212-0789

**TO:** Members of Town Council  
**FROM:** Chuck Banner- Treasurer  
**RE:** Banking Request for Proposals  
**DATE:** November 1, 2016

In response to the Request for Proposal that was issued on September 1, 2016 for banking services the town received five (5) responses to the proposal request. The contract is for an initial five (5) year period with five additional one year renewals for a possible total of ten (10) years. The five (5) banks which submitted a proposal by the September 30<sup>th</sup> deadline were:

1. First Bank & Trust
2. TruPoint Bank
3. National Bank
4. BB&T
5. First Community Bank

The proposal requested a fee structure based off of compensating balances for cost of banking services. Of the proposals received three (3) banks required no compensating balances and offered their services at no charge to the Town. Those banks were:

1. First Bank & Trust
2. TruPoint Bank
3. National Bank

These banks were brought in on October 24<sup>th</sup> for presentations on the bank's capabilities to provide the services as requested in the Request for Proposal (RFP) to the committee which consisted of myself, Cecile Rosenbaum and Greg Kelly. The effective date of this conversion is January 1, 2017. After reviewing the proposals and lengthy discussion on the content of the proposal and the bank's capabilities to provide the services and the bank's plan for handling the conversion the committee would like to recommend:



## TOWN OF ABINGDON

133 WEST MAIN STREET  
P. O. BOX 789  
ABINGDON, VIRGINIA 24212-0789

### First Bank & Trust

This recommendation is based off the bank's proposal and the ability to commit significant resources to ensure a smooth conversion for the town. First Bank & Trust also stated that if at any time the town is not pleased with the services, the town could walk away from the contract at no cost.

Respectfully submitted,

Chuck Banner

c: Greg Kelly

Cecile Rosenbaum



## TOWN OF ABINGDON

133 WEST MAIN STREET

P. O. BOX 789

ABINGDON, VIRGINIA 24212-0789

TELEPHONE:  
(276) 628-3167

FAX:  
(276) 628-9986

TO: Members of Town Council  
FROM: Chuck Banner-Treasurer   
RE: Movement of Sewer Fund Deposit Account  
DATE: November 1, 2016

Based off of a recommendation made to myself during exit conferencing from our Financial Write Up Audit the town's auditor, Tamara Greear from Thrower, Blanton, & Associates, has recommended that we move this account from Wells Fargo due to the analysis fees being charged which averaged approximately \$240 per month.

It is my recommendation, that you authorize myself and the Town Manager to execute the necessary documents to move this account from Wells Fargo to First Bank & Trust where no analysis fees will be charged. These funds can be moved prior to the January 1, 2017 banking services change over date according to Ms. Greear.

These funds will be held in a separate account as required and there will be no charges associated with maintaining the account by First Bank & Trust

C: Greg Kelly

Cecile Rosenbaum



## **A Resolution by the Council of the Town of Abingdon, VA, Authorizing to Pick up the Employees Contribution to VRS for Past Service Credit under § 414(h) of the Internal Revenue Code**

**WHEREAS**, the Town of Abingdon desires to provide its employees with tax deferral pursuant to § 414(h) Internal Revenue Code with respect to their member contributions to the Virginia Retirement System, the State Police Officers Retirement System and the Judicial Retirement System (collectively referred to as VRS) for the permissible purchase of past service credit by picking up member contributions to the VRS; and

**WHEREAS**, the pick up is authorized under Virginia Code Sections 51.1-142.2; as such Code, has been or may be amended from time to time

**WHEREAS**, the VRS keeps track of such picked up member contributions, and is prepared to treat such contributions as employee contributions for all purposes of VRS;

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that effective the first pay day on or after the later of November 7, 2016 or the date the member executes a binding and irrevocable salary reduction election relating to the past service permitted to be purchased, the Town of Abingdon shall pick up all or a portion of the member contributions of its employees to VRS based on the terms of the salary reduction election, and such contributions shall be treated as employer contributions in determining tax treatment under the Internal Revenue Code of the United States; and it is further

**RESOLVED**, the binding salary reduction election to be executed by the member shall include the following: (1) the beginning and ending date of the election, (2) the amount of the salary reduction on a pay period by pay period basis, (3) the total amount of contribution expected to be involved, (4) a statement that the member may not receive the contributed amounts instead of having them paid by the Town of Abingdon to the VRS, and (5) an agreement that the member will not purchase the service credit through a lump sum payment during the period in which the salary reduction election is in effect, and it is further

**RESOLVED**, the member may revoke the salary reduction election only in the event of an unforeseeable emergency as that phrase is used and defined in IRC Section 457 and Treasury Regulation Section 1.457-2(h)(4) and if such a revocation is made, the member may not make a new salary reduction election during his period of employment, and it is further

**RESOLVED**, that such contributions, although designated as member contributions, are to be made by the Town of Abingdon in lieu of member contributions; and it is further

**RESOLVED**, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and it is further

**RESOLVED**, that member contributions made by the Town of Abingdon under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and it is further

**RESOLVED**, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the Town of Abingdon directly instead of having them paid to VRS; and it is further

**RESOLVED, by the Council of the Town of Abingdon** that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the Town of Abingdon shall be reduced by the amount of member contributions picked up by the Town of Abingdon on behalf of such employee pursuant to the foregoing resolution.

**TOWN OF ABINGDON, VIRGINIA**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the "Town"), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on November 7, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

<b>MEMBERS</b>	<b>ATTENDANCE</b>	<b>VOTE</b>
Cathy C. Lowe, Mayor		
Richard E. Humphreys, Vice Mayor		
Robert M. Howard		
M. Cindy Patterson		
J. Wayne Craig		

WITNESS MY HAND and the seal of the Town of Abingdon as of November 8, 2016.

(SEAL)

\_\_\_\_\_  
Tonya Triplett, Deputy Clerk  
Town of Abingdon, Virginia



**A Resolution by the Council of the Town of Abingdon, VA Endorsing the  
2016 Virginia Smart Scale Project Applications for the Town of  
Abingdon, Virginia**

**WHEREAS**, Virginia's Smart Scale program established a prioritization and scoring process for the Commonwealth Transportation Board to objectively evaluate projects for funding; and,

**WHEREAS**, Smart Scale is an application based process available for Counties, Cities and Towns, and public transportation agencies to apply for project funding; and

**WHEREAS**, The Town of Abingdon, Virginia has submitted applications for funding through the Smart Scale process.

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the Town of Abingdon as follows:

That the following Smart Scale applications for the Town of Abingdon, Virginia are fully supported and endorsed by the Council of the Town of Abingdon:

- *Project: French Moore Jr. Boulevard Extension*
- *Project: US 11 (Lee Highway) at US 19 (Porterfield Highway) Intersection Improvements.*
- *Project: US11 (Lee Highway) at State Route 140 (Jonesboro Road) Intersection Improvements*
- *Project: Widen US 11 (East Main Street) between Hillman Highway and Empire Drive*

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Abingdon, Virginia that the above listed 2016 Smart Scale Application projects have the full support and endorsement of the Council.

**TOWN OF ABINGDON, VIRGINIA**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the “Town”), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on November 7, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

<b>MEMBERS</b>	<b>ATTENDANCE</b>	<b>VOTE</b>
Cathy C. Lowe, Mayor		
Richard E. Humphreys, Vice Mayor		
Robert M. Howard		
M. Cindy Patterson		
J. Wayne Craig		

WITNESS MY HAND and the seal of the Town of Abingdon as of November 8, 2016

(SEAL)

---

Tonya Triplett, Deputy Clerk  
Town of Abingdon, Virginia



**TOWN OF ABINGDON**  
**Abingdon, Virginia**

October 31, 2016

MEMORANDUM

To: Mayor Lowe and Members  
Abingdon Town Council

From: Cecile Rosenbaum  
Assistant Town Manager/Town Clerk

Re: *Minutes from September 6, 2016 meeting – tabled at the regular October meeting*

---

Mayor Lowe and Council members –

At the regular October 3, 2016 meeting, on motion of Ms. Patterson, seconded by Mr. Craig, with a 5-0 vote, Council agreed to table the minutes of the September 6, 2016 meeting to “allow the Clerk time to review the video and make corrections”. In that regard, Tonya and I have reviewed the video and this memo is my attempt to capture what we were directed to do in your motion. One thing I think is important to note is that the last part of the motion says “*and to make corrections*”. I want to make certain that Council understands that I, nor Tonya, possess the authority to make corrections to the minutes before they are resubmitted to you for approval. It is necessary that Council make a motion, in open meeting, specifically listing the changes they wish to have made to the minutes and the vote has to pass by at least 3 members of Council. It always helps to reference the page number where the change occurs and the agenda item under which the proposed change would be made.

You will see in the attached emails what I have tried to summarize and will list each request below and what I recommend be changed or remain “stand as written”.

1. Attachment #1 - email dated 9/2/16 to me from Dr. Jim Moore with a request to make his statement “crystal clear”. I believe Dr. Moore is speaking of the August 1<sup>st</sup> meeting minutes, page 125 – It is my opinion that these minutes should stand as written as they accurately reflect the comment.
2. Attachment #2 – email from Mr. Craig to me dated 10/1/16 asking that I review the video and correct the minutes of the last meeting.

3. Attachment #3 – email from me to Mr. Craig dated 10/2/16 with my response to the request and a suggested motion regarding the changes requested to the minutes from Mr. Levine and Ms. Bradley. These 2 emails, #2 and #3, deal with a correction to a statement made by Mayor Lowe at the September 6<sup>th</sup> meeting relative to comments received by Council and regarding the Meadows House and property. I have reviewed the video and I feel that a change would be in order to accurately reflect what Mayor Lowe said and supported by the fact that is a statement by a Council member. The minutes on page 142 of September 6<sup>th</sup> regular meeting should be changed to read as follows: ***“In addition, Mayor Lowe then noted that emails had been received by Council members from some town residents requesting the Council consider placing the Meadows house AND 40 ACRES on the National Historic Register”***
4. Attachment #4 – email from Mr. Craig to me dated 10/2/16 asking that I make sure his question to me and my answer during the meeting were recorded accurately in the minutes. I would recommend a modification to page 142 of the September 6, 2016 Regular meeting minutes and insert the following sentence in the comments: ***“Mr. Craig asked Ms. Rosenbaum, Town Clerk, if she had made the changes to the minutes that Mr. Levine had requested. Ms. Rosenbaum noted that had not made the changes and Council would have to authorize her to do so”***. This comment is also one made by a Council member which would support the change.
5. Attachment #5 – email from Mr. Craig to me dated Thursday, October 27, 2016 asking that I review Dr. Moore’s request and let us know if the minutes are correct . . . . I can only assume that Mr. Craig is referring to an email that was sent to all 5 Council members on October 24<sup>th</sup>. I received a copy of a response email to Dr. Moore from Mayor Lowe on the same day wherein Dr. Moore was asking that comments of a staff member from the April 6, 2015 regular meeting minutes be changed. I feel that these minutes should stand as written and recommend no changes be made.

I hope that Council will note that my training and knowledge as the Clerk over the years holds that changes to minutes are only warranted when a motion by Council has (1) not been accurately written as the motion was stated and requires correction and/or (2) a change is made upon advice of counsel who cites case law that would support the amendment. You will see that the two (2) items above that I recommend including for modifications are statements made by Council members but do not meet either of these criteria. However, in the spirit of cooperation and as supported by the video review, I will make the corrections if directed to do so by Council. As I stated earlier, the changes must be specified in a motion, in an open meeting, and approved by a majority of the Council before they are amended and placed in the town’s official minute books.

If you wish to discuss this matter with me prior to Monday night’s meeting, I am happy to speak with you.

cc: Deb Icenhour, Town Attorney  
Greg Kelly, Town Manager

Attachment #1

**Cecile Rosenbaum**

---

**From:** James Moore, MD <James.moore@myhmg.com>  
**Sent:** Friday, September 02, 2016 12:45 PM  
**To:** Cecile Rosenbaum  
**Subject:** town council minutes

Hi Cecile, at the last Town Council meeting I stated initially that " I want to make it "crystal clear" that neither Judy nor I , or anyone we know is opposed to a sports complex for the youth of the community" ----- then went on to say The Meadows is not be the location , ect.

Thanks for making this crystal clear in the minutes, Jim Moore

The information contained in this email, including attachments, is confidential and may be legally privileged and protected from disclosure by the Electronic Communication Act, 18 U.S.C. 2510-2521. It is intended solely for the addressee(s), and if the reader is not the intended recipient, you are hereby notified that any access, use, reproduction, disclosure or dissemination of this communication by anyone is strictly prohibited. Neither Holston Medical Group nor any of its subsidiaries shall assume legal liability or responsibility for any incorrect, misleading or altered information contained herein. If you have received this message in error, please notify the sender immediately by replying to the email and deleting it from your computer.

Attachment # 2

**Cecile Rosenbaum**

---

**From:** Jualan <jwc1060@yahoo.com>  
**Sent:** Saturday, October 01, 2016 10:40 AM  
**To:** Cecile Rosenbaum  
**Subject:** Fwd: Sept video

Will you please look at the video and correct the minutes of the last meeting if appropriate . Thanks  
Wayne

Sent from my iPhone

Begin forwarded message:

**From:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Date:** October 1, 2016 at 10:17:13 AM EDT  
**To:** "A. F. - Wayne Craig" <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)>  
**Subject:** Fwd: Sept video

Wayne,

See below. The minutes of the Sept meeting conveniently left off the 40 acres. We want the entire 40 acres protected. Can the minutes be corrected to show that the people that wrote want the entire 40 acres included including the mansion house and all outbuildings recommended in the archeological study?

Joe

Sent from my iPhone

Begin forwarded message:

**From:** "Leslie P. Bradley" <[lbrad4763@bvu.net](mailto:lbrad4763@bvu.net)>  
**Date:** October 1, 2016 at 16:08:08 GMT+1  
**To:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Subject:** Sept video

Joe, I listened to Cathy Lowe at the meeting, and she did say "the house and 40 acres."

**Cecile Rosenbaum**

---

Attachment # 3

**From:** Jualan <jwc1060@yahoo.com>  
**Sent:** Sunday, October 02, 2016 8:57 AM  
**To:** Cecile Rosenbaum  
**Subject:** Re: Sept video

Thanks

Sent from my iPhone

On Oct 2, 2016, at 8:25 AM, Cecile Rosenbaum <[crosenbaum@abingdon-va.gov](mailto:crosenbaum@abingdon-va.gov)> wrote:

Good morning Mr. Craig - I have reviewed the request from Mr. Levine and Ms. Bradley to change the minutes for the September 6th meeting. I just wanted to pass along that the minutes are included in the Council packet for all Council to review and if any member would like to amend what has been presented, the process would be to make a motion and request an amendment or review of the video from the meeting. It would not be proper procedure for me to amend them either before the meeting or without a direction agreed on by the full body of the Council.

I would suggest you consider making a motion during Monday nights meeting as follows:

"I move that the minutes of the September 6th Regular meeting be approved as presented but request that Ms. Rosenbaum and Ms. Triplett review the video and confirm Mayor Lowe's comments that written citizen requests had been received by Council asking that the "house and 40 acres be included in the application for National Historic Register" and if confirmed, please add that comment to the minutes."

I hope this helps and if you have any questions, feel free to call me on Monday before the meeting. Thanks, Cecile.

Sent from my iPad

On Oct 1, 2016, at 10:38 AM, Jualan <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)> wrote:

Will you please look at the video and correct the minutes of the last meeting if appropriate . Thanks  
Wayne

Sent from my iPhone

Begin forwarded message:

**From:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Date:** October 1, 2016 at 10:17:13 AM EDT  
**To:** "A. F. - Wayne Craig" <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)>  
**Subject:** Fwd: Sept video

Wayne,

See below. The minutes of the Sept meeting conveniently left off the 40 acres. We want the entire 40 acres protected. Can the minutes be corrected to show that the people that wrote want the entire 40 acres included including the mansion house and all outbuildings recommended in the archeological study?

Joe

Sent from my iPhone

Begin forwarded message:

**From:** "Leslie P. Bradley" <[lbrad4763@bvu.net](mailto:lbrad4763@bvu.net)>

**Date:** October 1, 2016 at 16:08:08 GMT+1

**To:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>

**Subject:** Sept video

Joe, I listened to Cathy Lowe at the meeting, and she did say "the house and 40 acres."

Attachment # 4

**Cecile Rosenbaum**

---

**From:** Wayne Craig  
**Sent:** Sunday, October 02, 2016 11:54 PM  
**To:** Cecile Rosenbaum  
**Subject:** Re: Minutes

I notice that you did not include my question to you nor your response in the minutes of the Sept 6 meeting as I requested. Is there a particular reason?

Wayne Craig

Sent from my iPad

> On Sep 26, 2016, at 3:08 PM, Cecile Rosenbaum <crosenbaum@abingdon-va.gov> wrote:

>  
> Yes sir  
>  
> Cecile M. Rosenbaum, CMC  
> Town Clerk  
> Town of Abingdon  
> P.O. Box 789  
> Abingdon, Virginia 24212-0789  
> 276-628-3167  
> crosenbaum@abingdon-va.gov

>  
>  
> \_\_\_\_\_

> From: Wayne Craig  
> Sent: Monday, September 26, 2016 1:05 PM  
> To: Cecile Rosenbaum  
> Subject: Minutes

>  
> Please make sure that the question I asked you and your answer are recorded accurately in the minutes of our last meeting.

> Thanks  
> Wayne

>  
> Sent from my iPad

Attachment #5

**Cecile Rosenbaum**

---

**From:** Wayne Craig  
**Sent:** Thursday, October 27, 2016 1:34 PM  
**To:** Cecile Rosenbaum  
**Subject:** Minutes

I hope you will review Dr. Moore's request and let us know if the minutes are correct or not at the work session before our next council meeting.

Thanks  
Wayne

Sent from my iPad



**TOWN OF ABINGDON, VIRGINIA  
REGULAR COUNCIL MEETING  
MONDAY, NOVEMBER 7, 2016 7:30PM  
COUNCIL CHAMBERS AT THE TOWN MUNICIPAL BUILDING**

*Welcome to the Town of Abingdon, Virginia Regular Council Meeting. We appreciate your interest and we encourage public participation in our meeting. Your comments are important to our decision making process. Please note that there will be two (2) opportunities during the meeting for you to address the Council members. The first opportunity to address the council will come near the beginning of the Agenda when the Mayor will inquire if anyone wishes to speak to Council members. The second opportunity will come when the Mayor declares a public hearing open for comment. We do request that anyone addressing the Council, approach the podium, identify your first and last name, give your complete mailing address and limit your comments to 3 minutes.*

**A. WELCOME – Mayor Lowe**

**B. ROLL CALL – Tonya Triplett, Deputy Clerk**

**C. PLEDGE OF ALLEGIANCE – Rick Humphreys, Vice Mayor**

**D. APPROVAL OF MINUTES**

1. September 6, 2016 Regular Meeting minutes – *minutes were tabled at the October 3<sup>rd</sup> regular meeting for review by the Clerk*
2. October 3, 2016 Work Session Minutes
3. October 3, 2016 Regular Meeting Minutes

**E. PUBLIC COMMENTS – Please place your name on the sign-up sheet and limit comments to 3 minutes.**

**F. PETITIONS, PUBLIC HEARINGS AND FIRST READING OF ORDINANCE**

1. **PUBLIC HEARING** – Consideration of proposed purchase of properties; 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts – *Deb Icenhour, Town Attorney*

- a. Authorization of Town Manager to acquire the properties, as described, for the

purpose of improving the Virginia Creeper Trail, Watauga Road parking and restroom facilities and to execute any and all documents necessary to complete the transaction – *Greg Kelly, Town Manager and Kevin Worley, Dir. of Parks and Recreation*

**G. SECOND READINGS OF ORDINANCES - None**

**H. CONSIDERATION OF ANY BIDS - None**

**I. REPORTS FROM THE TOWN MANAGER AND ASSISTANT TOWN MANAGER**

1. Consideration of recommendation of proposals submitted for banking services for the town and authorization of the Town Manager to execute all necessary documentation relative to the town's General and Sewer Fund accounts – *Chuck Banner, Treasurer/Dir. of Finance and Greg Kelly, Town Manager*
  - a. Authorization of Chuck Banner, Director of Finance to move the sewer fund deposit account - *Chuck Banner, Treasurer/Dir. of Finance and Greg Kelly, Town Manager*

**J. RESOLUTIONS**

1. A Resolution of the Council of the Town of Abingdon for Authorization to Pick up the Employees Contributions, through payroll deduction, to VRS for Past Service Credit Under as provided for under § 414(h) of the Internal Revenue Code - *Cecile Rosenbaum, Assistant Town Manager*
2. A Resolution of the Council of the Town of Abingdon Endorsing the town's 2016 Virginia Smart Scale Project Applications - *John Dew, Director of Public Services and Construction*

**K. OLD BUSINESS - None**

**L. MATTERS NOT ADDRESSED AT WORK SESSION MEETING**

**M. APPOINTMENTS TO BOARDS AND COMMITTEES - None**

**N. COUNCIL MEMBER REPORTS**

**O. ANNOUNCEMENTS**

- November 4-5 - Mistletoe Market, SWHEC 9am-6pm.
- November 6 - Mistletoe Market, SWHEC 11am-5pm.
- November 7 - 7:00 FREE Event: Young Playwrights Festival performs for the public at

Barter Stage II.

- November 7 – Indoor Grilling: Winter Health & Flavor, Matt Shy at SWHEC, 6-9pm.
- November 8 – Election Day Hootenanny, William King at 6:00pm.
- November 9 – Noon Knowledge, Is your Business Group Friendly, Small Business Incubator, Noon-1:30pm.
- November 10 – Autumn Landscape Painting Class with Gino Di Dio – Heartwood 6:30-8:30pm. \$30 include all supplies.
- November 11 – Veterans Day, Town Offices Closed
- November 11 – Veterans Day Ceremony and Dedication at 11am at Veterans Memorial Park.
- November 12 - America Recycles Day 9:00-1:00 at the Abingdon Police Department. E-Waste, Document Shredding, accepting food donations for Second Harvest Food Bank and gently used shoes.
- November 12 – Concert/Dinner fundraiser for Meals on Wheels, featuring Bluegrass Band “Boots on The Ground”, Abingdon Community Center 6-8pm.
- November 13 - 3:00 Barter Theatre performs “Chicago” with The Symphony of the Mountains at The Toy F. Reid Center in Kingsport.
- November 14 – Colors and Flavors of the Feast, Matt Henry, SWHEC 6-9pm.
- November 16 – Noon Knowledge, Generational Recruiting, Small Business Incubator, Noon-1:30pm.
- November 18 – 8:00 “A Christmas Carol” begins performances at Barter Theatre.
- November 22 - 7:30 “Over the River and Through the Woods” begins performances at Barter Stage II.
- November 23 - 7:30 Opening Night of “Over the River and Through the Woods” at Barter Stage II.
- November 23 – Town Offices Close at Noon for Thanksgiving Holiday.
- November 24-25 – Town Offices closed for Thanksgiving Holiday.
- November 24 – Thanksgiving Buffet at Heartwood, 11am-5pm. Reservations recommended.
- November 25 - 8:00 Opening Night of “A Christmas Carol” with gala at Barter Theatre.
- November 28 – Healthy and Hearty Main Dish Soups, Shaun Crookshank, SWHEC 6-9pm.
- December 2 – Over 50 Expo at SWHEC, 9am-4pm.
- December 3 – MLH Local Hack Day, SWHEC, 9am-9pm.
- December 5 – Festive Artisan Breads for the Holidays, Kelli Mehl, SWHEC 6-9pm.
- December 7 – Community Christmas at Barter Theatre.
- December 12 – Holiday Cookie Making, Francine Ivery, SWHEC 6-9pm.

**P. ADJOURNMENT**



**TOWN OF ABINGDON**  
**Abingdon, Virginia**

October 31, 2016

MEMORANDUM

To: Mayor Lowe and Members  
Abingdon Town Council

From: Cecile Rosenbaum  
Assistant Town Manager/Town Clerk

Re: *Minutes from September 6, 2016 meeting – tabled at the regular October meeting*

---

Mayor Lowe and Council members –

At the regular October 3, 2016 meeting, on motion of Ms. Patterson, seconded by Mr. Craig, with a 5-0 vote, Council agreed to table the minutes of the September 6, 2016 meeting to “allow the Clerk time to review the video and make corrections”. In that regard, Tonya and I have reviewed the video and this memo is my attempt to capture what we were directed to do in your motion. One thing I think is important to note is that the last part of the motion says “*and to make corrections*”. I want to make certain that Council understands that I, nor Tonya, possess the authority to make corrections to the minutes before they are resubmitted to you for approval. It is necessary that Council make a motion, in open meeting, specifically listing the changes they wish to have made to the minutes and the vote has to pass by at least 3 members of Council. It always helps to reference the page number where the change occurs and the agenda item under which the proposed change would be made.

You will see in the attached emails what I have tried to summarize and will list each request below and what I recommend be changed or remain “stand as written”.

1. Attachment #1 - email dated 9/2/16 to me from Dr. Jim Moore with a request to make his statement “crystal clear”. I believe Dr. Moore is speaking of the August 1<sup>st</sup> meeting minutes, page 125 – It is my opinion that these minutes should stand as written as they accurately reflect the comment.
2. Attachment #2 – email from Mr. Craig to me dated 10/1/16 asking that I review the video and correct the minutes of the last meeting.

3. Attachment #3 – email from me to Mr. Craig dated 10/2/16 with my response to the request and a suggested motion regarding the changes requested to the minutes from Mr. Levine and Ms. Bradley. These 2 emails, #2 and #3, deal with a correction to a statement made by Mayor Lowe at the September 6<sup>th</sup> meeting relative to comments received by Council and regarding the Meadows House and property. I have reviewed the video and I feel that a change would be in order to accurately reflect what Mayor Lowe said and supported by the fact that is a statement by a Council member. The minutes on page 142 of September 6<sup>th</sup> regular meeting should be changed to read as follows: ***“In addition, Mayor Lowe then noted that emails had been received by Council members from some town residents requesting the Council consider placing the Meadows house AND 40 ACRES on the National Historic Register”***
4. Attachment #4 – email from Mr. Craig to me dated 10/2/16 asking that I make sure his question to me and my answer during the meeting were recorded accurately in the minutes. I would recommend a modification to page 142 of the September 6, 2016 Regular meeting minutes and insert the following sentence in the comments: ***“Mr. Craig asked Ms. Rosenbaum, Town Clerk, if she had made the changes to the minutes that Mr. Levine had requested. Ms. Rosenbaum noted that had not made the changes and Council would have to authorize her to do so”***. This comment is also one made by a Council member which would support the change.
5. Attachment #5 – email from Mr. Craig to me dated Thursday, October 27, 2016 asking that I review Dr. Moore’s request and let us know if the minutes are correct . . . . I can only assume that Mr. Craig is referring to an email that was sent to all 5 Council members on October 24<sup>th</sup>. I received a copy of a response email to Dr. Moore from Mayor Lowe on the same day wherein Dr. Moore was asking that comments of a staff member from the April 6, 2015 regular meeting minutes be changed. I feel that these minutes should stand as written and recommend no changes be made.

I hope that Council will note that my training and knowledge as the Clerk over the years holds that changes to minutes are only warranted when a motion by Council has (1) not been accurately written as the motion was stated and requires correction and/or (2) a change is made upon advice of counsel who cites case law that would support the amendment. You will see that the two (2) items above that I recommend including for modifications are statements made by Council members but do not meet either of these criteria. However, in the spirit of cooperation and as supported by the video review, I will make the corrections if directed to do so by Council. As I stated earlier, the changes must be specified in a motion, in an open meeting, and approved by a majority of the Council before they are amended and placed in the town’s official minute books.

If you wish to discuss this matter with me prior to Monday night’s meeting, I am happy to speak with you.

cc: Deb Icenhour, Town Attorney  
Greg Kelly, Town Manager

Attachment #1

**Cecile Rosenbaum**

---

**From:** James Moore, MD <James.moore@myhmg.com>  
**Sent:** Friday, September 02, 2016 12:45 PM  
**To:** Cecile Rosenbaum  
**Subject:** town council minutes

Hi Cecile, at the last Town Council meeting I stated initially that " I want to make it "crystal clear" that neither Judy nor I , or anyone we know is opposed to a sports complex for the youth of the community" ----- then went on to say The Meadows is not be the location , ect.

Thanks for making this crystal clear in the minutes, Jim Moore

The information contained in this email, including attachments, is confidential and may be legally privileged and protected from disclosure by the Electronic Communication Act, 18 U.S.C. 2510-2521. It is intended solely for the addressee(s), and if the reader is not the intended recipient, you are hereby notified that any access, use, reproduction, disclosure or dissemination of this communication by anyone is strictly prohibited. Neither Holston Medical Group nor any of its subsidiaries shall assume legal liability or responsibility for any incorrect, misleading or altered information contained herein. If you have received this message in error, please notify the sender immediately by replying to the email and deleting it from your computer.

Attachment # 2

**Cecile Rosenbaum**

---

**From:** Jualan <jwc1060@yahoo.com>  
**Sent:** Saturday, October 01, 2016 10:40 AM  
**To:** Cecile Rosenbaum  
**Subject:** Fwd: Sept video

Will you please look at the video and correct the minutes of the last meeting if appropriate . Thanks  
Wayne

Sent from my iPhone

Begin forwarded message:

**From:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Date:** October 1, 2016 at 10:17:13 AM EDT  
**To:** "A. F. - Wayne Craig" <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)>  
**Subject:** Fwd: Sept video

Wayne,

See below. The minutes of the Sept meeting conveniently left off the 40 acres. We want the entire 40 acres protected. Can the minutes be corrected to show that the people that wrote want the entire 40 acres included including the mansion house and all outbuildings recommended in the archeological study?

Joe

Sent from my iPhone

Begin forwarded message:

**From:** "Leslie P. Bradley" <[lbrad4763@bvu.net](mailto:lbrad4763@bvu.net)>  
**Date:** October 1, 2016 at 16:08:08 GMT+1  
**To:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Subject:** Sept video

Joe, I listened to Cathy Lowe at the meeting, and she did say "the house and 40 acres."

**Cecile Rosenbaum**

---

Attachment # 3

**From:** Jualan <jwc1060@yahoo.com>  
**Sent:** Sunday, October 02, 2016 8:57 AM  
**To:** Cecile Rosenbaum  
**Subject:** Re: Sept video

Thanks

Sent from my iPhone

On Oct 2, 2016, at 8:25 AM, Cecile Rosenbaum <[crosenbaum@abingdon-va.gov](mailto:crosenbaum@abingdon-va.gov)> wrote:

Good morning Mr. Craig - I have reviewed the request from Mr. Levine and Ms. Bradley to change the minutes for the September 6th meeting. I just wanted to pass along that the minutes are included in the Council packet for all Council to review and if any member would like to amend what has been presented, the process would be to make a motion and request an amendment or review of the video from the meeting. It would not be proper procedure for me to amend them either before the meeting or without a direction agreed on by the full body of the Council.

I would suggest you consider making a motion during Monday nights meeting as follows:

"I move that the minutes of the September 6th Regular meeting be approved as presented but request that Ms. Rosenbaum and Ms. Triplett review the video and confirm Mayor Lowe's comments that written citizen requests had been received by Council asking that the "house and 40 acres be included in the application for National Historic Register" and if confirmed, please add that comment to the minutes."

I hope this helps and if you have any questions, feel free to call me on Monday before the meeting. Thanks, Cecile.

Sent from my iPad

On Oct 1, 2016, at 10:38 AM, Jualan <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)> wrote:

Will you please look at the video and correct the minutes of the last meeting if appropriate . Thanks  
Wayne

Sent from my iPhone

Begin forwarded message:

**From:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>  
**Date:** October 1, 2016 at 10:17:13 AM EDT  
**To:** "A. F. - Wayne Craig" <[jwc1060@yahoo.com](mailto:jwc1060@yahoo.com)>  
**Subject:** Fwd: Sept video

Wayne,

See below. The minutes of the Sept meeting conveniently left off the 40 acres. We want the entire 40 acres protected. Can the minutes be corrected to show that the people that wrote want the entire 40 acres included including the mansion house and all outbuildings recommended in the archeological study?

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Sent from my iPhone

Begin forwarded message:

**From:** "Leslie P. Bradley" <[lbrad4763@bvu.net](mailto:lbrad4763@bvu.net)>

**Date:** October 1, 2016 at 16:08:08 GMT+1

**To:** Joe LeVine <[joe.vmi68@gmail.com](mailto:joe.vmi68@gmail.com)>

**Subject:** Sept video

Joe, I listened to Cathy Lowe at the meeting, and she did say "the house and 40 acres."

Attachment # 4

**Cecile Rosenbaum**

---

**From:** Wayne Craig  
**Sent:** Sunday, October 02, 2016 11:54 PM  
**To:** Cecile Rosenbaum  
**Subject:** Re: Minutes

I notice that you did not include my question to you nor your response in the minutes of the Sept 6 meeting as I requested. Is there a particular reason?

Wayne Craig

Sent from my iPad

> On Sep 26, 2016, at 3:08 PM, Cecile Rosenbaum <crosenbaum@abingdon-va.gov> wrote:

>  
> Yes sir  
>  
> Cecile M. Rosenbaum, CMC  
> Town Clerk  
> Town of Abingdon  
> P.O. Box 789  
> Abingdon, Virginia 24212-0789  
> 276-628-3167  
> crosenbaum@abingdon-va.gov

>  
>  
> \_\_\_\_\_

> From: Wayne Craig  
> Sent: Monday, September 26, 2016 1:05 PM  
> To: Cecile Rosenbaum  
> Subject: Minutes

>  
> Please make sure that the question I asked you and your answer are recorded accurately in the minutes of our last meeting.  
> Thanks  
> Wayne  
>  
> Sent from my iPad

Attachment #5

**Cecile Rosenbaum**

---

**From:** Wayne Craig  
**Sent:** Thursday, October 27, 2016 1:34 PM  
**To:** Cecile Rosenbaum  
**Subject:** Minutes

I hope you will review Dr. Moore's request and let us know if the minutes are correct or not at the work session before our next council meeting.

Thanks  
Wayne

Sent from my iPad

**TOWN OF ABINGDON  
REGULAR COUNCIL MEETING  
TUESDAY, SEPTEMBER 6, 2016 – 7:30 PM  
COUNCIL CHAMBERS – MUNICIPAL BUILDING**

A Regular Council meeting of the Abingdon Town Council was held on Tuesday, September 6, 2016 at 7:30 p.m. in the Council Chambers of the Municipal Building.

**A. Welcome by Mayor Lowe**

**B. ROLL CALL**

Members of Council Present:

Mrs. Cathy C. Lowe  
Mr. Richard E. Humphreys  
Mr. Robert M. Howard  
Mrs. M. Cindy Patterson  
Mr. J. Wayne Craig

Administrative/Town Staff:

Gregory W. Kelly, Town Manager  
Cecile Rosenbaum, Assistant Town  
Manager/Town Clerk  
Tonya Triplett, Deputy Clerk  
Deb Icenhour, Town Attorney  
Matthew Johnson, Director of Planning  
John Dew, Dir. Of Construction/Public Services  
Kevin Costello, Director of Tourism & Economic  
Development  
CJ McGlothlin, IT Department  
Chuck Banner, Director of Finance

Visitors:

Rich Macbeth, Ed Icenhour, Nelson Wampler, Glenn  
Triplett, Jimmy Stewart, Stephen Jett, Joe and  
Donna Levine, Barry Proctor, Al & Leslie Bradley,  
Stephen Spangler, Nan Harmon, Edison Jennings,  
Jim Moore, and others

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Chris Jennings, Abingdon Police Officer.

At this time, Mayor Lowe commented that she wished to address an email issue that had arisen over the weekend questioning certain sections of the August 1<sup>st</sup> Town Council minutes. Ms. Lowe reported that Cecile Rosenbaum, Assistant Town Manager/Clerk, had received an email from resident Joe Levine who had requested that she make changes to his comments noted in the minutes regarding the Marathon Development. Mayor Lowe then commented on the pending lawsuit and the request from the attorney representing the town advising that Council not discuss matters directly related to this matter. Mayor Lowe invited the public to

attend the hearing regarding the lawsuit on October 5<sup>th</sup> at the Washington County Circuit Court. Mayor Lowe noted that any changes to the proposed minutes should be discussed among the Council members during the regular meeting and any amendments should be made in motion form and passed by Council. In addition, Mayor Lowe then noted that emails had been received by Council members from some town residents requesting the Council consider placing the Meadows home on the National Historic Register.

Mayor Lowe requested that Town Attorney Deb Icenhour read an excerpt from Roberts Rules of Order which states that minutes are a summary of discussions and actions of council.

Mayor Lowe commented further on the roles of Council appointees and staff and pointed out that Council members are not to act individually but as a collective public body.

Mayor Lowe noted that Council would not hear any further public comment about any matters that are contained in the lawsuit document.

Mr. Craig apologized and stated he had received the email from Mr. Levine and suggested he forward it on to Cecile Rosenbaum, Assistant Town Manager/ Town Clerk.

Mrs. Patterson stated with all due respect she would like to address the public not as you people, but as citizens of Abingdon.

Mayor Lowe stated that we are assembled to hear and conduct town business in a respectful manner. She asked attendees to refrain from clapping and yelling so that everyone could hear and participate in the public meeting.

#### D. APPROVAL OF MINUTES

- August 1, 2016 Work Session Meeting
- August 1, 2016 Regular Meeting
- August 17, 2016 Mid-month Work Session

**On motion by Mr. Humphreys, seconded by Mrs. Patterson, the Council approved the August 1, 2016 work session minutes with the addition that (Mrs. Patterson stated she feels the most fitting place for the Historical Society is on The Meadows property), the August 1, 2016 Regular meeting with a correction on page 14 of the packet (Mr. Kelly stated that Food City, the owner of the study, has now turned over the complete study that was conducted by S&ME to DEQ and the Corp of Civil Engineers and now that it is a matter of public record it can be released to the Council with any necessary redactions) and the August 17, 2016 mid-month work session meeting minutes as presented.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Nay</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>

**Mayor Lowe     Aye**

**E. SPECIAL COMMUNITY RECOGNITION**

Greg Kelly, Town Manager read the resolution recognizing Jeb Stewart for his continued dedication and service to the young athletes of our town and region and congratulating Mr. Stewart of being chosen as one of only sixteen individuals worldwide to umpire the 2016 Little League International World Series. Mr. Kelly also presented Mr. Stewart with a signed football and baseball. (See the resolution below).

**On motion by Mr. Howard, seconded by Mrs. Patterson, the Council approved the Resolution by the Council for the Town of Abingdon, Virginia to Recognize One of Its Own Johnny “Jeb” Stewart for His Continued Dedication and Service to the Young Athletes of Our Town and Region and to Join With The Little League Association in Congratulating Jeb for Being Chosen As One of Only Sixteen Individuals Worldwide to Umpire the 2016 Little League International World Series In Williamsport Pennsylvania, August 18-28, 2016 as presented.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>



**A RESOLUTION BY THE COUNCIL FOR THE TOWN OF ABINGDON, VIRGINIA  
TO RECOGNIZE ONE OF ITS OWN  
JOHNNY "JEB" STEWART  
FOR HIS CONTINUED DEDICATION AND SERVICE TO THE YOUNG ATHLETES  
OF OUR TOWN AND REGION  
AND TO JOIN WITH THE LITTLE LEAGUE ASSOCIATION IN  
CONGRATULATING JEB FOR BEING CHOSEN AS ONE OF ONLY SIXTEEN  
INDIVIDUALS WORLDWIDE TO UMPIRE THE 2016 LITTLE LEAGUE  
INTERNATIONAL WORLD SERIES IN WILLIAMSPORT, PENNSYLVANIA  
AUGUST 18 - 28, 2016**

**WHEREAS**, Johnny "Jeb" Stewart, (hereinafter, "Jeb"), a native of the Town of Abingdon and County of Washington, Virginia, became interested and involved in local Little League athletics very early in life; and

**WHEREAS**, upon his completion of his Washington County public school education in the year of 1971 at Abingdon High School, Jeb began his 43-yr. involvement with coaching the youth of this area on our local fields and facilities in a variety of different sports activities; and

**WHEREAS**, during said 43-yr. coaching stint, Jeb found himself coaching and/or officiating games in which members of the local athletic and coaching talent pool, including but not limited to, such notables as Barney Rubble, Fred Flintstone, Greg Kelly, Blake McKinney, Hugh Ferguson, Sam McKinney, Jeff Johnson, Whitey Johnson, Joey Johnson, Glenn Triplett, Mitch Halsey, Les Sutherland, Shane Poland, Mark Copley, Beau Blevins, Todd Yates, Doug Gardner, Roger Glover, Carson Smith, Mike Brisco, Allen Hardwick, Tim Brisco, Jimmy (Scabbo) Anderson, John Brisco, Tim Grubb, Allen Kilgore, Greg Widener, Jeff McCray, Bo Coleman, John Copley, Jerry Castle, Sterling Ellison, David Copley, Jonathan Jonas, Nick Belcher, Ryan Jordan, Johnny Reichler, Justin Triplett, etc; and

**WHEREAS**, Jeb has accompanied more than a dozen of his own teams to advance to the Virginia State Championship games; and

**WHEREAS**, during said extended coaching and officiating career, Jeb has coached and officiated for decades for the benefit of hundreds of area youth athletes and their respective teams in a variety of sports, with baseball remaining his love; and

**WHEREAS**, Jeb has officiated high school level baseball, softball and football pursuant to Virginia High School League for the past several years, and continues to be involved in same at the current time; and

**WHEREAS**, in order to qualify to officiate at State and Regional levels, Jeb realized that he must begin to amass his qualifications by working hard and accruing quality experience, thereby distinguishing himself to officiate at higher levels; and

**WHEREAS**, Jeb umpired the Virginia State Major League Baseball Tournament for 19 years, 1994 - 2016; and

**WHEREAS**, Jeb umpired the Southern Regional Major League Baseball Tournament in St. Petersburg Florida in 1998; and

**WHEREAS**, Jeb umpired the Southeast Regional Major League Baseball Tournament in Warner Robins, Georgia in 2013; and

**WHEREAS**, Jeb umpired the 9 & 10 year-old Tournament of State Champions in Ceredo-Kenova, West Virginia and Greenville, North Carolina every year from 2005 - 2016; and

**WHEREAS**, Jeb umpired the 10 & 11 year-old Tournament of State Champions in Greenville, North Carolina in 2014 - 2015; and

**WHEREAS**, one of the most important aspects to the success of the Little League International Tournament is the volunteer umpires calling the games. Umpires are selected for a World Series after going through a lengthy, stringent selection process. Appointment as a member of the umpiring crew for a World Series is the highest honor Little League can bestow on an umpire, and selection means that these umpires are considered among the best in the world; and

**WHEREAS**, Jeb was contacted earlier this year with regard to being selected as one of the 16 official umpires for the 2016 Little League International Tournament in Williamsport, Pennsylvania chosen from a world-wide pool; and

**WHEREAS**, the Council for the Town of Abingdon, Virginia wish to recognize and congratulate Jeb for the honor his standard of excellence, endurance and tenacity has brought not only to himself but also to the Town of Abingdon, Virginia and our entire region; and

**WHEREAS**, throughout the duration of his 40+ years of distinguished youth sports involvement, Jeb has managed to run his own roofing company and for the past 8 years has held down another part-time position with a local company; and

**NOW, THEREFORE**, it shall be resolved that the Council for the Town of Abingdon, Virginia recognizes one of its own, Johnny "Jeb" Stewart, for his continued dedication and service to the young athletes of our Town and region and joins with the Little League (tm) Association International in congratulating Johnny "Jeb" Stewart for having been chosen as one

of only 16 individuals worldwide, and the first person from our area ever, to umpire the 2016 Little League International World Series in Williamsport, Pennsylvania on August 18 - 28, 2016.

**TOWN OF ABINGDON, VIRGINIA**

By: *Cathy C. Lowe*  
Mayor

By: *Raymond Kelly*  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the "Town"), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on September 6, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

MEMBERS	ATTENDANCE	VOTE
Cathy C. Lowe, Mayor	Present	Aye
Richard E. Humphreys, Vice Mayor	Present	Aye
Robert M. Howard	Present	Aye
M. Cindy Patterson	Present	Aye
J. Wayne Craig	Present	Aye

WITNESS MY HAND and the seal of the Town of Abingdon as of September 6, 2016

(SEAL)

*Tonja Triplett*  
Tonja Triplett, Deputy Clerk  
Town of Abingdon, Virginia

**F. PETITIONS, PUBLIC HEARINGS AND FIRST READING OF ORDINANCES – None.**

**G. SECOND READINGS OF ORDINANCES – None.**

**H. CONSIDERATION OF ANY BIDS**

**1. Consideration of bids for the Tennis Court Resurfacing project.**  
Kevin Worley, Director of Parks & Recreation reported he advertised a request for proposal for tennis court resurfacing at the Harry L. Coomes Recreation Center and received two bids. PPMarkings- Dave Harless for a bid of \$38,400, which would require outsourcing some of the work. Court Works for a bid of \$22,000, who has the ability and resources to do all the required work in house. Mr. Worley recommended awarding the bid to the low bidder, Court Works at \$22,000.

Mayor Lowe inquired is the low bid the best bid. Mr. Worley stated that Court Work has done quality work for the town before and he feels that in this case the low bid is the best bid.

Mrs. Patterson inquired about the type of paint and the warranty. Mr. Worley stated plexi paint would be used and that Court Works had fulfilled the RFP requirements for the warranty.

**On motion by Mr. Craig, seconded by Mrs. Patterson, the Council accepted the bid to resurface the tennis courts at the Harry L. Coomes Recreation Center from Court Works for \$22,000 and authorized Greg Kelly, Town Manager to sign and execute the necessary documents.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**I. REPORTS FROM THE TOWN MANAGER**

- 1. Request for approval Comprehensive Signage Plan (CSP): Marathon Realty Corp., owners, P.O. Box 518, Abingdon, VA 24212; Stephen Spangler, representative, P.O. Box 518, Abingdon, VA 24212. Proposed comprehensive signage plan to govern property within the 10 lot subdivision, property located near 440 Green Spring Road, commonly known as the "Meadows" development project, zoned B-2 (General Business). Including all or portions of Tax Map Numbers 105-A-39, 021-1-5B, & 021-1-5.**

Matthew Johnson, Director of Planning stated the town requires a comprehensive signage place from the development commonly known as The Meadows. The intent of the comprehensive signage plan is to allow flexibility from the code with respect to signage. Mr. Johnson stated this is typically approved at the Planning Commission level. However, because the decision making body that is considering the architectural review, for example the COA is the Town Council the comprehensive signage plan should also be considered by the same body. The plan was presented to the Planning Commission on August 22, 2016 and was approved unanimously, noting that Mr. Shuman, was absent.

Stephen Spangler, Marathon Realty reviewed the comprehensive signage plan that was included in the council packet.

Mrs. Patterson stated the Historic Preservation Review Board has not had the opportunity to review the archeology study and a decision seems premature due to new developments.

Mayor Lowe stated that a judge will give us direction on October 5.

Mrs. Patterson questioned how can vote on this issue and asked what is the rush.

Mayor Lowe stated we are moving forward, until the judge tells us otherwise.

Mrs. Patterson stated voting on this tonight would be arbitrary and capricious because the citizens and the HPRB have not had time to review the study.

**On motion by Mr. Humphreys, seconded by Mr. Howard, the Council at the recommendation of the Planning Commission approved the Comprehensive Signage Plan (CSP): Marathon Realty Corp., owners, P.O. Box 518, Abingdon, VA**

**24212; Stephen Spangler, representative, P.O. Box 518, Abingdon, VA 24212. Proposed comprehensive signage plan to govern property within the 10 lot subdivision, property located near 440 Green Spring Road, commonly known as the "Meadows" development project, zoned B-2 (General Business). Including all or portions of Tax Map Numbers 105-A-39, 021-1-5B, & 021-1-5.**

The roll call vote was as follows:

<b>Mr. Craig</b>	<b>Nay</b>
<b>Mrs. Patterson</b>	<b>Nay</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

- 2. **Consideration for authorization for Town Manager to draw down funds for procuring final conceptual designs and complete design services for the proposed sports complex property.**

Greg Kelly, Town Manager reported the need to secure engineering services that would determine if the sports complex can be put on this particular site. First, RFPs would be sent to various engineering firms. Once proposals are received a vetting committee would be formed to review the RFPs, negotiate the firm and bring a recommendation to Council. Mr. Kelly requested authorization to drawdown necessary funding at the appropriate time to procure the engineering services for the sports complex. There is still a hurdle with the Corp of Civil Engineers that has to be overcome before this process can begin.

Mrs. Patterson stated we are putting the cart before the horse, approx. \$80,000 has already been spent on the charrettes, a DEQ and other permits may be required and that this is premature.

Mr. Humphreys asked for clarification that this is only to determine if the complex could work on the property and is not considering the 106 survey that has to be done by the Corp of Army Engineers and also the Department of Historic Resources (DHR) in the state of Virginia may need to come down and look at any artifacts mitigation.

Mr. Kelly stated that would be done if it is required by the Corp of Civil Engineers.

**On motion by Mr. Howard, seconded by Mr. Humphreys, the Council authorized Greg Kelly, Town Manger to draw down funds for procuring final conceptual designs and complete design services for the proposed sports complex property and to execute the necessary documents.**

Mr. Craig, Council Member stated he would like to make a substitute motion.

**On motion by Mr. Craig, seconded by Mrs. Patterson, the Council moved to delay authorization for Town Manager to draw down funds for procuring final conceptual designs and complete design services for the proposed sports complex property until the October Council meeting.**

Mr. Craig has concerns about the curve and increased traffic on Green Springs Road and has been working on an alternate site for the sports complex. Mr. Craig has

developed a grading plan for the site and met with an engineer that thought Mr. Craig's plan would work. Mr. Craig has employed the engineer to determine an estimate of the earth work that needs to be done. The site that Mr. Craig stated the site he is working on does not have the traffic issues, require a 404 permit and he doesn't think it has the historical concerns that exist on The Meadows site. Mr. Craig suggested meeting with VDOT to see if there are alternatives to the S curve, delaying the vote until October and himself or the engineer presenting information on the alternate site.

Mayor Lowe stated a substitute motion should be voted on first and asked for a roll call vote and asked Mrs. Triplett to read the motion.

**On motion by Mr. Craig, seconded by Mrs. Patterson, the Council moved to delay authorization for Town Manager to draw down funds for procuring final conceptual designs and complete design services for the proposed sports complex property until the October Council meeting.**

The roll call vote was as follows:

Mr. Craig	Aye
Mrs. Patterson	Aye
Mr. Howard	Nay
Mr. Humphreys	Nay
Mayor Lowe	Nay

Mayor Lowe asked Mrs. Triplett to read the original motion:

**On motion by Mr. Howard, seconded by Mr. Humphreys, the Council authorized Greg Kelly, Town Manger to draw down funds for procuring final conceptual designs and complete design services for the proposed sports complex property and to execute the necessary documents.**

The roll call vote was as follows:

Mr. Craig	Nay
Mrs. Patterson	Nay
Mr. Howard	Aye
Mr. Humphreys	Aye
Mayor Lowe	Aye

**3. Consideration of sponsorship for American Energy Society Local Energy – America's Power Summit planned for December 5-6, 2016 at Emory & Henry College.**

Mayor Lowe stated that during discussion in the work session meeting, Council did not have enough information and this item will be placed on the October agenda.

**4. Consideration of declaring two vehicles as surplus. Two town trolleys 702 - 81 model Chevy bus, 1GBC621F4BV134093 and 703 -- 81 model Chevy bus, 1GBC621F2BV134092, as well as Drafting Table, File cabinets – Various, Hanging Plans Rack, Pictures and Frames – Various-**

John Dew, Director of Public Services and Construction asked Council to declare two town trolleys 702 - 81 model Chevy bus, 1GBC621F4BV134093 and 703 -- 81 model Chevy bus, 1GBC621F2BV134092, as well as Drafting Table, File cabinets – Various, Hanging Plans Rack, Pictures and Frames – Various- as surplus and allow them to be auctioned online.

**On motion by Mr. Humphreys, seconded by Mr. Craig, the Council declared two town trolleys 702 - 81 model Chevy bus, 1GBC621F4BV134093 and 703 -- 81 model Chevy bus, 1GBC621F2BV134092, as well as Drafting Table, File cabinets – Various, Hanging Plans Rack, Pictures and Frames – Various- as surplus property, authorized Greg Kelly, Town Manager to execute all necessary documents and to allow Mr. Dew to put them on the online auction.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**5. The public unveiling of VA Open Government, Financial Transparency software system.**

Chuck Banner, Director of Finance stated there will be a demonstration on the software and that the Town of Abingdon is the first in Southwest Virginia to acquire the software. Santana Shorty with OpenGov software gave an overview, a short demonstration on how the software works and how the public can get to the information on the town website. Cecile Rosenbaum, Assistant Town Manager reported the committee working on the roll out of the software had discusses hosting workshops in the computer lab at the Virginia Highlands Small Business Incubator. Mrs. Rosenbaum also stated that there is a tutorial and a section of frequently asked questions, but if anyone has trouble navigating the site, to please contact her or Mr. Banner.

Mr. Humphreys suggested that might be a good mid-month work session meeting. Mayor Lowe explained the revenue streams (real and personal property, Business Licenses, meals & lodging etc...) and when they are collected for the town. Mayor Lowe also reported the town’s real-estate tax is .28 on every \$100. The town is not in business of government to make money, but are in business to pay for our services.

Mrs. Patterson inquired about the cost.

Mr. Banner stated an initial set up cost of \$7,400 and is approximately \$3,800 a year.

Mr. Banner he is attending local government classes and learned about the software in class. Mr. Banner reported the auditors were impressed with the software and explained that we have three layers of auditing now.

Mayor Lowe thanks town staff for their willingness to a continuing education classes.

Mr. Kelly stated the Masters level program that staff is involved in was created by Virginia Local Government Managers Association (VLGMA) and is an affiliate program with Virginia Tech. The town is a member of VLGMA, therefore, our employees are eligible for scholarships and a large portion of their tuition is paid for by VLGMA.

**6. SAGE SWVA**

Bob Trevorrow and Craig Wiley reported that SAGE provides support enabling people to age in place and the ability to stay in their homes. SAGE is a non-profit 501 (c) (3), a seven (7) member Board of Directors and meet monthly. The goals are to provide education and information that enable older adults to age in place, develop programs that assist and encourage neighbor-to-neighbor networks that provide assistance to each other, research the needs of existing resources or needs not currently being met and to develop plans to address unmet needs.

Mr. Humphreys suggested the Abingdon Housing Authority and People Inc. may have some programs that would be of interest to SAGE.

**J. OLD BUSINESS - None.**

**K. MATTERS NOT ON THE AGENDA**

- Jim Moore, 113 College Street stated Abingdon is a Certified Local Government under the Virginia Department of Historic Resources Designation, which qualifies the town for a list of benefits. Mr. Moore asked Council to preserve history and not destroy it. Mayor Lowe asked if Mr. Moore would give copies of the literature to Mrs. Triplett for distribution to Council.
- Stephen Jett, 333 Court Street inquired about the lawsuit only concerns the Marathon Property. Mr. Jett suggested that Council take no action that may presuppose the outcome of the litigation. Mayor Lowe stated that is talks about the Meadows property, the house, the ballfields, the traffic, ponds, storm water runoff, comprehensive plan, zoning, preservation, topographic features and the farm house parcel. Mayor Lowe stated that once the lawsuit and the request for injunction was filed, the attorney, that the town's insurance company hired, has asked the Council to refrain from talking about the issue. Mr. Jett suggested that Council take no action that may presuppose the outcome of the litigation.

**L. APPOINTMENTS TO BOARDS AND COMMITTEES**

**On motion of Mr. Howard, seconded by Mr. Humphreys, the Council reappointed Scott Wilson, Jennifer Ramseyer and Aaron Hicks to serve on the Recreation Advisory Committee.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mrs. Patterson, seconded by Mr. Humphreys, the Council reappointed Nicholaas Leidig to serve on the Tree Commission.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

Mayor Lowe reviewed the announcements and declared a 5-minute recess.

**On motion of Mr. Humphreys, seconded by Mr. Craig, the Council went into closed session pursuant to Section 2.2 -3711(A)(1) of the Code of Virginia, 1950, as amended, the Council will convene in a closed session for the purpose of discussion of appointments to boards and commissions.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mr. Humphreys, seconded by Mr. Craig, the Council reconvened in regular session.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**The Deputy Clerk, Tonya Triplett, read the following certification to be adopted by the Council members:**

***WHEREAS, the Council of the Town of Abingdon, Virginia has convened in a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions set forth in the Virginia Freedom of Information Act; and***

***WHEREAS, Sec. 2.2-3712(D) of the Code of Virginia, 1950, as amended, requires a certification by the Town Council that such closed meeting was conducted in conformity with Virginia law; and***

***NOW THEREFORE, be it resolved, that the Council of the Town of Abingdon, Virginia hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from an open meeting requirement by Virginia law were discussed in closed meeting to which this certification resolution applies and (ii) only***

*such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.*

**The certification was as follows:**

<b>Mr. Craig</b>	<b>I so certify</b>
<b>Mrs. Patterson</b>	<b>I so certify</b>
<b>Mr. Howard</b>	<b>I so certify</b>
<b>Mr. Humphreys</b>	<b>I so certify</b>
<b>Mayor Lowe</b>	<b>I so certify</b>

**On motion of Mr. Humphreys, seconded by Mr. Howard, the Council approved the revision of bylaws for the Sustain Abingdon Committee, changing the meeting date from the 2<sup>nd</sup> Thursday to the 2nd Wednesday.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mr. Humphreys, seconded by Mrs. Patterson, the Council appointed John Kelly to serve on the Board of Zoning Appeals.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mrs. Patterson, seconded by Mr. Humphreys, the Council appointed Tarn Rosenbaum and Shana Carrico to serve on the Economic Development Authority.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mr. Humphreys, seconded by Mr. Howard, the Council appointed Sigrid Phillips and Mike Farris to the Sinking Spring Cemetery Committee.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

**On motion of Mr. Humphreys, seconded by Mr. Craig, the Council appointed Bradley Conkle, Time Wade and Sherri Leab to serve on the Sustain Abingdon Committee.**

**The roll call vote was as follows:**

<b>Mr. Craig</b>	<b>Aye</b>
<b>Mrs. Patterson</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mayor Lowe</b>	<b>Aye</b>

#### **M. COUNCIL MEMBER REPORTS**

- Cindy Patterson stated the VML newly elected officials training that was held in Richmond was extremely helpful and very educational.
- Rick Humphreys reported an excessive amount of tractor trailers coming off Highway 19, to Russell Road and onto Main on order to get to I-81. He suggested no thru truck traffic signs be placed at the intersections. Mr. Humphreys also reported that the Call to Arms event, which includes reenactors and demonstrations, will be open and extra day and will be open to the public on September 24.
- Mayor Lowe read a letter from Senator Mark Warner congratulating the Town of Abingdon upon its recognition as a Tree City USA Community by the Arbor Day Foundation.

Mayor Lowe declared the meeting adjourned.

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Cathy C. Lowe, Mayor

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Tonya Triplett, Deputy Town Clerk

**TOWN OF ABINGDON  
WORK SESSION MEETING  
MONDAY, OCTOBER 3, 2016 – 5:30 PM  
ARTHUR CAMPBELL ROOM – MUNICIPAL BUILDING**

A Work Session meeting of the Abingdon Town Council was held on Monday, October 3, 2016 at 5:30 p.m. in the Arthur Campbell Room of the Municipal Building.

**Welcome by Mayor Lowe**

**A. ROLL CALL**

Members of Council Present:

Mrs. Cathy C. Lowe  
Mr. Richard E. Humphreys  
Mr. Robert M. Howard  
Mrs. M. Cindy Patterson  
Mr. J. Wayne Craig

Administrative/Town Staff:

Gregory W. Kelly, Town Manager  
Cecile Rosenbaum, Assistant. Town Manager/Town Clerk  
Tonya Triplett, Deputy Clerk  
Deb Icenhour, Town Attorney  
Matthew Johnson, Director of Planning  
Chuck Banner, Director of Finance  
John Dew, Dir. Of Construction/Public Services  
Kevin Costello, Dir. of Tourism & ED  
Floyd Bailey, IT Department  
Jennifer Montgomery, Main Street Director

Visitors:

Martha Keys, Rich Macbeth, Stephen Jett, Edison  
Jennings and others

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The Council discussed the following:

**1. Update on Watauga Creeper Trail Project**

Greg Kelly, Town Manager reported the Virginia Creeper Trail restroom and parking project near Watauga is moving forward and VDOT is in the process of finalizing the purchase of property. Mr. Kelly stated acquiring the property requires a public hearing and he is hopeful it will be on the November agenda. The RFP's will be sent out and construction should begin in the spring.

**2. Consideration for sponsorship for Abingdon High School Choral Boosters**

David Maloney, President of Abingdon High School Choral Boosters stated the American Kodaly Educators hosts a conference each year for the most exceptional choir students and Abingdon High School has traditionally participated. The group worked concession stands at the Bristol race, the Battle of Bristol and also Rhythm and Roots. They also have planned a 5-K for December 3 at Glenrochie Country Club. Mayor Lowe explained that

Council hasn't supported travel for other organizations, but suggested the group create a flyer that could be distributed asking for donations and flyers for the events they have planned that could be shared on Wolf Whistle. Mrs. Patterson, Council Member stated she has had good experiences with silent auctions and is willing to donate a two night stay at her bed & breakfast for an auction item. Mr. Humphreys inquired about expenses and revenues for the 5-K. Mr. Maloney reported expenses of \$650 and a profit around \$2,100. Mr. Humphreys specified he would support an offset of expenses of \$650 for the 5-K race.

3. **Consideration of grant to the Levitt AMP Grant Support Letter for Thursday Jams**  
Kevin Costello, Director of Tourism and Economic Development informed Council of a grant opportunity to offset the cost of music events. Levitt Pavilions is offering a \$25,000 matching grant to encourage small communities to host music events. Mr. Costello requested a letter of support, that will be used as in-kind for the grant, to utilize the Abingdon Farmers Market Pavilion for summer music events.

4. **Historical Society Lease**

Deb Icenhour, Town Attorney reported a copy of the five (5) year lease for the Historical Society of Washington County was included in the packet and is basically the same as before, expect it is non-renewable. Martha Keys reported that the Historical Society Board and William King Museum had a meeting and toured the building. At its September meeting the Historical Society Board voted to decline the offer to move to William King Museum.

Closed session was moved to the last item on the agenda.

5. **Discussion of potential Partnership with VHCC**

Bob Howard, Council Member reported he had attended a Chamber breakfast and the speaker was Dr. Couch, President of Virginia Highlands Community College. Mr. Howard suggested the town work in partnership with the college to connect and encourage over 2,000 students to shop and dine downtown Abingdon, possibly with discount cards. Mr. Howard agreed to work with Jennifer Montgomery, Main Street Director and someone from VHCC to determine the best partnership. The project may also later include Emory & Henry students.

6. **Economic Development**

Mayor Lowe and Mr. Humphreys reported that Kevin Costello, Director of Tourism and Economic Development has a lot on his shoulders with both duties and suggested Council look at adding additional resources. Mr. Kelly, Town Manager reported he and Mr. Costello has been working on creating a new department that would include tourism, economic development and community outreach, which would recruit new business and work with existing businesses on growth and expansion. Mr. Kelly suggested identifying the role of the EDA, their duties and to work on a strategic plan. Consensus of Council is to seek guidance from Washington County on the EDA operating on their own and to have Mr. Kelly, Town Manager, Mrs. Rosenbaum, Assistant Town Manager, Mr. Costello, Director of Tourism and Economic Development, Mr. Banner, Director of Finance and Kenny Shuman, Chair of EDA to create a conceptual strategic plan that could be reviewed by Council at the November 7, 2016 work session.

7. **Consideration of sponsorship for American Energy Society Local Energy – America's Power Summit planned for December 5-6, 2016 at Emory & Henry**

### **College**

Cecile Rosenbaum, Assistant Town Manager reported sponsorship would get the town's logo on the stage, the event would be recorded and broadcast on CSPAN. Attendance is expected to be 100-200 with most driving in for the summit. Consensus of Council it to forgo the request of sponsorship for American Energy Society.

#### **8. Report on the auction and/or sale of town owned properties:**

- Harmony Hills Lane, Lot # 5 parcel # 086 – 12-5
- Tech park property

Greg Kelly, Town Manager reported no new developments on the Harmony Hills property. Deb Icenhour, Town Attorney contacted both Richards and Interstate Realty. Interstate Realty is willing to look at the property and submit a proposal. Richards has not returned her call.

#### **9. Report and update on the meeting to discuss Virginia Highlands Airport overlay /Appalachian Power**

Cathy C. Lowe, Mayor reported she attended a meeting at which Appalachian Power reported the proposed tower would not be higher than the steeple at the Emmanuel Baptist Church and that if the proposed lines were to go down it could take up to two months to repair. Appalachian Power will hold a public hearing on October 17, 2016 at 4:00pm and 7:00pm at the Washington County Government Center Building. A hearing is also scheduled for October 26 in the Commission Courtroom in Richmond, VA.

#### **10. Reports on the following town owned properties:**

- Breckinridge Cabin
- Retirement
- Fields-Penn
- The Meadows

Matthew Johnson, Director of Planning stated he has no new developments on town owned properties.

#### **11. Urban Path Project**

John Dew, Director of Public Services and Construction reported he moved the Urban Path route to Park Street near Holston Mountain Artisans after he was not able to acquire two easements from property owners. Mr. Dew is hopeful the project will move forward and can be put out to bid soon.

Mr. Humphrey stated he would like to take one of the old trolleys that has been declared as surplus property, epoxy the shell, replace the plastic windows with plexiglass, stabilize it, and use it as a rest station on town owned property on Blacks' Fort Lane. Mr. Humphreys stated an iPad and a barn hydrant could also be installed.

#### **12. Maintenance of Exit 17 Ramp**

John Dew, Director of Public Services and Construction reported that VDOT staff have committed to trash pickup near interstate exits. Council suggested a split rail fence be installed at Exit 17. Mr. Dew will check to see if VDOT will approve a split rail fence.

#### **13. Tourism Zones**

Kevin Costello, Director of Tourism and Economic Development reported on the development of tourism zones and presented possible incentives for downtown businesses as well as businesses locating near interstate exits. Mr. Costello asked Council to review

the materials and to provide feedback. Mr. Kelly stated he would like to see what the return on investment could be. Mr. Costello stated he would like to create a scenario that would show how the process would work.

**14. Employee Handbook**

Cecile Rosenbaum, Assistant Town Manager reported the employee handbook is still in progress. Stacy Reichler, Director of Human Resources has provided a draft copy for Mr. Kelly and Mrs. Rosenbaum’s review.

**15. Cindy Patterson, inquired about changes to the October 2015 minutes.**

Mr. Kelly reported that a portion of the actual motion was not recorded and that legal counsel had reviewed the video and suggested the change be made.

Mrs. Patterson inquired about changes she would like to request to the September minutes and the timeframe in which the agenda and packet are available to Council. Mr. Humphreys stated that Robert’s Rules states the minutes are a record of what happened and to capture action items of the meeting and not discussion.

**16. Closed Session – Pursuant to Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, the Council will convene in a closed session for the purpose of discussion of acquisition or disposition of property.**

**On motion of Mr. Humphreys, seconded by Mr. Howard, the Council went into Closed Session Pursuant to the Code of Virginia, 1950, as amended, section 2.2-3711(A)(3), for the purpose of discussion of acquisition or disposition of property.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

**On motion of Mr. Humphreys, seconded by Mr. Howard, the Council reconvened in regular session.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

**The Deputy Clerk, Tonya Triplett, read the following certification to be adopted by the Council members:**

*WHEREAS, the Council of the Town of Abingdon, Virginia has convened in a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions set forth in the Virginia Freedom of Information Act; and*

*WHEREAS, Sec. 2.2-3712(D) of the Code of Virginia, 1950, as amended, requires a certification by the Town Council that such closed meeting was conducted in conformity with Virginia law; and*

*NOW THEREFORE, be it resolved, that the Council of the Town of Abingdon, Virginia hereby certifies that to the best of each member’s knowledge (i) only public business matters lawfully exempted from an open meeting requirement by Virginia law were discussed in closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.*

**The certification was as follows:**

|                       |                     |
|-----------------------|---------------------|
| <b>Mr. Craig</b>      | <b>I so certify</b> |
| <b>Mrs. Patterson</b> | <b>I so certify</b> |
| <b>Mr. Howard</b>     | <b>I so certify</b> |
| <b>Mr. Humphreys</b>  | <b>I so certify</b> |
| <b>Mayor Lowe</b>     | <b>I so certify</b> |

Mayor Lowe declared a 5-minute recess for Council and Town staff to reconvene in the Council Chambers for the regular 7:30 meeting.

\_\_\_\_\_  
Cathy C. Lowe, Mayor

\_\_\_\_\_  
Tonya Triplett, Deputy Town Clerk

**TOWN OF ABINGDON  
REGULAR COUNCIL MEETING  
MONDAY, OCTOBER 3, 2016 – 7:30 PM  
COUNCIL CHAMBERS – MUNICIPAL BUILDING**

A Regular Council meeting of the Abingdon Town Council was held on Monday, October 3, 2016 at 7:30 p.m. in the Council Chambers of the Municipal Building.

**A. Welcome by Mayor Lowe**

**B. ROLL CALL**

Members of Council Present:

Mrs. Cathy C. Lowe  
Mr. Richard E. Humphreys  
Mr. Robert M. Howard  
Mrs. M. Cindy Patterson  
Mr. J. Wayne Craig

Administrative/Town Staff:

Gregory W. Kelly, Town Manager  
Cecile Rosenbaum, Asst. Town Manager/Town Clerk  
Tonya Triplett, Deputy Clerk  
Deb Icenhour, Town Attorney  
Matthew Johnson, Dir. of Planning  
John Dew, Dir. Of Construction/Public Services  
Kevin Costello, Dir. of Tourism & Economic Development  
Floyd Bailey, Dir. Information Technology  
Chuck Banner, Treasurer/Dir. of Finance  
John McCormick, Fire Chief  
Kevin Worley, Dir. of Parks and Recreation  
Tony Sullivan, Police Chief

Visitors:

Jennifer Montgomery, Rich Macbeth, David Winship, Warren Harris, Michael Trepiccone, Jill Harless, Karen Tallman, Stephen Jett, Al & Leslie Bradley, Stephen Spangler, Nan Harmon, Edison Jennings, Jim Moore, and others

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Tony Sullivan, Police Chief.

**D. APPROVAL OF MINUTES**

1. September 6, 2016 Work Session Meeting & Regular Meeting
2. Request for correction to October 7, 2015 Regular Meeting Minutes

Video 7:00

Mrs. Patterson requested that the following changes be made to the September 6 work session minutes. Item # 10 should state she volunteered at Feeding America and attended events at the Abingdon Senior Center. She also stated that on item #3 she had inquired if both bid prices included high quality sealer.

**On motion by Mr. Howard, seconded by Mr. Humphreys, the Council approved the September 6, 2016 work session minutes with the following changes:**

3. Kevin Worley, Director of Parks & Recreation reported he advertised a request for proposal for tennis court resurfacing at the Harry L. Coomes Recreation Center and received two bids. PPMarkings— Dave Harless for \$38,400 who would have to outsource some of the work and Court Works for \$22,000, who has the ability and resources to do all the required work in house. Mr. Kelly noted that this matter was on the regular agenda for approval. Mrs. Patterson inquired if both companies priced high quality sealer and equivalent materials.

10. Mrs. Patterson reported she had attended a USDA roundtable meeting, volunteered at both Feeding America and attended events at the Abingdon Community Center.

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

Video 9:15

**On motion by Mrs. Patterson, seconded by Mr. Craig, the Council tabled the approval of the September 6, 2016 regular meeting minutes to allow time for the Town Clerk to review the video and make accurate corrections.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

Video 9:48

**2. Request for correction to October 7, 2015 Regular Meeting Minutes**

Greg Kelly, Town Manger explained that due to legal issues over rezoning and the pending lawsuit, the town’s legal counsel recommended that the town correct the minutes of the October 7, 2015 meeting to more accurately reflect the motion on the special use permit granted for the Marathon property. Mr. Kelly explained that the motion approving the special use permit was contingent on the second reading and approval of the rezoning and was not recorded as such in the minutes. Mayor Lowe asked that the video from the October 7, 2015 meeting be played to demonstrate the exact content of the motion.

Video 23:21

Deb Icenhour, Town Attorney stated Virginia Legal Authority allows amendments to minutes that reflect what actually happened and Robert's Rules suggests and supports making corrections that accurately reflect what happened.

Mrs. Patterson inquired if there is a time limit to make the corrections and Ms. Icenhour stated she was not aware of a statute on time limits for corrections to minutes. Mrs. Patterson noted she sent an email to Cecile Rosenbaum, Assistant Town Manager earlier in the day inquiring about details of the correction to the October 7, 2015 minutes and did not receive a reply to her message. She also stated she had not received a copy of the motion that Mr. Humphreys had been given and questioned the legality of changing minutes almost a year old. Ms. Icenhour stated she had provided a working copy to Mr. Humphreys as he made the motion in question and had requested a copy for his reference.

**On motion by Mr. Humphreys, seconded by Mr. Howard, the minutes from the October 7, 2015 regular Abingdon, Virginia Town Council Meeting were approved as amended for the purpose of accurately reflecting what actually occurred and what was said on 10/07/2015, in a detailed manner, to reflect the precise wording of the motion made and passed and to incorporate by reference the video made contemporaneously on 10/07/2015. This amendment is made pursuant to Virginia legal authority, which allows minutes to be amended and corrected, nunc pro tunc. I hereby move that Council accept the Planning Commission's recommendation of October 7, 2015 to issue the special use permit pursuant to Section 18-9 - Historic District Entrance Corridor Overlay District; Section 18-9-4 Zoning Ordinance, Article 3, AFOS Agricultural, Forrestral, and Open Space District, Section 3-2, Special Uses regarding CEMA CORP, 440 Green Spring Road, Abingdon, VA 24211, namely Tax Map No. 021-1-5; Tax Map No. 021-1-58; and a portion of Tax Map No. 105-A-39, consisting of approximately 33.189 acres, more or less, noting that the granting of this special use permit shall be contingent upon Council's approval of the rezoning upon the second reading.**

The roll call vote was as follows:

|                |                                                                    |
|----------------|--------------------------------------------------------------------|
| Mr. Craig      | Abstain <i>(Mr. Craig was not on Council October 7, 2015)</i>      |
| Mrs. Patterson | Abstain <i>(Mrs. Patterson was not on Council October 7, 2015)</i> |
| Mr. Howard     | Aye                                                                |
| Mr. Humphreys  | Aye                                                                |
| Mayor Lowe     | Aye                                                                |

**The video of this meeting can be found in its entirety at [www.abingdon-va.gov/Town Council/Town Council meetings/October 3, 2015](http://www.abingdon-va.gov/TownCouncil/TownCouncilmeetings/October3,2015)**

Video 28:30

**E. PUBLIC COMMENT**

The following citizens addressed Council:

- Jim Moore, 133 College Street
- David Winship, 951 Timberland Court
- Stephen Jett, 330 Court Street

- Al Bradley, 143 Stonewall Heights
- Michael Trepiccione, 289 Green Spring Road
- Leslie Bradley, 143 Stonewall Heights
- Jill Harless, 19299 Triple Crown Drive

Video 52:42

## **F. SPECIAL COMMUNITY RECOGNITION**

Mayor Lowe asked Chief Tony Sullivan to come forward for a special presentation. Chief Sullivan reported on a recent house fire in town that Officers DeBusk and Lucy responded to at 5:00 a.m. on the morning of September 9<sup>th</sup>. Chief Sullivan noted that Officer DeBusk was able to get four adults and five dogs from the burning house with the assistance of Officer Lucy and no lives were lost. Chief Sullivan also recognized County officer Sgt. Jason Shepherd who also assisted in the early morning rescue. Chief Sullivan presented each officer with a special plaque of recognition for their heroism and commitment to saving lives in a dangerous situation.

Chief Sullivan also recognized Officer Lucy for his recent award from Mothers Against Drunk Drivers for his commitment to keeping drunk drivers off the roads.

Video 1:03

## **G. PETITIONS, PUBLIC HEARINGS AND FIRST READING OF ORDINANCES**

### **1. PUBLIC HEARING – Washington County Historical Society Lease**

Deb Icenhour, Town Attorney reported that it was time for the renewal of the Historical Society's lease of the Train Station property located at 306 Depot Square. Ms. Icenhour noted that the term of the lease was not to exceed five (5) years, beginning October 31, 2016.

Mayor Lowe opened the public hearing and asked if anyone wished to speak. Hearing no comments, Mayor Lowe declared the public hearing closed.

Video 1:05

**On motion, Mr. Humphreys, seconded by Mrs. Patterson, the Council approved the renewal of the Washington County Historical Society's lease, as presented, for the property known as the Abingdon Depot and located 306 Depot Square for a term of no more than 5 years from the date of October 31, 2016 and further authorized Greg Kelly, Town Manager to execute all documents necessary to execute the lease agreement.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

## **H. SECOND READINGS OF ORDINANCES – None.**

**I. CONSIDERATION OF ANY BIDS – None.**

**J. RESOLUTIONS- None.**

**K. REPORTS FROM THE TOWN MANAGER AND ASSISTANT TOWN MANAGER**

**1. Consideration of final plat for subdivision of property owned by Michael C. Noonkester and Lori B. Noonkester**

Matthew Johnson, Director of Planning reported on a request he received from Michael C. and Lori B. Noonkester relative to property they own at 1103 Empire Drive, Abingdon. Mr. Johnson noted that the Noonkesters submitted a request to subdivide the property and had asked Matt Bundy with Bundy Architecture and Engineering to prepare the plat. Mr. Johnson noted that the proposed subdivision had been considered and recommended for approval by the Planning Commission at their August 22, 2016 meeting.

Video 1:06

**On motion of Mr. Howard, seconded by Mr. Humphreys, the Council approved, upon recommendation of the Planning Commission, the final plat for subdivision of property owned by Michael C. and Lori B. Noonkester and located at 1103 Empire Drive, Abingdon and further authorized Greg Kelly, Town Manger to execute all documents necessary to complete the final plat and prepare it for recording.**

The roll call vote was as follows:

|                |     |
|----------------|-----|
| Mr. Craig      | Aye |
| Mrs. Patterson | Aye |
| Mr. Howard     | Aye |
| Mr. Humphreys  | Aye |
| Mayor Lowe     | Aye |

Video 1:08

**2. Consideration of Final Plat for Marathon Realty Corp., PO Box 1158, Abingdon, VA 24212; Stephen Spangler, representative, PO Box 1158, Abingdon, VA 24212. Proposed 10 lot subdivision, near 440 Green Spring Road zoned B - 2 (General Business), including portions of Tax Map Nos. 021 – 1 - 5B, 021-1-5, 105-A-39**

Matthew Johnson, Dir. Of Planning reported that Marathon Realty Corp. had requested approval of their final plat property they own and located at 440 Green Spring Road. Mr. Johnson noted that the approval of the final plat accompanies the already approved Certificate of Appropriateness (COA) and had been considered by the Planning Commission at their regular September 26<sup>th</sup> meeting. Mr. Johnson commented that the Planning Commission recommended approval of the final plat in a 5-0 vote, with one member absent and one member recused from voting.

Mr. Craig noted his concerns about changes in the traffic pattern relative to the property on Green Spring Road and inquired if Mr. Spangler, Marathon Realty representative planned to move forward with a site plan that may require changes in the future. Mr. Spangler commented that Marathon planned to move forward with the development. Mr. Craig inquired if Marathon would be inconvenienced if the vote on the final plat was tabled until

the traffic safety issues are resolved. Mr. Spangler confirmed that it would be an inconvenience and they planned to move forward.

Mr. Kelly, Town Manager, reported that a document of covenants and declarations had been negotiated between the Town and Marathon and noted that document would be recorded with the final plat. Mr. Kelly noted that the agreement was a standard document for commercial property development. Mr. Kelly further noted that a copy of the document was given to Council members at the earlier work session meeting.

Mrs. Patterson stated she received a copy of the plat just before the meeting, has not had ample time to review it and inquired if other councilmembers had received a copy before this evening.

[Video 1:16](#)

Mr. Humphreys stated that Planning Commission members had received a copy at their last meeting. Mr. Humphreys confirmed that the remaining Council members received a copy the same time it was delivered to Ms. Patterson.

Mayor Lowe stated that on final plats Council relies on staff, the town attorney office, town manager, assistant town manager and planning department to review and make recommendations.

Mr. Craig and Mrs. Patterson noted that they had not had ample time to review the document before the vote on the final plat.

Mr. Kelly confirmed that the document had been negotiated by outside counsel and it was considered a standard document in commercial developments.

Mr. Craig stated his willingness to rely on staff but inquired why is he being asked to vote on the matter.

Mr. Kelly stated the declaration of restricted covenant document should be recorded with the final plat and will allow Marathon to sell outparcels that are a planned part of the commercial development.

Mr. Kelly and Ms. Icenhour, Town Attorney confirmed that the document protects both the town and not Marathon Realty.

[Video 1:21](#)

Mrs. Patterson stated that any documents be given to Council in a timely manner in order for Council to review and respond appropriately.

**On motion by Mr. Craig, seconded by Mrs. Patterson, the Council voted to table the issue until the January 1, 2017 meeting in order to address all the public comment that was heard tonight and so we will have an idea of how we are going to protect the public, traffic wise, on Green Spring Road and take into consideration the requests from citizens on Historic Preservation Review Board review this property for historical significance.**

**The roll call vote was as follows:**

**Mr. Craig**

**Aye**

|                       |            |
|-----------------------|------------|
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Nay</b> |
| <b>Mr. Humphreys</b>  | <b>Nay</b> |
| <b>Mayor Lowe</b>     | <b>Nay</b> |

Video 1:22

**At this time, on motion by Mr. Howard, seconded by Mr. Humphreys, the Council approved the request for Final Plat, as recommended by Planning Commission, for Marathon Realty Corp., P.O. Box 1158, Abingdon, VA 24212; Stephen Spangler, representative, P.O. Box 1158, Abingdon, VA 24212. Proposed 10 lot subdivision, near 440 Green Spring Road zoned B - 2 (General Business), including portions of Tax Map Nos. 021 – 1 - 5B, 021-1-5, 105-A-39 including any declarations or restrictions that need to approved by the Town Manager and authorized Greg Kelly, Town Manger to execute all necessary documents required to prepare the final plat for recording.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Nay</b> |
| <b>Mrs. Patterson</b> | <b>Nay</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

**L. OLD BUSINESS – None**

**M. MATTERS NOT ADDRESSED AT WORK SESSION MEETING**

- Mr. Humphreys stated the President of Abingdon High School Choral Boosters had requested funds from Council in order to assist with the choir's attendance at the American Kodaly Educators conference. Mr. Humphreys noted that the group had several fund raiser including working concessions at the Bristol race, the Battle of Bristol and also Rhythm and Roots. In addition, the group has planned a 5-K race for December 3<sup>rd</sup> at Genocide Country Club. Mr. Humphreys noted that Council member Patterson had agreed to donate a two night stay at her bed & breakfast as an auction item.

**On motion, Mr. Humphreys, seconded by Mr. Howard, the Council approved the allocation of \$650 from Council contingency to sponsor the Abingdon High School Choir's 5K fundraiser that will be held December 3.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

- Mayor Lowe reported that Council had spoken with Kevin Costello, Director of Tourism and Economic Development at the earlier work session and noted that he had requested a letter of support for a grant being offered by Levitt Pavilions to encourage small communities to host music events. Mr. Costello noted that the grant was in the amount of \$25,000 and the town's in kind donation would be to allow the use of the Abingdon Farmers Market Pavilion for summer music events that would correspond with Thursday Jams.

Video 1:28

**On motion, Mr. Howard, seconded by Mr. Craig, the Council authorized Greg Kelly, Town Manager to sign the letter of support for a Levitt Foundation grant application and to allow the use of the Abingdon Market Pavilion for summer music events as an in kind donation.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

#### **N. APPOINTMENTS TO BOARDS AND COMMITTEES**

**On motion, Mr. Craig, seconded by Mrs. Patterson, the Council reappointed Al Bradley to serve another term on the Sinking Spring Cemetery Committee.**

**The roll call vote was as follows:**

|                       |            |
|-----------------------|------------|
| <b>Mr. Craig</b>      | <b>Aye</b> |
| <b>Mrs. Patterson</b> | <b>Aye</b> |
| <b>Mr. Howard</b>     | <b>Aye</b> |
| <b>Mr. Humphreys</b>  | <b>Aye</b> |
| <b>Mayor Lowe</b>     | <b>Aye</b> |

#### **O. COUNCIL MEMBER REPORTS**

Video 1:30

Mr. Craig reported on his attendance as a Council representative to the BVU Board and that BVU Optinet had considered a 10% rate increase in services for customers. Mr. Craig noted that it did not pass and stated that BVU is borrowing money for operational expenses.

Ms. Patterson reported she participated in the Washington County Fair parade and attended Squashtober Fest at the Abingdon Farmers Market, the ribbon cutting at the new Captain D's restaurant and a Tree Commission meeting. Mrs. Patterson also reported that she attended a Veterans Park Committee meeting and reported a Veterans Day Ceremony and dedication on November 11, 2016 at 11am at the Veteran Memorial Park in Abingdon.

Vice Mayor Humphreys reported he participated in the Call to Arms event in September, and

noted that over 1,700 students attended the program and were able to visit multiple stations with historical presentations. Mr. Humphreys noted that partnerships between many organizations made the event possible. Mr. Humphreys also participated in the Washington County Fair Parade and Squashtober Fest at the Farmer's Market.

Mayor Lowe stated local resident Bill Hayter has a relative that would like to add a bronze marker to the Veterans Memorial Park. Mayor Lowe passed the information to Mr. Humphreys and Mrs. Patterson who serve on the Veteran Memorial Park Committee. Mayor Lowe reported that she attended the Tobacco Commission meeting in Wise, where she was appointed Vice Chair of Economic Development for Southwest Virginia. She also attended the Laying of the Wreath at the Muster Grounds. Mayor Lowe noted that information had been sent to E. B. Stanly Middle school for the Virginia Municipal League's annual "If I Were Mayor" Essay Contest, open to all Virginia students enrolled in the 7<sup>th</sup> grade during 2016-2017 school year.

Mr. Kelly reported that the town had received the Virginia Municipal League's annual Go Green Government Challenge Award.

Vice Mayor Humphreys stated that during the Call to Arms event the grave sites of General William Campbell, John Browdy and Blair Keller were visited by members of the OVTA and DAR groups.

Mayor Lowe declared the meeting adjourned.

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Cathy C. Lowe, Mayor

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Tonya Triplett, Deputy Town Clerk



## Parks and Recreation Department

November 2, 2016

TO: Mr. Greg Kelly, Town Manager  
FROM: Mr. Kevin Worley, Director Parks and Recreation  
RE: Watauga Parking Lot Project – Land Acquisition Terms

Here is the information for the Watauga Land Acquisition. Let me know if you need additional information.

### **Terms for land acquisition payment: (Maximum of 3 installments):**

1. Establish a final negotiated price with each respective land owner.
2. Secure paperwork for land acquisition and seek VDOT approval for next phase of operation.
3. Funding for the project:
  - a. Use the maximum allowable funding through the VDOT Enhancement Grant
  - b. One half of the balance of funding be paid during the first quarter of FY 2017-18 (July-October)
  - c. Balance of funding paid during first quarter of FY 2018-19 (July-October). If an alternate source of funds are secured, the balance can be paid prior to this established time line.

### **Agreed Land Price**

John White Land = \$100,000.00  
Cornelia Counts = \$85,000.00

### **VDOT Appraisal Value**

John White = \$30,815.00  
Cornelia Counts = \$21,015.00

### **Payments for John White**

First = **\$30,815.00** from VDOT Enhancement Funds (payment to be made once paperwork is approved and signed)  
Second = **\$34,592.50** from budgeted amount (or extra funds from the VDOT enhancement once project is finalized and approved)  
Third = **\$34,592.50** from TOA budgeted amount

### **Payments for Cornelia Counts**

First = **\$21,015.00** from VDOT Enhancement Funds (payment to be made once paperwork is approved and signed)  
Second = **\$31,992.50** from budgeted amount (or extra funds from the VDOT enhancement once project is finalized and approved)  
Third = **\$31,992.50** from TOA budgeted funds

### **NOTE:**

If funds are left over from the overall project, after all expenses are paid and original land acquisition payment is made, these additional funds can be used to supplement the balance of land acquisition. This has been discussed with VDOT but will be subject to their final approval.

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**LEGAL ADS**

**Legal Notices**



**NOTICE OF PUBLIC HEARING**

Pursuant to Section 15.2-1800, et seq., of the Code of Virginia, 1950, as amended, the Town of Abingdon will hold a public hearing before the members of the Town Council at 7:30 p.m. on Monday, November 7, 2016 in the Council Chambers of the Town Hall, 133 West Main Street, Abingdon, Virginia, to receive comments from the public regarding the proposed purchase of properties, 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts. The proposed plat of said property is available for public inspection at the Office of the Town Manager for the Town of Abingdon, 133 West Main Street, Abingdon, Virginia.

Gregory W. Kelly, Town Manager

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**Power Washing**

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**APPRAISAL OF PROPERTY**

**LOCATION OF PROPERTY:**  
Watauga Road and Old South Way  
Abingdon, Virginia 24211

**FOR:**  
Mr. Kevin W. Worley, CPRP  
Director, Parks and Recreation  
Abingdon Parks and Recreation Department  
Coomes Recreation Center  
300 Stanley Street  
Abingdon, Virginia

**SUBMITTED BY:** Warren Klutz, MAI, AI-GRS, SRA, CCIM, MS, MBA

**DATE OF VALUATION:** January 5, 2016

**PROJECT IDENTIFICATION:**  
Virginia Creeper Trail Enhancement Project

**PROPERTY IDENTIFICATION:**  
Landowner(s) Name: Cornelia H. Counts  
Address:P.O. Box 1566, Abingdon, Virginia 24212-1566  
Tax I.D. 127/A/10, 127/6/13, and 127/6/14

|                                                                                                                                                            |                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Appraisal Prepared By Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA<br>Warren Klutz & Co.<br>1241 Volunteer Parkway, Suite 426<br>Bristol, Tennessee 37620 | <b>EXECUTIVE SUMMARY</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|

| <b>SUBJECT INFORMATION</b>               |       |    |
|------------------------------------------|-------|----|
| Parcel Size Before Acquisition:          | 35.00 | AC |
| Fee Simple Acquisition Size              | 1.34  | AC |
| Drainage Easement Acquired               | 0.05  | AC |
| Temporary Construction Easement Acquired | 0.00  | AC |
| Temporary Work Area Easement Acquired    | 0.00  | AC |
| Parcel Size After Acquisition:           | 33.66 | AC |

**TOTAL ESTIMATED COMPENSATION**

|                                               |      |         |        |            |                  |
|-----------------------------------------------|------|---------|--------|------------|------------------|
| <u>Value of Land in Fee Acquired</u>          |      |         |        |            |                  |
| Land in Fee                                   | 1.34 | AC @ \$ | 10,700 | = \$       | 14,400 (Rounded) |
| Land in Fee                                   |      | SF @ \$ |        | = \$       |                  |
| <u>Value of Easements Acquired:</u>           |      |         |        |            |                  |
| Permanent Easement                            | 0.05 | AC @ \$ | 10,700 | X 90% = \$ | 500              |
| Temp. Const. Esmt.                            |      | SF @ \$ |        | X 0% = \$  |                  |
| Temp. Work Area Esmt.                         |      | SF @ \$ |        | X 0% = \$  |                  |
| Temporary Easement                            |      | SF @ \$ |        | X 0% = \$  |                  |
| Other                                         |      | SF @ \$ |        | X 0% = \$  |                  |
| <b>Total Estimated Value of Land Acquired</b> |      |         |        |            | <b>\$ 14,900</b> |

|                                           |  |  |  |    |             |
|-------------------------------------------|--|--|--|----|-------------|
| <u>Value of Buildings Acquired:</u>       |  |  |  |    |             |
| Building 1                                |  |  |  | \$ |             |
| Building 2                                |  |  |  | \$ |             |
| Building 3                                |  |  |  | \$ |             |
| <b>Total Estimated Value of Buildings</b> |  |  |  |    | <b>\$ 0</b> |

|                                                    |       |             |  |             |                 |
|----------------------------------------------------|-------|-------------|--|-------------|-----------------|
| <u>Value of Other Improvements Acquired:</u>       |       |             |  |             |                 |
| Gravel driveway                                    | 2,760 | SF @ \$0.96 |  | X 100% = \$ | 2,650           |
| Concrete curbs                                     |       | SF @ \$     |  | X 0% = \$   |                 |
| Parking lot lights                                 |       | EA @ \$     |  | X 0% = \$   |                 |
| Other                                              |       | SF @ \$     |  | X 0% = \$   |                 |
| Walls                                              |       | SF @ \$     |  | X 0% = \$   |                 |
| Other                                              |       | SF @ \$     |  | X 0% = \$   |                 |
| Other                                              |       | SF @ \$     |  | X 0% = \$   |                 |
| <b>Total Estimated Value of Other Improvements</b> |       |             |  |             | <b>\$ 2,650</b> |

|                                    |                 |
|------------------------------------|-----------------|
| <b>Value of Cost to Cure Items</b> | <b>\$ 3,465</b> |
| <b>Damages (less Enhancements)</b> | <b>\$ 0</b>     |

**I ESTIMATE THE MARKET VALUE, AS DEFINED, of ACQUIRED LAND, IMPROVEMENTS, EASEMENTS and COST TO CURE ITEMS as of the EFFECTIVE APPRAISAL DATE TO BE: \$ 21,015**

**IMPORTANT DATES**

|                                 |                                                       |
|---------------------------------|-------------------------------------------------------|
| Effective Date of the Appraisal | January 5, 2016                                       |
| Property Inspection Date        | September 18, 2015, November 2, 2015, January 5, 2016 |
| Appraisal Report Date           | January 31, 2015                                      |

**LICENSED APPRAISER**

Signature 

|                                        |                                             |
|----------------------------------------|---------------------------------------------|
| Name                                   | Warren Klutz, MAI, SRA, AI-GRSCCIM, MBA, MS |
| Date                                   | January 31, 2016                            |
| Tennessee License/Certification Number | <b>4001 000330</b>                          |
| License Type                           | Certified General                           |

# INTRODUCTION

## APPRAISAL PROBLEM

The appraised property consists of three parcels containing a total of approximately 35.0 acres. The property consists of vacant land which has been used for agricultural purposes. Fee acquisition is an irregular shaped piece of land containing 1.34 acres in the northeast corner of the subject along with a 0.05 acre drainage easement.

## CONTACT

The landowner, Mrs. Cornelia H. Counts, was contacted for authorization of the appraiser's inspection of the property. Inspection was made on September 18, 2015. Mrs. Counts and her brother-in-law, David Counts were present during the inspection.

## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple and/or easement interests acquired and their financial impact (if applicable) on the remaining property as of the effective date of the appraisal.

The conveyance represents a:

Total Acquisition. The purpose of this appraisal is to estimate the market value of the whole property. The appraiser is to ignore the influences, both positive and negative, of the proposed project.

Partial Acquisition - If the acquisition is vacant land or includes only minor improvements, then the purpose of this appraisal is to estimate the value of the land, easements, and minor improvements acquired. If any, "cost to cure" damage should be estimated and included. If damages (those not otherwise addressed by a "cost to cure" item) are present, a value is estimated for the remainder, both "before acquisition" and "after acquisition", to determine the amount of the damages, less any enhancements. The appraiser has determined that:

**No damages result to the Remainder after the proposed acquisition:** The appraiser(s) concludes that no apparent damage occurred to the remainder as a result of the partial acquisition above and beyond those items addressed by a "cost to cure". This determination is based in part upon an "after acquisition scenario" review of the physical site characteristics, zoning compliance and the highest and best use of the property. Thus, the implication is that the report serves as a "before acquisition" and an "after acquisition" report. NOTE: If there are no damages, there is no need to quantify enhancement after the acquisition (except when preparing for trial) because this has no impact on compensation.

**Yes, Damages, less any Enhancements, result to the remainder after the proposed acquisition.** If damages do result to the remainder from the partial acquisition, they can be offset by benefits that may accrue to the property.

## DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive 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 undue duress.<sup>1</sup>

---

<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).  
Cornelia H. Counts

The definitions of "Market Value" and "Fair Market Value" are typically considered to be synonymous and may be used interchangeably by some appraisers.

### **CLIENT AND INTENDED USER**

Mr. Kevin W. Worley, CPRP serving as Director of Parks and Recreation for the Abingdon Parks and Recreation Department. In addition, the Virginia Department of Transportation is considered a client and potential user of the appraisal.

### **INTENDED USE OF THE APPRAISAL**

The intended use of this complete appraisal, summary report, is to provide the client with a basis for compensation due the property owner for the proposed property acquisition.

### **SCOPE OF THE APPRAISAL**

Market research was conducted to gather pertinent data required to estimate the value of any land, easements, and improvements acquired. Also, if applicable, the "cost to cure" damage to the remainder property as a result of the proposed acquisition is estimated. If the proposed conveyance is a partial acquisition, then the appraiser examined the impact of the partial acquisition and the proposed project improvements on the value of the remaining property.

Land and any improvements located within the acquisition area were inspected. If the proposed conveyance is a partial acquisition and the "before value" of the improvements located within the remainder is different from the "after value", then all of the improvements were inspected.

The applicable data collected to complete this appraisal includes, but is not limited to:

- Deeds, deed restrictions, easements, restrictive covenants, proffers, leases, sales history, and listing agreements for the subject property.
- The availability and capacity of public and private utilities.
- Flood plain, topography
- Zoning and the master plan
- Market and land use trends
- Sales data for competing properties
- Other data that the appraiser considers relevant to the valuation.

The most pertinent data collected is reported. Verification of the authenticity of this information was made from one or more of the following sources: public records, personal interviews, and any other sources with respect to sales of properties in the general area of the subject property. The research, analysis, and interpretation of information in the marketplace were completed in accordance with sound appraisal principles. The opinions and conclusions of value in this report are considered to be reasonable and reliable.

### **JURISDICTIONAL EXCEPTION**

An assignment condition that voids the force of a part of or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment

### **HYPOTHETICAL CONDITIONS**

(That which is contrary to what exists but is supposed for the purpose of analysis.)

Any "after" value assumptions are based on the premise that the project is completed as of the effective date of the appraisal and according to the plans available to the appraiser.

## **EXTRAORDINARY ASSUMPTIONS**

The appraisal assumes an asphalt paved road and driveway entrance will be constructed as shown on the survey/project plans which will tie into the existing driveway. Entrance to the subject's remaining 33.66 acres is across the acquisition and this appraisal assumes right to enter the remaining property will be retained or available to the owner due to the acquisition becoming right-of-way.

## **EXPOSURE TIME**

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Estimated marketing time and exposure time for the subject is six to nine months.

## **"BEFORE ACQUISITION VALUE" OF THE PROPERTY**

### **PROPERTY INFORMATION**

#### ***MARKET AREA***

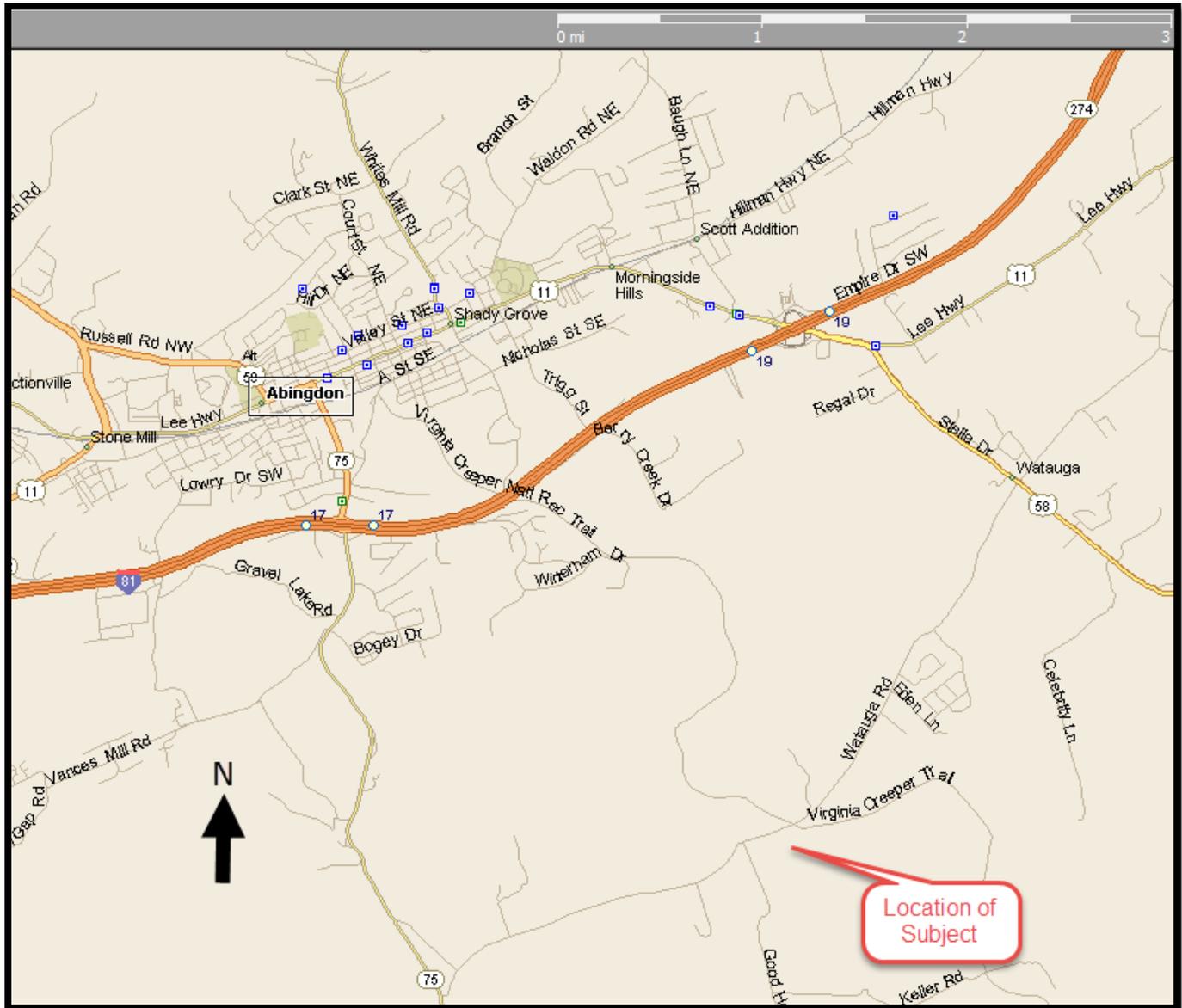
MARKET AREA INFLUENCES (Marketing times, pertinent demographics, etc.):

An understanding of the community in which the subject is located and analysis of the area is a necessary part of a marketability study as it provides consideration of the environment in which the subject exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable.

#### **COMMUNITY DATA**

An understanding of the community in which the subject is located and analysis of the area is a necessary part of the valuation process as it provides consideration of the environment in which the appraised property exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential to appraising since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable. For this reason study of the community is necessary to understand the environment in which the subject would be offered for sale.

**ENVIRONMENTAL FORCES:** The subject is located 3.4 miles southeast from the center of Abingdon, Virginia. Abingdon contains 8.2 square miles of land area and is 15 miles east of Bristol, Tennessee, 130 miles west of Roanoke, Virginia and is adjacent to the Tri-Cities Area consisting of Bristol, Kingsport and Johnson City. In 1760, Daniel Boone gave Abingdon its first name, "Wolf Hills." The town carried the name until 1774 when it was renamed "Black's Fort" by Joseph Black who erected a fort in the area. In December of 1776, the General Assembly of Virginia established Washington County, the first region in the world named after General George Washington. Black's Fort was designated the county seat of Washington County. In 1778, Blacks Fort was incorporated into the town of Abingdon and today, remains as the county seat.

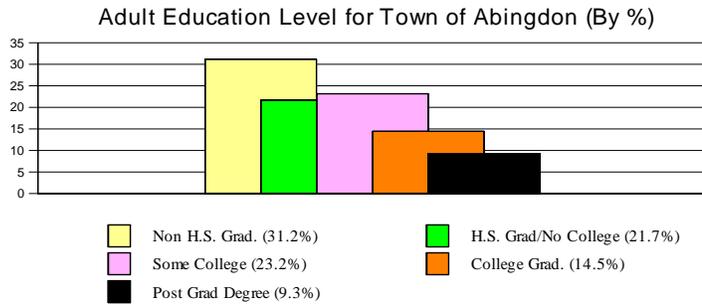


**Subject Location Map.**

Public air transportation is available from the Tri-Cities Regional Airport, located 34 miles southwest of Abingdon. It is a new modern air facility constructed as a joint project of the Tri-Cities. Combined inbound and outbound daily flights total 46 with service provided by USAir, Eagle/American, Delta, Eastern and United. Virginia Highlands Airport, located two miles west of Abingdon on US 11, is a 4,470 ft. by 75 ft., lighted runway serving private aircraft and charter services. Greyhound Bus Lines and Appalachian Coach Lines provide the area with commercial bus service. Norfolk Southern mainline rail runs through Washington County. Major Highways include Interstate 81, US 11, US 58 and US 19. Interstate 77, a major interstate connecting the Great Lakes with the southeast, intersects Interstate 81 approximately 55 miles northeast of the Town of Abingdon. Motor freight is provided by 32 interstate motor carriers serving the area. Climate for Washington County is considered moderate. Average temperature is 55.8 degrees. Average Annual rainfall is 41 inches. Average annual snowfall is 23 inches. Elevation in Washington County varies from a low of 1,698 feet to a high of 5,520 feet.

**SOCIAL FORCES:** Education for Abingdon is provided by the Washington County School System consisting of a total county enrollment of 7,952 students in 13 elementary schools and four high schools. Private

education within a 30 mile radius of the Town of Abingdon is provided by Temple Christian School, Saint Anne’s School, Sullins Academy, Tri Cities Christian School, Copper Ridge Christian Academy, Fountain City Seventh Day Adventist and Gethsemane Christian Academy. Higher education is provided by Virginia Highlands Community College located in Abingdon; Emory and Henry College located in Emory, Virginia; Virginia Intermont College located in Bristol, Virginia; King University located in Bristol, Tennessee; and East Tennessee



State University located in Johnson City, Tennessee. Population count for the Town of Abingdon of 4,318 per 1980 census provides a misleading indication of growth when compared to the 1990 census count at 7,003 since annexation has created the illusion of a doubling of the population for that decade.

**Washington County, Virginia Census Data**

| <u>Census</u> | <u>Washington Co.</u> | <u>Abingdon</u> | <u>Damascus</u> | <u>Glade Spring</u> |
|---------------|-----------------------|-----------------|-----------------|---------------------|
| 1980          | 46,487                | 4,318           | 1,330           | 1,722               |
| 1990          | 45,887                | 7,681           | 981             | 1,374               |
| 2000          | 51,103                | 7,780           | 981             | 1,374               |
| 2010          | 54,443                | 8,009           | 1,066           | 1,525               |

In 1987, the Town of Abingdon annexed 5.5 square miles of Washington County. Based on the new boundaries, the 1980 population was 7,027 (source: U.S. Census Bureau). Therefore, Abingdon increased a total of 654 persons between 1980 and 1990 or about 9.3% for that decade. Washington County was estimated to have a population of 54,443 in 2010, covering 564.2 square miles with a population density of 96.5 persons per square mile. Age Breakdown for the Town of Abingdon and Washington County follow:

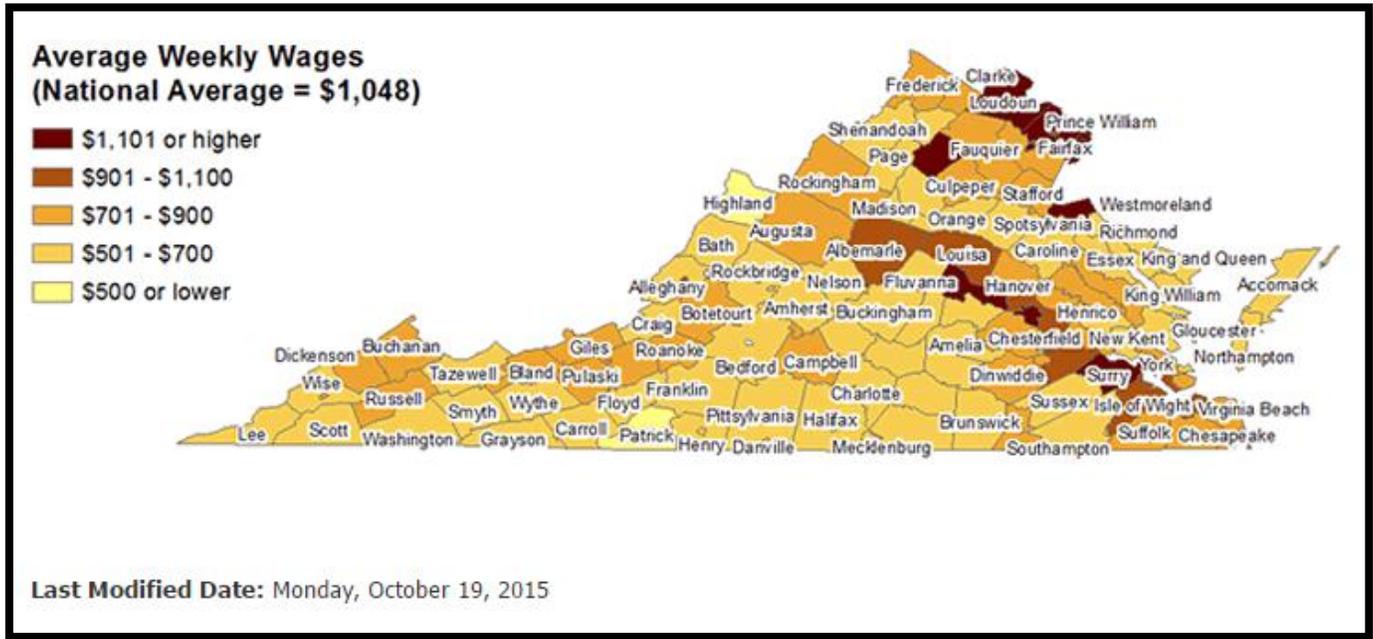
| <b>POPULATION BREAKDOWN BY AGE GROUP</b> |                  |                   |
|------------------------------------------|------------------|-------------------|
| Age Bracket                              | Town of Abingdon | Washington County |
| 0-9 years                                | 10.0%            | 11.4%             |
| 10-17 Years                              | 9.1%             | 11.0%             |
| 18-29 Years                              | 15.5%            | 16.9%             |
| 30-39 Years                              | 15.4%            | 15.9%             |
| 40-49 Years                              | 13.6%            | 14.4%             |
| 50-64 Years                              | 16.9%            | 16.3%             |
| 65+ Years                                | 19.6%            | 14.2%             |
| Average Age                              | 41.6 years       | 38.1 years        |

Medical services are provided by Johnston Memorial Hospital with 116 beds, 12 bassinets and a Neonatal Intensive Care Unit. The hospital is a state of the art Mountain States Health Alliance facility located in Abingdon. Wellmont-Bristol Regional Hospital with 337 beds and 40 psychiatric beds is located approximately 15 miles from Abingdon in Bristol, Tennessee.

Places of interest and recreation include: Abingdon Cinemall Theater, Mount Rogers National Recreation Area, South Holston Lake, Grayson Highlands and Hungry Mother State parks, Clinch Mountain Wildlife Management Area, Bristol Motor Speedway, the William King Regional Arts Center and the old Virginia Creeper Trail. The Appalachian Trail passes through the middle of Damascus (located in Washington County) on its way from Maine to Georgia. Camberley's Martha Washington Inn is located at 150 West Main Street in Abingdon. Originally built by a Virginia General as a private residence, the Inn has served as a hospital during the Civil War and The Martha Washington College for Women. Restored in 1984, it is now a luxury, 61 room inn. The Barter Theater, founded by Robert Porterfield, is located across Main Street from Camberley's Martha Washington Inn and opened in June 1933 with the advertised slogan for admission of "35 cents or the equivalent in produce." The Barter Theater became the State Theater of Virginia in 1946 and is now open 11 months of the year. It is the second oldest performing arts theater in the United States, predated only by the Walnut Street Theater in Philadelphia. Abingdon is the site of the Virginia Highlands Festival held each year in August. The festivals main locations are adjacent to the Martha Washington Inn/Barter Theater and also on the Virginia Highlands Community College Campus. Activities at the festival include an antique car show, tours of historic homes and historic district, art shows, theater productions and antique displays/sales.

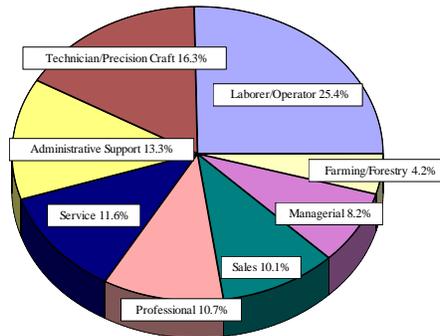
GOVERNMENT FORCES: A zoning ordinance and building code exists for the town of Abingdon and provides orderly planning, health, safety and welfare of residents. Washington County is also controlled by a county zoning ordinance. Washington County has a Board of Supervisors and County Administrator form of Government with a Planning Commission, an Industrial Development Authority and a county E-911 system. Three towns are incorporated in Washington County, Abingdon, Damascus and Glade Springs. All three towns operate with Mayor/Council forms of government. Police protection is provided by the Washington County Sheriff's Department in the county and the Abingdon Police Department in the town. The Abingdon Volunteer Fire Department and Washington County Lifesaving Crew also serve the town. Washington County operates a transfer station for solid waste disposal. The station accepts most forms of non-hazardous industrial waste for transportation to a non-county disposal center. Private pick up of industrial waste is available.

ECONOMIC FORCES: Washington County is served by 11 banks, with statewide assets over \$30 billion dollars. According to the Bureau of Labor and Statistics, in March of 2012, approximately 19,901 were employed in Washington County with an average weekly pay of \$766. Unemployment in Washington County was at 6% in March of 2013.



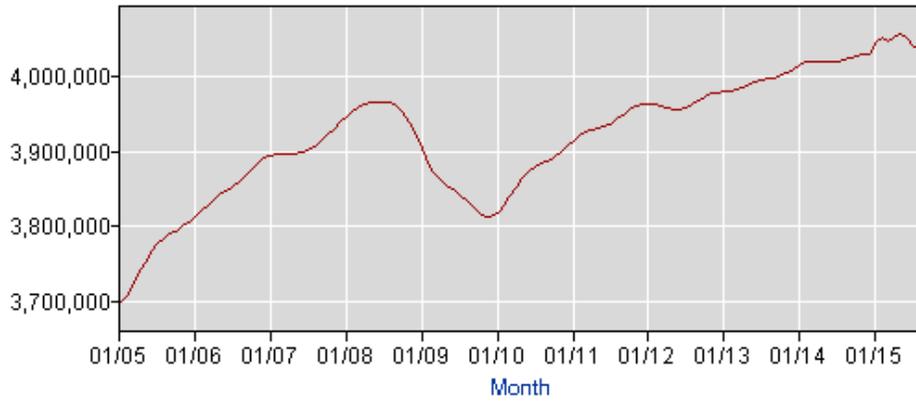
Source: Bureau of Labor Statistics

### Employment for Washington County

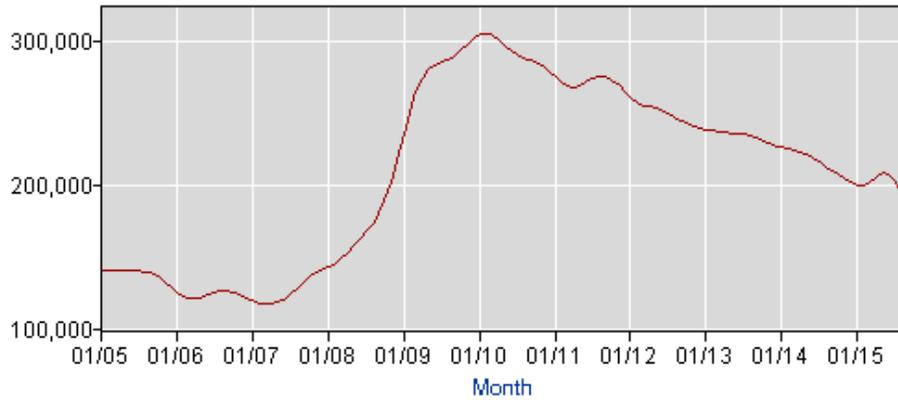


# Virginia Statewide Employment and Unemployment

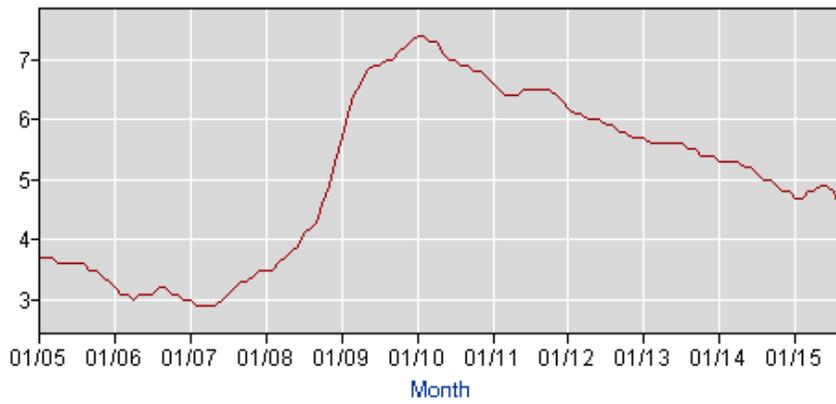
## employment



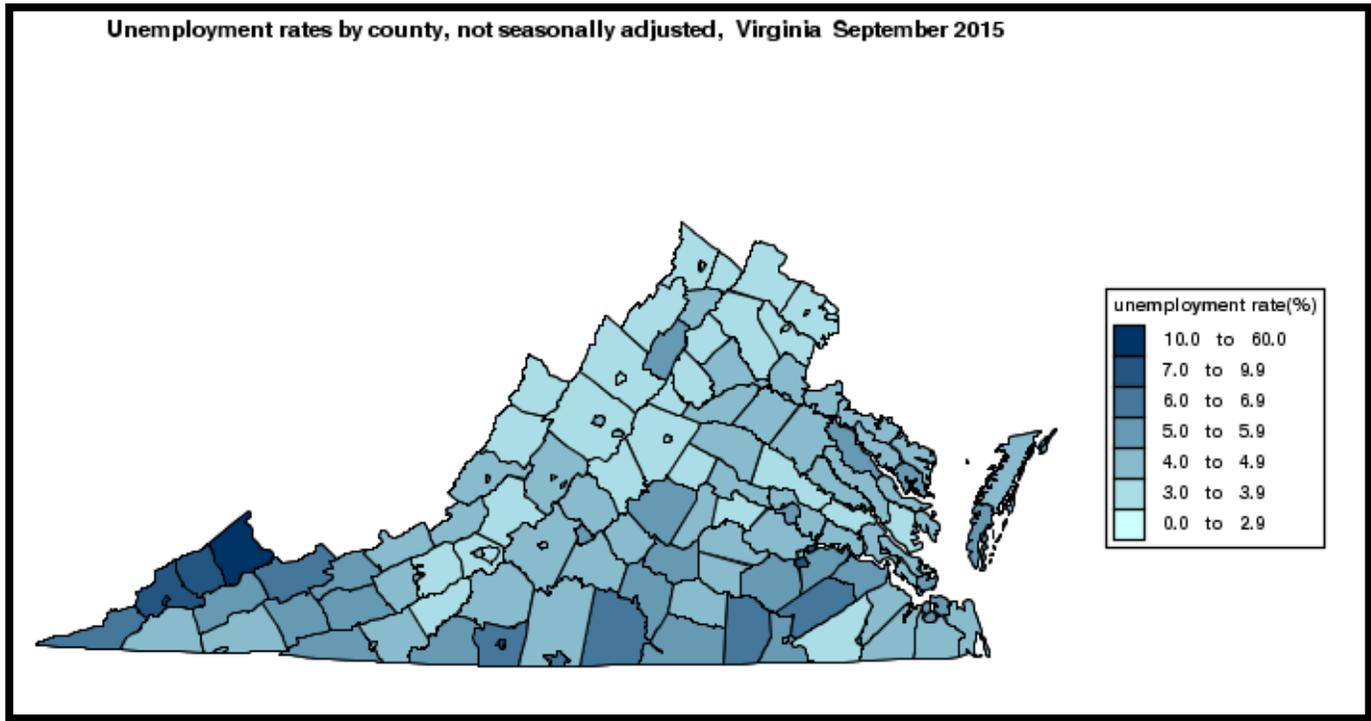
## unemployment



## unemployment rate



Unemployment rates by county, not seasonally adjusted, Virginia September 2015



Source: [http://www. http://data.bls.gov/map/MapToolServlet](http://www.data.bls.gov/map/MapToolServlet)  
Retrieved 11/3/2015

Unemployment for Washington County, Virginia was 4.3% in September 2015. Unemployment has declined over the past 12 months. Industrial parks and sites in the area are the Bristol-Washington County Industrial Park, containing 400 acres, Washington County Industrial Park, containing 85 acres, William A. Cole Industrial Park, containing 34.66 acres, Carolina Steel Site, containing 27 acres, Burris Site, containing 99.7 acres, and Glade Highlands Industrial Park, containing 436 acres. The Washington County Chamber of Commerce list the largest employers in the area as: Bristol Compressors with 2,500 employees, Mid mountain Foods, Inc., 464; Camac Cookson Fibers, Inc., 455; Dutt Wagner of Virginia, Inc., 152; Joy Mining Machinery, 130; General Engineering Company, 120; Tri-Tube Inc., 103; and Hapco/American Flagpole Division of Kearney National, Inc., 100.

According to the United States Census Bureau, Abingdon has a per capita income in 2013 dollars of \$28,214 compared to Virginia at \$33,493 with people of all ages in poverty (2009-2013) of 20.0%. Median household income for Abingdon in 2009-2013 was \$38,477 compared to Virginia at \$63,907. (Source: <http://quickfacts.census.gov/qfd/states/51/5100148.html>)

## THE REAL ESTATE MARKET

A survey was prepared for a seven year cycle covering the local real estate market based on sales data reported by the Southwest Virginia Multiple Listing Service (SWVMLS) for Washington County, Virginia. The following transactions were reported annually for property types displayed below which included residential, multi-family, land, and commercial property types. The report does not cover all transactions as some sales will occur without the aid of a real estate broker and some property types are not included in the data. The appraiser recognizes that other transactions have occurred in Washington County, Virginia. The sales discussed immediately below do not include sales reported by the Bristol VA-TN Multiple Listing Service members or privately arranged transactions not reported through Southwest Virginia Multiple Listing Service. Sales from the Bristol VA-TN Multiple Listing Service will be discussed later in this section of the report. The data

presented here is useful for interpreting trends in sales volume and number of transactions between years since the data is from a relatively consistent pool of real estate brokers operating in most of Washington County and Abingdon, Virginia. The subject is located in Washington County and residents and property owners in the vicinity of the subject and the subject's neighborhood typically use Realtors located in Abingdon. Realtors located in Abingdon usually belong to the Southwest Virginia MLS and sales trends for the area and the market conditions for that area are reflected by the sales data discussed here. The data covered does provide an insight into the sales activity and trend over the time period covered between January 1, 2006 and January 1, 2013. Total of all sales reported in 2012 at \$50,443,353 is only 52.2% of the volume in sales reported in 2006. The total number of properties sold in 2012 is about 41.7% of the number sold in 2006.

Sales Data Reported by the Southwest Virginia Multiple Listing Service

Areas: Washington County, VA

| Property Type  | 2006       |                     | 2007       |                     | 2008       |                     | 2009       |                     |
|----------------|------------|---------------------|------------|---------------------|------------|---------------------|------------|---------------------|
|                | Units      | Dollars             | Units      | Dollars             | Units      | Dollars             | Units      | Dollars             |
| Residential    | 453        | \$76,847,302        | 412        | \$78,428,721        | 338        | \$60,683,168        | 330        | \$62,132,476        |
| Multi-Family   | 4          | 2,709,900           | 2          | 216,400             | 5          | 590,000             | 2          | 975,000             |
| Land           | 123        | 16,058,969          | 109        | 9,904,477           | 86         | 7,682,400           | 66         | 3,876,995           |
| Commercial     | 5          | 980,000             | 9          | 5,019,500           | 7          | 1,880,000           | 6          | 2,117,500           |
| <b>Totals:</b> | <b>585</b> | <b>\$96,596,171</b> | <b>532</b> | <b>\$93,569,098</b> | <b>436</b> | <b>\$70,835,568</b> | <b>404</b> | <b>\$69,101,971</b> |

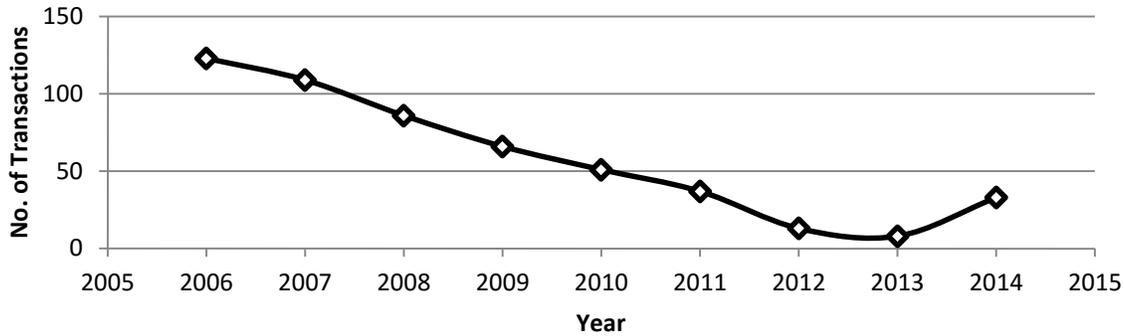
| Property Type | 2011       |                     | 2012       |                     | 2013       |                     | 2014       |                     |
|---------------|------------|---------------------|------------|---------------------|------------|---------------------|------------|---------------------|
|               | Units      | Dollars             | Units      | Dollars             | Units      | Dollars             | Units      | Dollars             |
| Residential   | 298        | \$59,180,702        | 229        | \$47,348,997        | 197        | \$43,024,825        | 248        | \$47,144,437        |
| Multi-Family  | 2          | 1,620,000           | 0          | 0                   | 0          | \$0                 | 2          | \$230,000           |
| Land          | 37         | 3,371,725           | 13         | 2,884,356           | 8          | \$513,500           | 33         | \$3,849,350         |
| Commercial    | 3          | 836,000             | 2          | 210,000             | 1          | \$330,000           | 3          | \$226,000           |
| <b>Totals</b> | <b>340</b> | <b>\$65,008,427</b> | <b>244</b> | <b>\$50,443,353</b> | <b>206</b> | <b>\$43,868,325</b> | <b>286</b> | <b>\$51,449,787</b> |

The above data is graphically depicted on the following page.

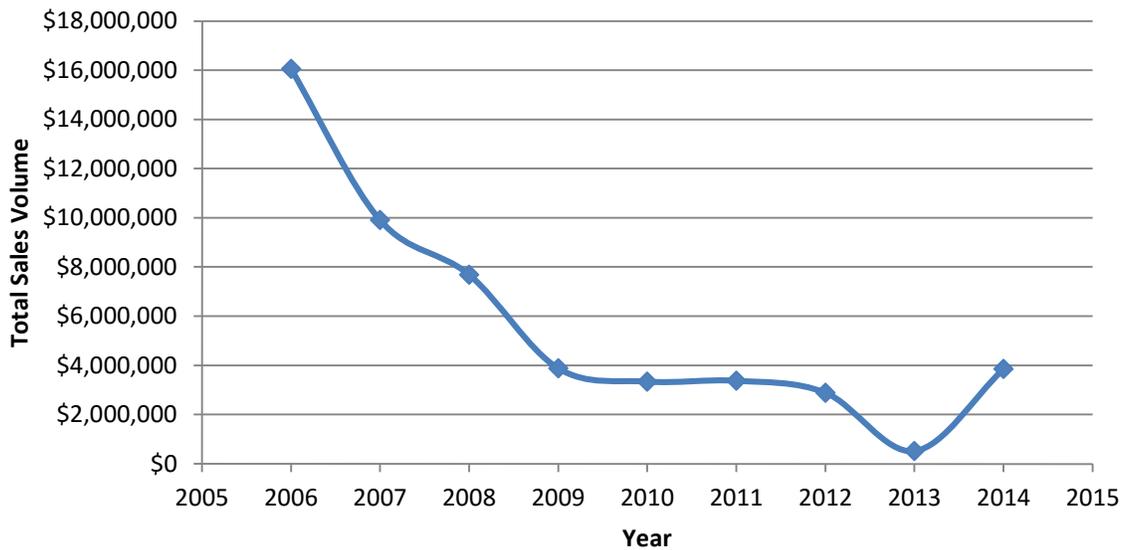
Based on the sales in the above table, the average residential sale price in 2010 was \$198,592 and in 2014 it was \$190,099. The decrease in the average residential sale price between 2010 and 2014 represents a 1.01% per annum decrease over the time period. Over short periods of time, no measurable change is noted in residential prices between the beginning of 2010 and ending in December 2014.

The number of annual transactions for the land segment of the Washington County real estate market between 2006 and January 1, 2015 has declined from a high of 123 to a low of 8 in 2013 and the total volume of sales for land transactions has declined from \$16,058,969 in 2006 to \$3,849,350 in 2014. MLS reporting methodology and combining of different land types makes comparison on a year to year basis for land difficult. The two charts derived from the above data follow and depict the depressed market and the "relative" decline in demand for land over the time period covered between 2006 and January 1, 2015.

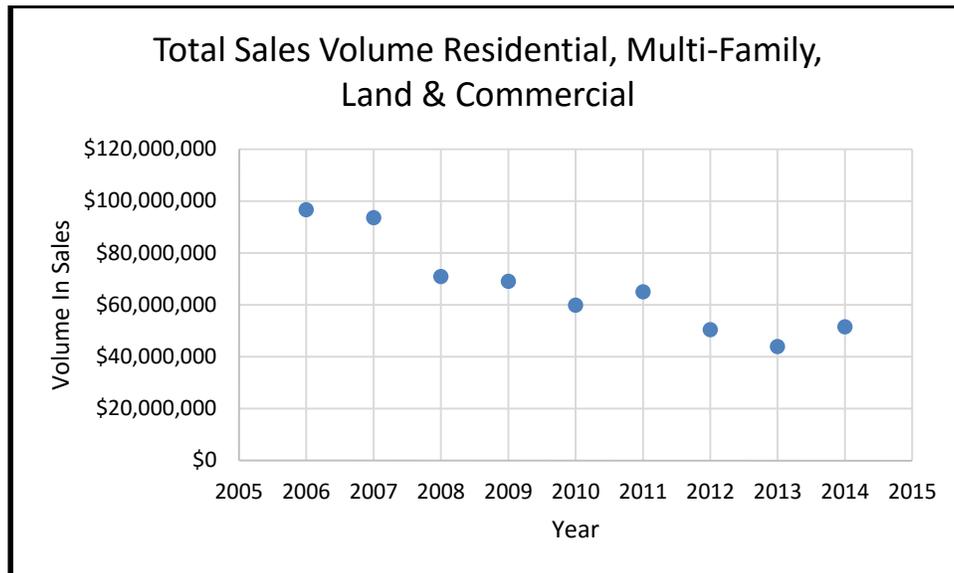
### No. of Land Sales Reported by Southwest VA MLS Washington Co., VA



### Total Volume In Land Sales Reported by Southwest VA MLS



Total sales volume for residential, multi-family, land and commercial properties has declined since 2006 with minor upticks in 2011 and 2014.



**Total Volume Residential Sales – Bristol, TN-VA, Sullivan and Washington Counties  
Reported in the Bristol, Tennessee-Virginia MLS**

| 2004        | 2005        | 2006        | 2007        | 2008        | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| \$3,130,989 | \$3,726,660 | \$4,825,701 | \$6,214,110 | \$5,050,131 | \$7,240,846 | \$5,550,894 | \$6,168,601 | \$8,573,721 | \$8,468,312 | \$5,500,998 |

As observed in the preceding table, total volume has declined since the peak in 2012 at \$8,573,721 to \$5,500,998 in 2014 or a total of a 35.85% decline in sales volume. Average sale price for residential properties have been somewhat volatile over time and in 2014 was still below the average price in 2004. Average number of days on the market for all property types was 103 days in 2014. Insufficient statistical data is available due to the low number of commercial and industrial sales to provide meaningful overall trends based on averages for the commercial and industrial segments of the local real estate market based on the Bristol, Tennessee-Virginia MLS.

**Average Residential Sale Price – Bristol, TN-VA, Sullivan and Washington Counties  
Bristol, Tennessee-Virginia MLS Data**

| 2004     | 2005     | 2006     | 2007     | 2008     | 2009     | 2010     | 2011     | 2012     | 2013      | 2014      |
|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|
| \$68,065 | \$66,548 | \$62,671 | \$66,108 | \$58,047 | \$73,140 | \$64,545 | \$69,310 | \$66,463 | \$ 78,410 | \$ 65,488 |



## Market Statistics & Trends

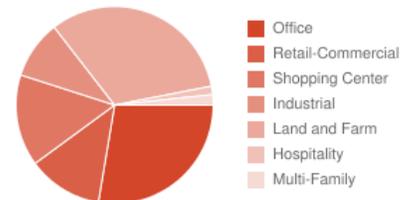
You're currently viewing statistics for **Kingsport-Bristol-Bristol** [Change This](#)

**1.3 million SF**  
Commercial Space For Sale

**624,027 SF**  
Commercial Space For Lease

**853 Acres**  
Land & Farm For Sale

**\$114.7 million**  
Total Sale Price



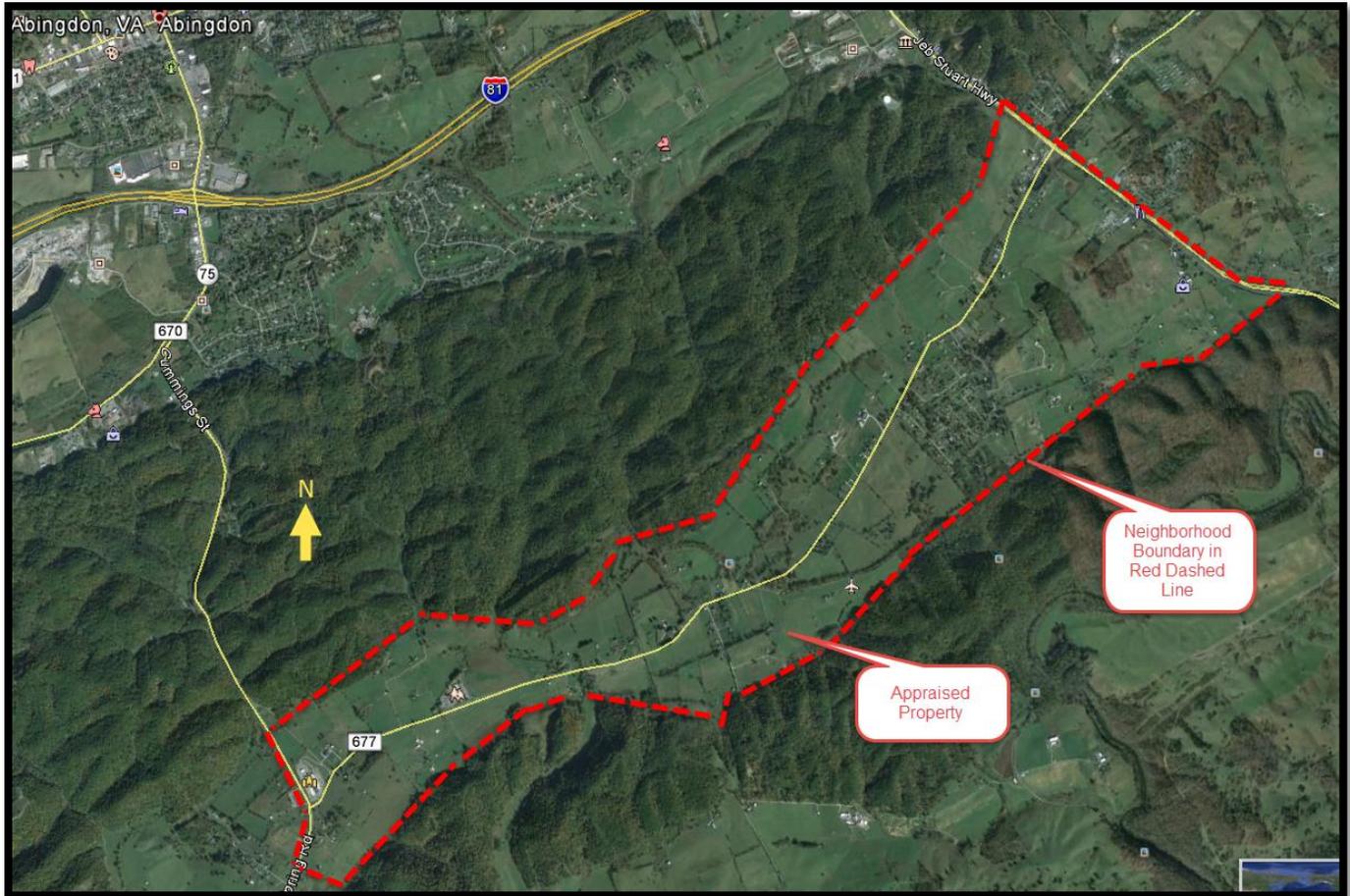
### Current Statistics for Kingsport-Bristol-Bristol

| Property Type     | Listings | Asking Lease Rate | Asking Sale Price | Below List | Days on Market | Total Available | More... |
|-------------------|----------|-------------------|-------------------|------------|----------------|-----------------|---------|
| Industrial        | 28       | \$4.19 PSF        | \$32.75 PSF       | -          | 20             | 453,041 SF      | -       |
| Office            | 81       | \$13.02 PSF       | \$77.90 PSF       | 10.7%      | 1,203          | 552,574 SF      | -       |
| Retail-Commercial | 36       | \$5.64 PSF        | \$69.72 PSF       | -          | -              | 255,356 SF      | -       |
| Shopping Center   | 44       | \$6.54 PSF        | \$90.10 PSF       | -          | -              | 203,318 SF      | -       |
| Vacant Land       | 95       | \$0.56 PSF        | \$1.54 PSF        | -          | -              | 37.6 million SF | -       |
| Hospitality       | 4        | -                 | \$11.27 PSF       | -          | -              | 335,648 SF      | -       |
| Multi-Family      | 5        | -                 | \$19.01 PSF       | -          | -              | 92,800 SF       | -       |

Market Statistics & Trends Report for Kingsport-Bristol, TN & Bristol, VA as of 5/17/2015 from Northeast Tennessee Association of Realtors Commercial MLS.

**DESCRIBE THE IMMEDIATE MARKET AREA OF THE SUBJECT PROPERTY:**

The subject is located on the south side of The Virginia Creeper Trail about 430 feet from the south side of Watauga Road (Rte. 677) in Washington County, Virginia. Property in the immediate vicinity of the subject primarily includes residential and agricultural uses. Aerial map depicting nearby properties follows.



Neighborhood Boundary Map.

The neighborhood boundary is as outlined on the map depicted above. General demographics and description of the neighborhood are based on the “Executive Summary” table which follow the and provide greater detail regarding population characteristics of the area defined as the neighborhood. Population for the neighborhood covering 2.93 square miles is 515 as of 2015 is only five more than the 510 2000 census. Median age in the area is 44.3 years. The 2015 household count for the neighborhood is 211 with an average household size of 2.44 persons. Average 2015 household income for the neighborhood is \$60,084 which is below the \$74,669 average household income for all the U.S. Median home value in 2010 for the neighborhood was \$165,833 compared to 200,006 for the U.S. A total of 217 housing units are located in the neighborhood in 2015 and 168 are estimated to be owner occupied. Overall neighborhood occupancy in 2015 is 97.2%.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Population

|                        |        |
|------------------------|--------|
| 2000 Population        | 510    |
| 2010 Population        | 522    |
| 2015 Population        | 515    |
| 2020 Population        | 508    |
| 2000-2010 Annual Rate  | 0.23%  |
| 2010-2015 Annual Rate  | -0.26% |
| 2015-2020 Annual Rate  | -0.27% |
| 2015 Male Population   | 50.5%  |
| 2015 Female Population | 49.3%  |
| 2015 Median Age        | 44.3   |

In the identified area, the current year population is 515. In 2010, the Census count in the area was 522. The rate of change since 2010 was -0.26% annually. The five-year projection for the population in the area is 508 representing a change of -0.27% annually from 2015 to 2020. Currently, the population is 50.5% male and 49.3% female.

### Median Age

The median age in this area is 44.3, compared to U.S. median age of 37.9.

### Race and Ethnicity

|                                          |       |
|------------------------------------------|-------|
| 2015 White Alone                         | 98.1% |
| 2015 Black Alone                         | 0.8%  |
| 2015 American Indian/Alaska Native Alone | 0.2%  |
| 2015 Asian Alone                         | 0.2%  |
| 2015 Pacific Islander Alone              | 0.0%  |
| 2015 Other Race                          | 0.6%  |
| 2015 Two or More Races                   | 0.2%  |
| 2015 Hispanic Origin (Any Race)          | 1.2%  |

Persons of Hispanic origin represent 1.2% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 6.4 in the identified area, compared to 63.0 for the U.S. as a whole.

### Households

|                             |        |
|-----------------------------|--------|
| 2000 Households             | 208    |
| 2010 Households             | 213    |
| 2015 Total Households       | 211    |
| 2020 Total Households       | 208    |
| 2000-2010 Annual Rate       | 0.24%  |
| 2010-2015 Annual Rate       | -0.18% |
| 2015-2020 Annual Rate       | -0.29% |
| 2015 Average Household Size | 2.44   |

The household count in this area has changed from 213 in 2010 to 211 in the current year, a change of -0.18% annually. The five-year projection of households is 208, a change of -0.29% annually from the current year total. Average household size is currently 2.44, compared to 2.45 in the year 2010. The number of families in the current year is 153 in the specified area.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Median Household Income

|                              |          |
|------------------------------|----------|
| 2015 Median Household Income | \$43,589 |
| 2020 Median Household Income | \$50,179 |
| 2015-2020 Annual Rate        | 2.86%    |

### Average Household Income

|                               |          |
|-------------------------------|----------|
| 2015 Average Household Income | \$60,084 |
| 2020 Average Household Income | \$69,233 |
| 2015-2020 Annual Rate         | 2.88%    |

### Per Capita Income

|                        |          |
|------------------------|----------|
| 2015 Per Capita Income | \$24,831 |
| 2020 Per Capita Income | \$28,589 |
| 2015-2020 Annual Rate  | 2.86%    |

### Households by Income

Current median household income is \$43,589 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$50,179 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$60,084 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$69,233 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$24,831 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$28,589 in five years, compared to \$32,501 for all U.S. households

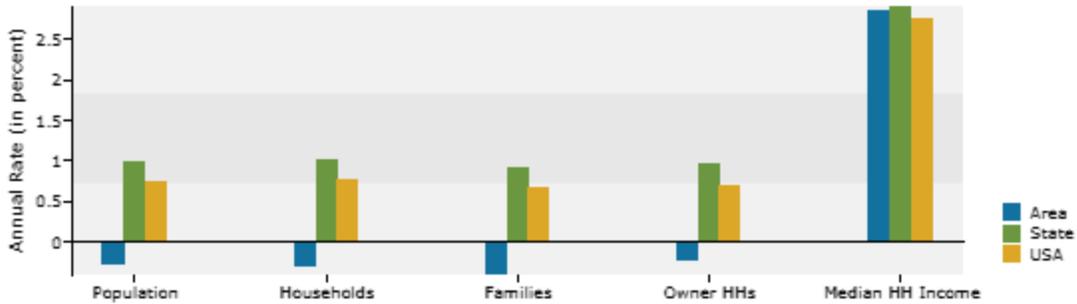
### Housing

|                                    |     |
|------------------------------------|-----|
| 2000 Total Housing Units           | 209 |
| 2000 Owner Occupied Housing Units  | 177 |
| 2000 Renter Occupied Housing Units | 31  |
| 2000 Vacant Housing Units          | 1   |
| 2010 Total Housing Units           | 217 |
| 2010 Owner Occupied Housing Units  | 173 |
| 2010 Renter Occupied Housing Units | 40  |
| 2010 Vacant Housing Units          | 4   |
| 2015 Total Housing Units           | 217 |
| 2015 Owner Occupied Housing Units  | 168 |
| 2015 Renter Occupied Housing Units | 43  |
| 2015 Vacant Housing Units          | 6   |
| 2020 Total Housing Units           | 217 |
| 2020 Owner Occupied Housing Units  | 166 |
| 2020 Renter Occupied Housing Units | 42  |
| 2020 Vacant Housing Units          | 9   |

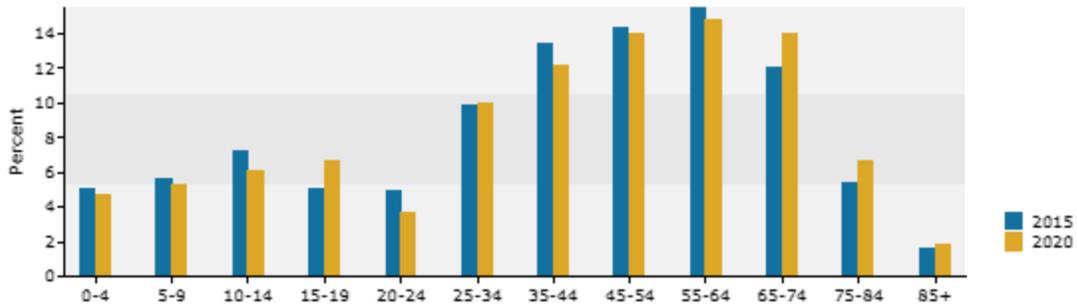
Currently, 77.4% of the 217 housing units in the area are owner occupied; 19.8%, renter occupied; and 2.8% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 217 housing units in the area - 79.7% owner occupied, 18.4% renter occupied, and 1.8% vacant. The annual rate of change in housing units since 2010 is 0.00%. Median home value in the area is \$165,833, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 7.65% annually to \$239,773.



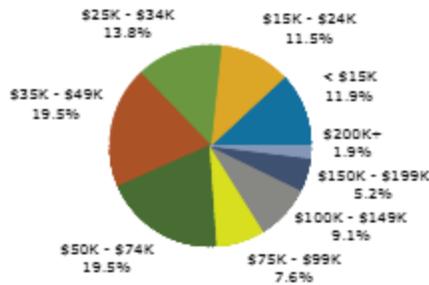
Trends 2015-2020



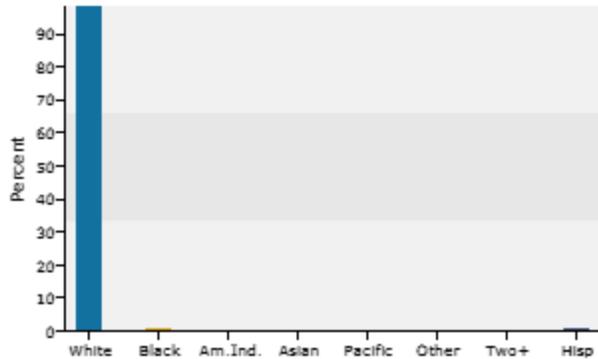
Population by Age



2015 Household Income



2015 Population by Race



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

**DELINEATION OF TITLE**

Title Report Furnished:  Yes  No. Has the property sold in the last 5 years:  Yes  No  
Last Conveyance: Title report not furnished. Date: 3/14/1996 D.B.: 937 Page: 248 Verified/Indicated  
Consideration \$250,000 according to Commissioner of Revenue office records. It is unknown whether the last conveyance included additional property.

The appraiser was not furnished a title report and title search is beyond the scope of work typically performed by appraisers. Whole property description is based on scaling the tax map.

**PROPERTY ASSESSMENT**

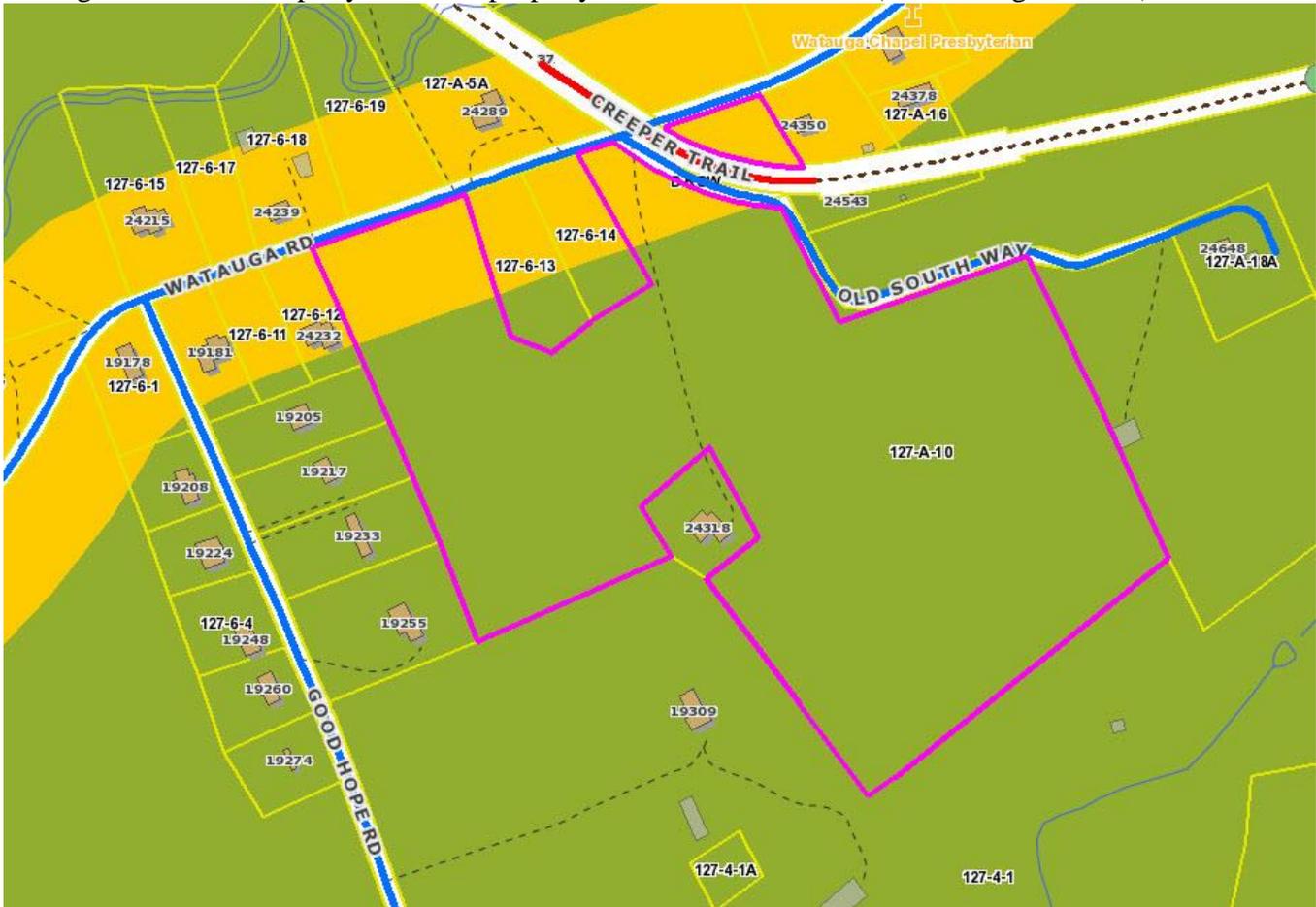
Tax Map #: 127-A-10.0, 127-6-13, and 127-6-14 Taxes: \$2,925 county taxes total for all three parcels

Real Estate Assessment:

Year: 2014 Land: \$274,600 Improvements: \$ 0 TOTAL: \$274,600

**ZONING AND PROPERTY RESTRICTIONS**

Zoning and Current Property Use: The property is zoned R-2 and A-2 (General Agricultural).



Zoning Map. Subject is zoned R-2 on the front (in yellow) and A-2 on the balance (in green).

• **Sec. 66-322. - Permitted uses and accessory uses and structures in A-2 Zones.**

- (a) *Permitted uses.* In the A-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:
- (1) Agriculture, general farming, dairying, greenhouses and forestry.
  - (2) Beauty shops and barbershops.
  - (3) Cemeteries.
  - (4) Ecotourism, minor.
  - (5) General stores, gift and antique shops and small handicraft shops having less than 1,500 square feet of total floor area and no more than six paid employees. Small handicraft shops include but are not limited to woodworking, upholstery, framing, glass blowing and ceramic shops.
  - (6) Home occupations conducted by the occupant.
  - (7) Lodges and private clubs.
  - (8) Parks, playgrounds, preserves and conservation areas.
  - (9) Professional offices (within occupant's dwelling).
  - (10) Schools and churches.
  - (11) Single-, two- and multiple-family dwellings, including manufactured homes, provided that no manufactured home shall be used for business purposes in the A-2 district except for home occupations as defined by this chapter and subject to the provisions of article XI, division 2 of this chapter.
  - (12) Small boat docks (with repair).
  - (13) Townhouses, if public water and public sewer systems are available.
  - (14) Utilities and public services as follows:
    - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, electrical power substations, electrical power transmission towers, telecommunication switching facilities and telecommunication towers and antennas.
    - b. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.
    - c. Solid waste disposal convenience station operated by the county after a public hearing shall have been held by the board of supervisors.
  - (15) Veterinary and related services.
- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line. The following accessory uses and structures are permitted in the A-2 district:
- (1) Church bulletin boards and identification signs.
  - (2) Directional signs, business signs and home occupation signs.
  - (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
  - (4) Off-street parking as required in this chapter.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, § 1(66-362), 4-11-2000; Ord. No. 2015-003, § 4, 5-12-2015)

• **Sec. 66-323. - Special exception uses.**

In the A-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Airports.

- (2) Ecotourism, major.
- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
- (4) Gas wells.
- (5) Golf courses.
- (6) Group homes and day care centers.
- (7) Hotels and restaurants.
- (8) Land application of human waste sludge or industrial sludge pursuant to article VI.
- (9) Nonagriculturally related storage facilities having a single story and no more than 2,000 square feet in floor area.
- (10) Off-site uses related to airport safety as defined in section 66-695.
- (11) Recreation, commercial.
- (12) Rest homes.
- (13) Sawmills, planing mills, agriculturally related businesses, small businesses in general, and light industry.
- (14) Water and wastewater treatment plants.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, §1(66-362), 4-11-2000; Ord. No. 2014-008, § 3, 9-9-2014; Ord. No. 2015-003, §§ 5, 6, 5-12-2015)

- **Sec. 66-324. - Area regulations.**

The lot area for each permitted use in the A-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
- (2) A minimum of 30,000 square feet with public water.
- (3) A minimum of 15,000 square feet with public sewer and water.

(Code 1997, § 66-363)

- **Sec. 66-325. - Setback regulations.**

Structures in the A-2 district shall be 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising the sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-364)

- **Sec. 66-326. - Frontage regulations.**

The minimum frontage for permitted uses in the A-2 district shall be 100 feet at the setback line.

(Code 1997, § 66-365)

- **Sec. 66-327. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the A-2 district shall be 15 feet, and the total width of the two required side yards shall be 35 feet or more.
- (b) *Rear.* Each main structure in the A-2 district shall have a rear yard of 35 feet or more.

(Code 1997, § 66-366)

- **Sec. 66-328. - Height regulations.**

Buildings in the A-2 district may be erected up to 35 feet in height; except that:

- (1) The height limit for dwellings may be increased up to 45 feet and up to three stories, provided there are two side yards for each permitted use, each of which is 15 feet or more, plus one foot or more of side yard for each additional foot of building height over 35 feet.
- (2) A public or semipublic building such as a school, church, library or general hospital may be erected to a height of 60 feet from grade provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
- (3) Church spires, belfries, silos and barns, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aerials are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
- (4) No accessory building that is within 20 feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.

(Code 1997, § 66-367)

- **Sec. 66-422. - Permitted uses and accessory uses and structures in R-2 Zones.**

- (a) *Permitted uses.* In the R-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:

- (1) Clubs and lodges.
- (2) Home occupations conducted by the occupant.
- (3) Parks and playgrounds.
- (4) Professional offices.
- (5) Schools and churches.
- (6) Single-family, two-family, and multifamily dwellings.
- (7) Tourist homes, rooming houses and boardinghouses.
- (8) Townhouses, if public water and public sewer systems are available.
- (9) Utilities and public services as follows:
  - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, with the exception of telecommunication towers.
  - b. Telecommunication towers and antennas used exclusively by public or private schools or educational institutions for the receipt and transmission of data solely for educational purposes shall be permitted by right subject to compliance with the provisions of article X of this chapter.
  - c. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.

- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line.

The following accessory uses and structures are permitted in the R-2 district:

- (1) Church bulletin boards and identification signs.
- (2) Directional signs, business signs and home occupation signs.
- (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
- (4) Off-street parking as required in this chapter.

(Code 1997, § 66-482; Ord. No. 99-4, § 1(66-482), 6-8-1999; Ord. No. 2000-01, § 1(66-482), 4-11-2000)

- **Sec. 66-423. - Special exception uses.**

In the R-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Day care center, including a day care center as home occupation.
- (2) Electrical power substations and telecommunication switching facilities.
- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
- (4) General hospitals.
- (5) Golf courses.
- (6) Horse barn as an accessory use, noncommercial, to an on-site residential dwelling with a minimum of five acres of land.
- (7) Rest homes and group homes.
- (8) Water and wastewater treatment plants.

(Code 1997, § 66-482; Ord. No. 99-4, § 1(66-482), 6-8-1999; Ord. No. 2000-01, § 1(66-482), 4-11-2000)

- **Sec. 66-424. - Area regulations.**

The lot area for each permitted use in the R-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
- (2) A minimum of 30,000 square feet with public water.
- (3) A minimum of 15,000 square feet with public sewer and water.

(Code 1997, § 66-483)

- **Sec. 66-425. - Setback regulations.**

Structures in the R-2 district shall be located 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-484)

- **Sec. 66-426. - Frontage regulations.**

For permitted uses in the R-2 district, the minimum lot width at the setback line shall be 80 feet, and for each additional permitted use there shall be at least ten feet of additional lot width at the setback line.

(Code 1997, § 66-485)

- **Sec. 66-427. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the R-2 district shall be ten feet, and the total width of the two required side yards shall be 25 feet or more.
- (b) *Rear.* Each main structure in the R-2 district shall have a rear yard of 25 feet or more.

(Code 1997, § 66-486)

• **Sec. 66-428. - Height regulations.**

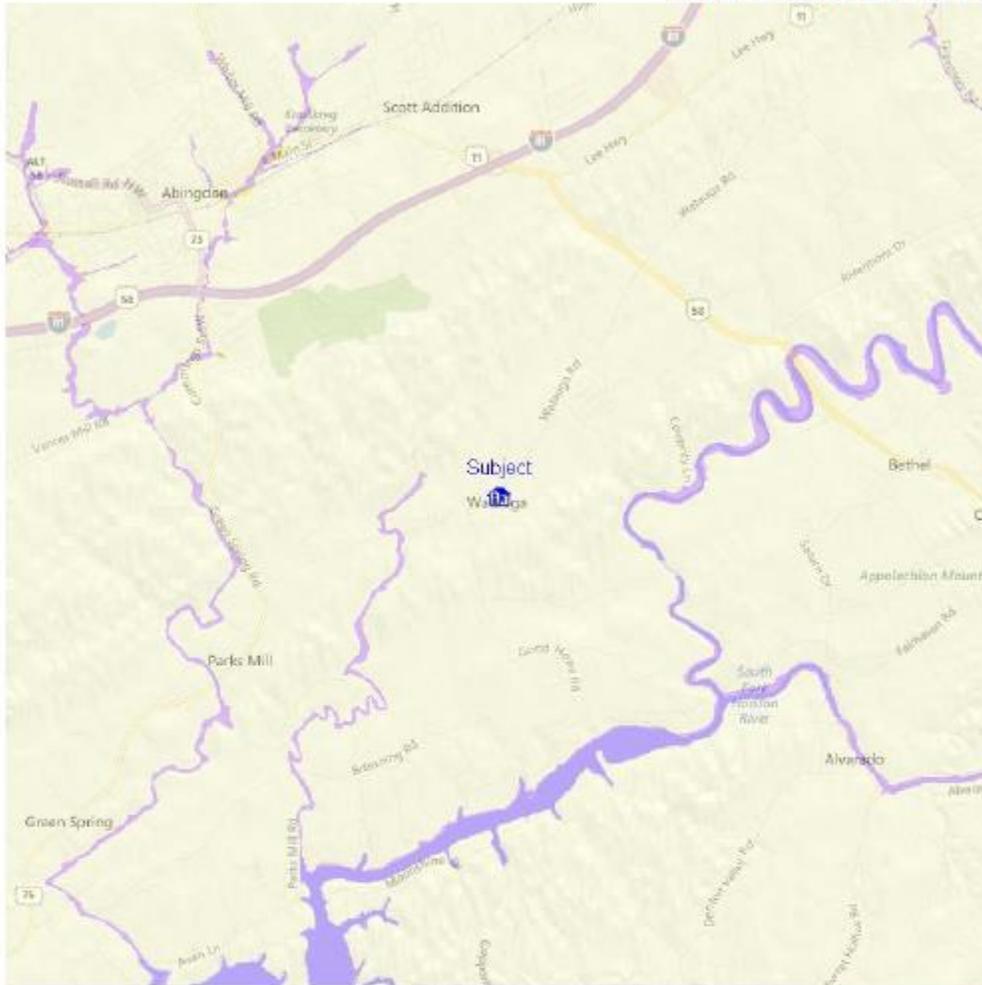
Buildings in the R-2 district may be erected up to 35 feet in height from grade, except that:

- (1) The height limit for dwellings may be increased up to ten feet and up to three stories, provided there are two side yards for each permitted use, each of which is ten feet or more plus one foot or more of side yard for each additional foot of building height over 35 feet.
- (2) A public or semipublic building such as a school, church, library or hospital may be erected to a height of 60 feet from grade, provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
- (3) Church spires, belfries, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aerials are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
- (4) No accessory building which is within ten feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.

(Code 1997, § 66-487)

**FLOOD ZONE**

Property Located in Flood Zone:  Yes  No      Zones: The subject is not located in a flood hazard zone.  
Flood map and source of information regarding flood zones follows.



**MAP DATA**

Map Number : **51191C0295C**  
 Panel Date : **September 29, 2010**  
 FIPS Code : **51191**

Census Tract : **0110.00**  
 Geo Result : **S4 - single close match, point located at the center of shape point path**

| Flood |                 |
|-------|-----------------|
|       | X or C Zone     |
|       | X500 or B Zone  |
|       | A Zone          |
|       | V Zone          |
|       | D Zone          |
|       | Area Not Mapped |

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Map # 51191C0295C Date Sept. 29, 2010  
 Hazardous Material:  Yes  No  None observed. If yes, explain:  
 Proffers:  Yes  No. If yes, explain:

**TENANT INFORMATION**

Are tenants located on the property?  Yes  No  Unknown

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**PROPERTY INFORMATION**

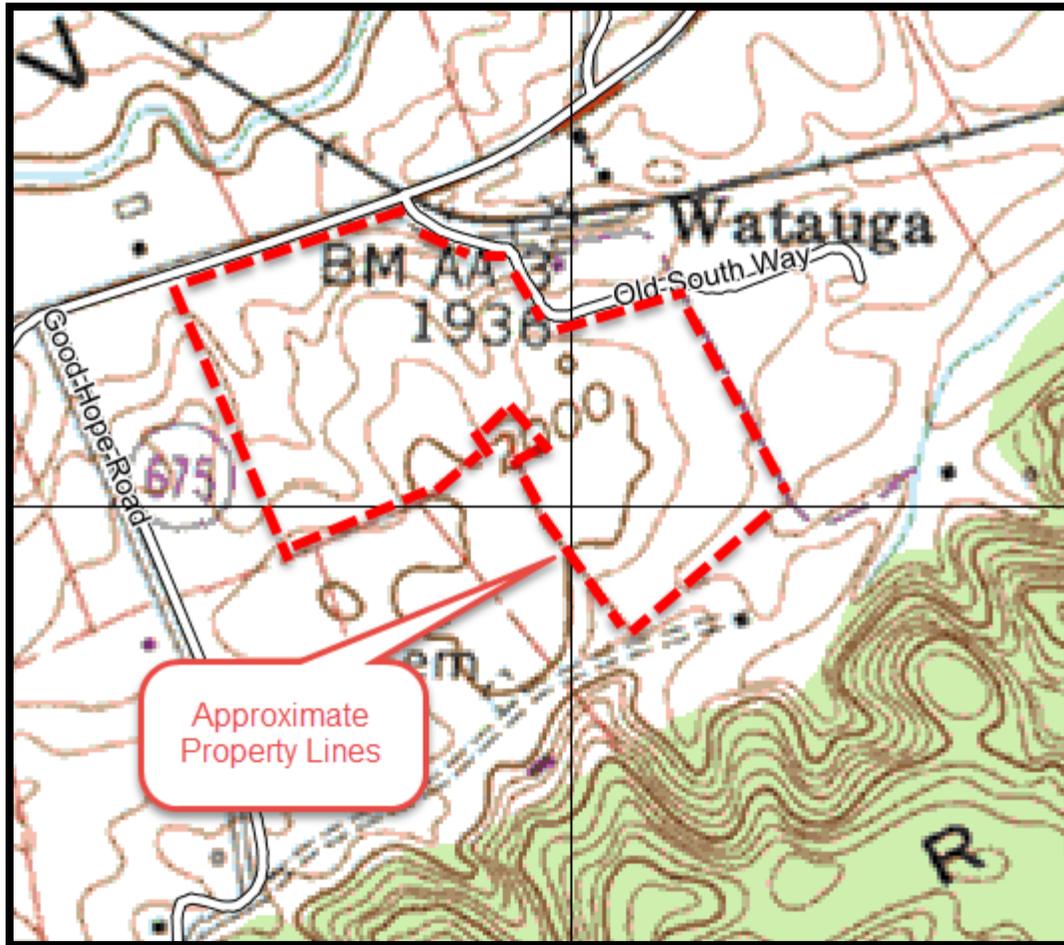
**GENERAL DESCRIPTION of LAND AND IMPROVEMENTS**

**LAND:**

The subject is an irregular shaped property containing approximately 35.0 acres consisting of three contiguous parcels fronting the south side of the Watauga Road (Rte. 677) about 380 feet east of its intersection with Route 675. The following dimensions are approximate and are based on scaling the tax map. The property fronts Watauga Road for 700 feet, measures 1,182.29 feet along the south side of Old South Way, is 743 feet along the east side, measures 2,645 feet (including six offsets) across the south or rear boundary, and is 950 feet on the west sideline.



Except for the entrance to the property, the topography slopes downward from Watauga Road along the front and rises in elevation to the rear or south boundary. Overall, the topography is classified as gentle rolling to sloping, cleared terrain. Elevations of the property varies from about 1,900 on the front to 2,000 feet above sea level. Because the property fronts Watauga Road and public water line is located along Watauga Road, water connections can be obtained without easements across other property owners. Major utilities available include electric, telephone, and a 2-inch water line along Watauga Road. No major improvements are located on the property.



Topographic Map. Approximate location of subject's property lines are red dashed lines.

Soils are depicted on the soil map below along with map legend. The subject is outlined in turquoise.



| Map Unit Legend                                                  |                                                         |              |                |
|------------------------------------------------------------------|---------------------------------------------------------|--------------|----------------|
| Washington County Area and the City of Bristol, Virginia (VA191) |                                                         |              |                |
| Map Unit Symbol                                                  | Map Unit Name                                           | Acres in AOI | Percent of AOI |
| 16C                                                              | Frederick silt loam, 8 to 15 percent slopes             | 16.8         | 49.0%          |
| 16D                                                              | Frederick silt loam, 15 to 25 percent slopes            | 11.8         | 34.4%          |
| 19C                                                              | Hagerstown-Rock outcrop complex, 2 to 15 percent slopes | 0.5          | 1.6%           |
| 55B                                                              | Wyrick-Marbie complex, 2 to 7 percent slopes            | 0.0          | 0.1%           |
| 55C                                                              | Wyrick-Marbie complex, 7 to 15 percent slopes           | 5.1          | 15.0%          |
| <b>Totals for Area of Interest</b>                               |                                                         | <b>34.2</b>  | <b>100.0%</b>  |

**IMPROVEMENTS:**

The property has no major structures or improvements but the boundaries are fenced.

**PUBLIC UTILITIES AVAILABLE:**  Electric  Telephone  Water  Sewer  
 Gas  Other \_\_\_\_\_; Private  Well  Septic System  Other \_\_\_\_\_.

## **“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

### **HIGHEST AND BEST USE**

The Appraisal of Real Estate, 13<sup>th</sup> edition, defines highest and best use as:

*The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*

In addition, it states:

*In the analysis of pertinent data, four steps are implicit and are applied in the following order to develop adequate support for the appraiser’s highest and best use opinion*

- 1. Physically possible*
- 2. Legally permissible*
- 3. Financially feasible*
- 4. Maximally productive*

### ***AS IF VACANT***

Highest and best use, if vacant, is for rural residential use combined with small farm use. Both R-2 and A-2 zoning allows single-family, two-family, multifamily dwellings, and townhouses. The property is vacant land used for agricultural purposes at the present time. Many of the uses allowed such as lodges, private clubs, professional offices, and schools have limited market appeal for this particular location and can be ruled out as they are not deemed financially feasible uses or uses that would not be marketable due to location and distance from the population center.

Physically possible uses include small farm with a residence or rural residential use. Rural residential use is defined here as parcels that are larger than typical subdivision lots but smaller than economically viable large operating farms. The present zoning of A-2 and R-2, allows rural residential use. cursory view of the aerial photograph of the subject and surrounding area suggest density of development is relatively low. Total population in the neighborhood is 515 in 2015 and the land area within the neighborhood covers 2.93 square miles or 1,875.2 acres.

$$1,875.2 \text{ acres} \div 515 \text{ population} = 3.64 \text{ acres per person}$$

Page 18 population and housing growth for the neighborhood is stagnant at 217 units between 2010 and 2015 and is projected to have no growth through 2020. Lack of growth in the neighborhood and the low density of population suggests rural residential use as the highest and best use when considering the property as though vacant. Higher density of residential development has occurred in earlier years before present economic conditions along nearby Rte. 675 but this development has utilized the access afforded by Rte. 675. While the subject has 700 feet of road frontage along Watauga Road and two parcels have been previously divided from the main or larger part of the property, the acquisition is in the vicinity of the existing gravel drive at the entrance and does not impact the two smaller parcels shown on the tax map. In addition, the proposed acquisition is in the immediate vicinity of the existing driveway leading to a dwelling under other ownership that is access across the subject’s driveway. Construction of a dwelling in the area of the acquisition does not appear practical since the driveway used for the property at the top of the hill traverses the acquisition. Construction of a dwelling in the acquisition does not seem practical given the present drainage pattern and the driveway location which is presumed to be an access easement for adjoining property. Consequently, the highest and best use of the area

Cornelia H. Counts  
UPC No. 107922

acquired is as part of the larger parcel comprising most or the balance of the subject. The highest and best use is considered to be rural residential use based on other uses in the neighborhood, the allowable uses under the zoning ordinance, marketability, the subject's shape, size, topography, location, and other physical characteristics.

### ***AS IMPROVED***

The subject is classified as vacant land and the as improved analysis for highest and best use is not applicable.

### **APPROACHES TO VALUE EXCLUDED**

The income approach was not processed due to the lack of recently negotiated leases of similar size acreage parcels with similar highest and best use for rural residential purpose. Typically, this type property is not leased. The cost approach was not processed as it is not an applicable valuation approach for land.

### **APPROACHES TO VALUE EXPLAINED**

#### ***COST APPROACH***

The Cost Approach to value is based on the principle that a prudent purchaser would not pay more for a property than the cost to purchase a similar parcel and erect similar improvements. The replacement cost new of an improvement is typically estimated by use of local contractors and/or a national cost service. Depreciation from all causes is then deducted from the estimated replacement cost new. The depreciated cost new of the improvements is then added to the site improvements and land value to arrive at the value indicated by the Cost Approach.

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ \hline = \text{Value} \end{array}$$

#### ***THE INCOME APPROACH***

The Income Approach typically involves projecting the income and expenses of a property over a period or periods of time into a cash flow projection, before debt service and depreciation. The cash flow (net operating income) is then capitalized into a value estimate. The capitalization rate is typically based upon current financial market requirements and equity return requirements of the specific real estate market of which the property is a part. The validity of this approach is largely based upon the principle of anticipation. An investor purchasing an income producing property is paying a sum of money in present dollars for the right to receive future dollars.

In arriving at a value estimate via this approach the following steps are taken:

- 1) Estimate the annual gross income of the property based upon the actual lease in effect and/or on comparable leases.
- 2) Deduct from the Gross Potential Income the estimated loss of income resulting from vacancies and/or non-collections to arrive at an estimate of gross effective income.
- 3) Estimate the expenses that are anticipated to be incurred on the operation of the property. The total expenses are deducted from the effective gross income to arrive at the estimate of net operating income (NOI- income before debt service, income taxes and depreciation).

- 4) Derive a capitalization rate by reference to the competitive markets. Select an appropriate method of capitalization and convert the NOI into a value estimate.

### THE SALES COMPARISON APPROACH – LAND VALUATION

The sales comparison approach is based upon the principle of substitution. That is, a knowledgeable purchaser would pay no more for a property than they would for a substitute property of similar utility and desirability. In applying this approach the appraiser will:

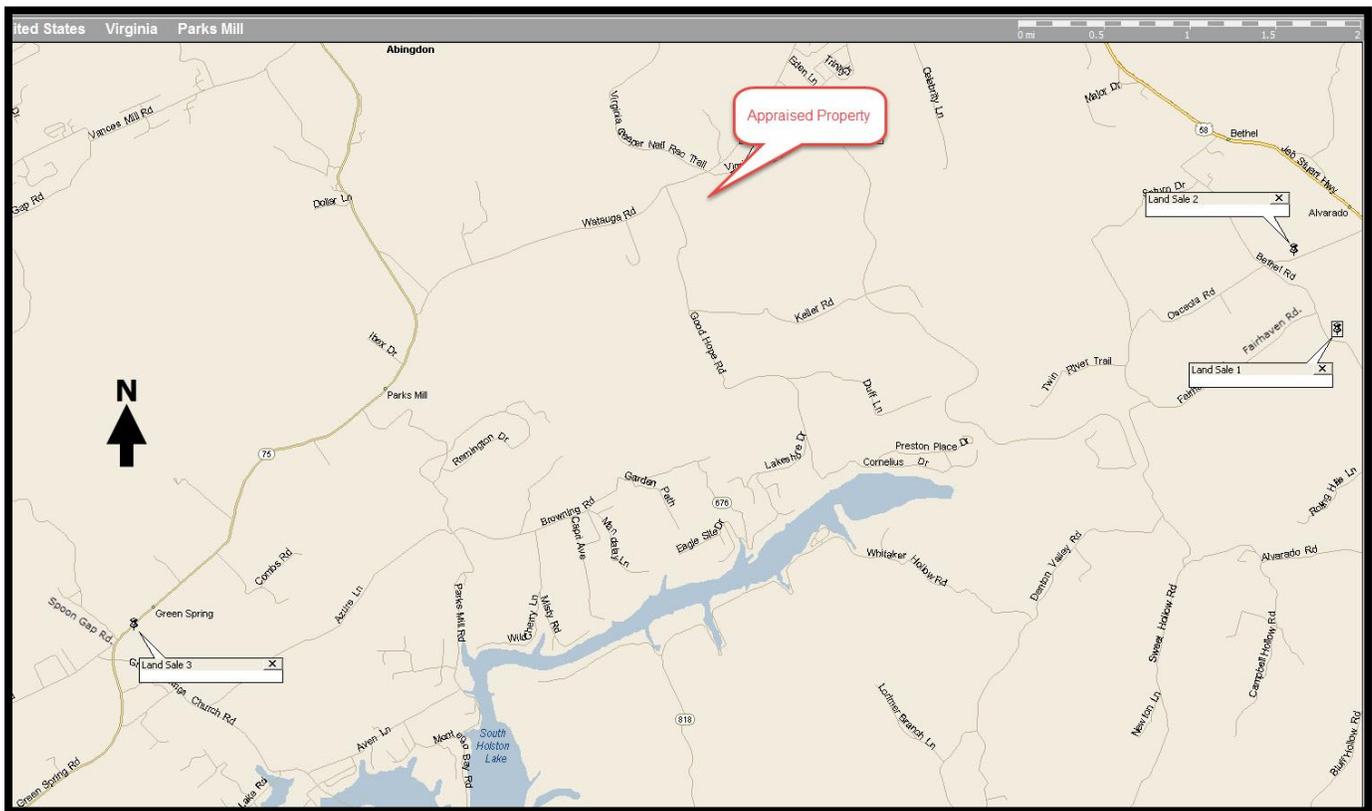
- Research and verify sales data on properties similar to the subject.
- Select relevant units of comparison and develop a comparative analysis for each unit
- Compare the sales to the subject property and adjust the comparables for those items that influence value
- Reconcile the various value indications produced from analysis of the comparables into an estimate of value for the subject.

Sales of similar vacant parcels with rural residential highest and best use in the subjects’ market area were researched for comparison to the subject. The following pages contain a summary and analysis of those sales.

### COMPARABLE LAND SALES SUMMARY TABLE

| No. | Location                     | Sale Date  | Price      | Size in Acres | Price/ Acre |
|-----|------------------------------|------------|------------|---------------|-------------|
| 1.  | 20289 Bethel Road (Rte. 708) | 03/07/2014 | \$40,000   | 5.301         | \$7,546     |
| 2.  | Osceola Road (Rte. 722)      | 01/21/2014 | \$92,000   | 12.700        | \$7,244     |
| 3.  | Green Spring Road (Rte. 75)  | 10/17/2013 | *\$106,200 | 9.940         | *\$10,684   |

\*After adjusting downward for barn.

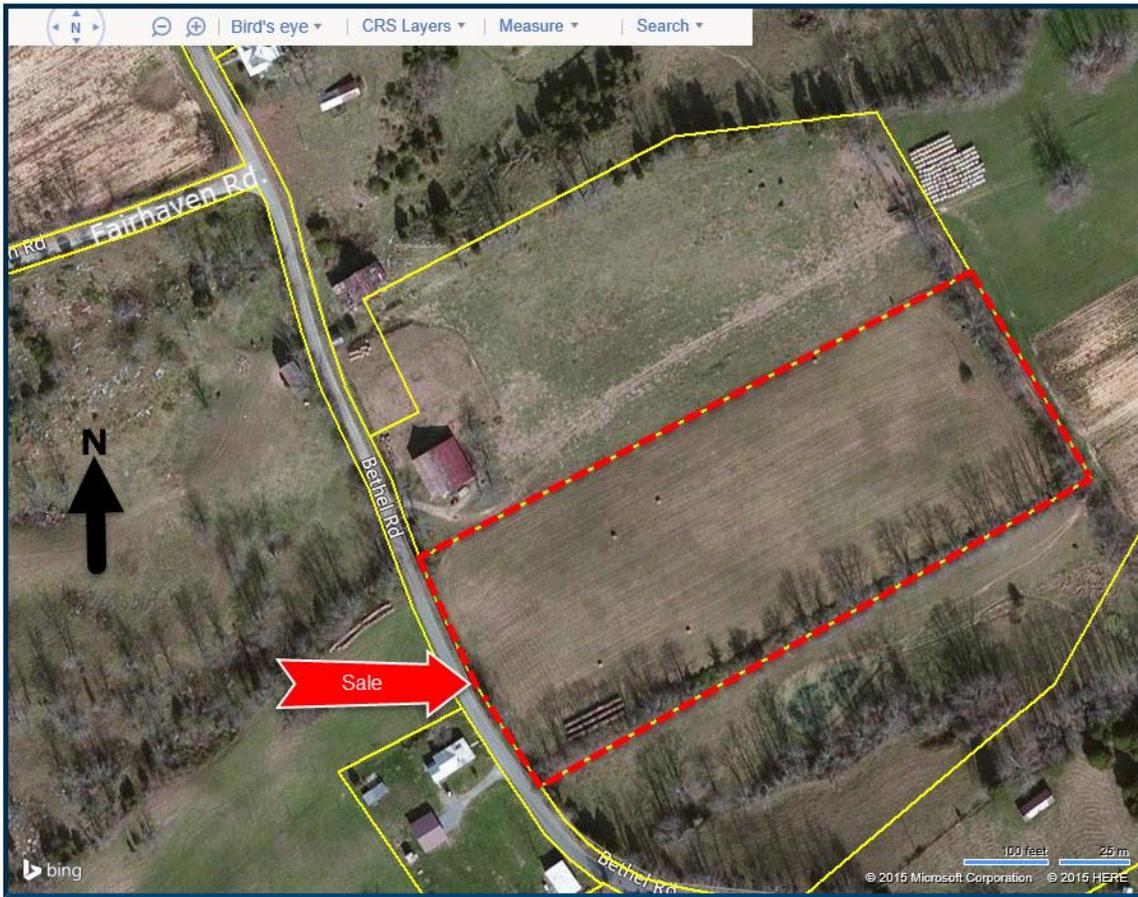


Land Sales Map.

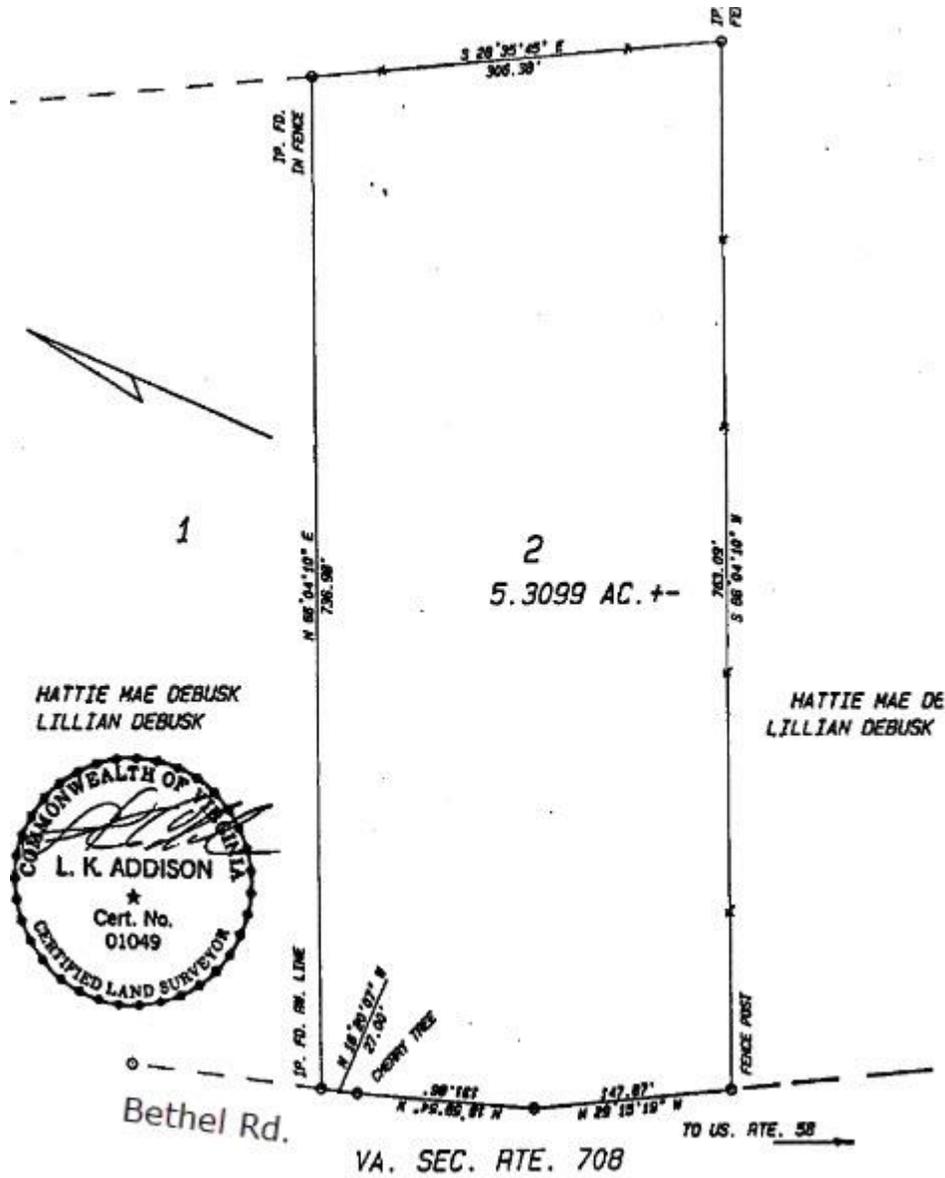
**Land Sale No. 1**



# Land Sale No. 1 (Cont.)



Land Sale No. 1 (Cont.)



**Property Identification**

**Record ID** 102  
**Property Type** Rural Residential  
**Address** 20289 Bethel Road (Rte. 708), Abingdon, Washington County, Virginia 24211  
**Location** East side of Bethel Road approximately 500 feet south of Fairhaven Road  
**Tax ID** 149/10/2  
**Longitude, Latitude** W81.515901, N36.395268

**Sale Data**

**Grantor** Roland H. Dunn and Ruth M. Dunn

### Land Sale No. 1 (Cont.)

**Grantee** David C. Johnson and Miranda N. Johnson  
**Sale Date** March 07, 2014  
**Deed Book/Page** 140001025  
**Recorded Plat** Book 784/Page 336  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Miranda Johnson; Other sources: \$40,000 stated in deed,  
Confirmed by Warren Klutz

**Sale Price** \$40,000  
**Cash Equivalent** \$40,000

#### Land Data

**Zoning** A-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect., & telephone  
**Dimensions** See sketch  
**Shape** Rectangular

#### Land Size Information

**Gross Land Size** 5.301 Acres or 230,912 SF  
**Front Footage** 307 ft. Total Frontage: 307 ft. Approx. on Bethel Road

#### Indicators

**Sale Price/Gross Acre** \$7,546  
**Sale Price/Gross SF** \$0.17  
**Sale Price/Front Foot** \$130

#### Remarks

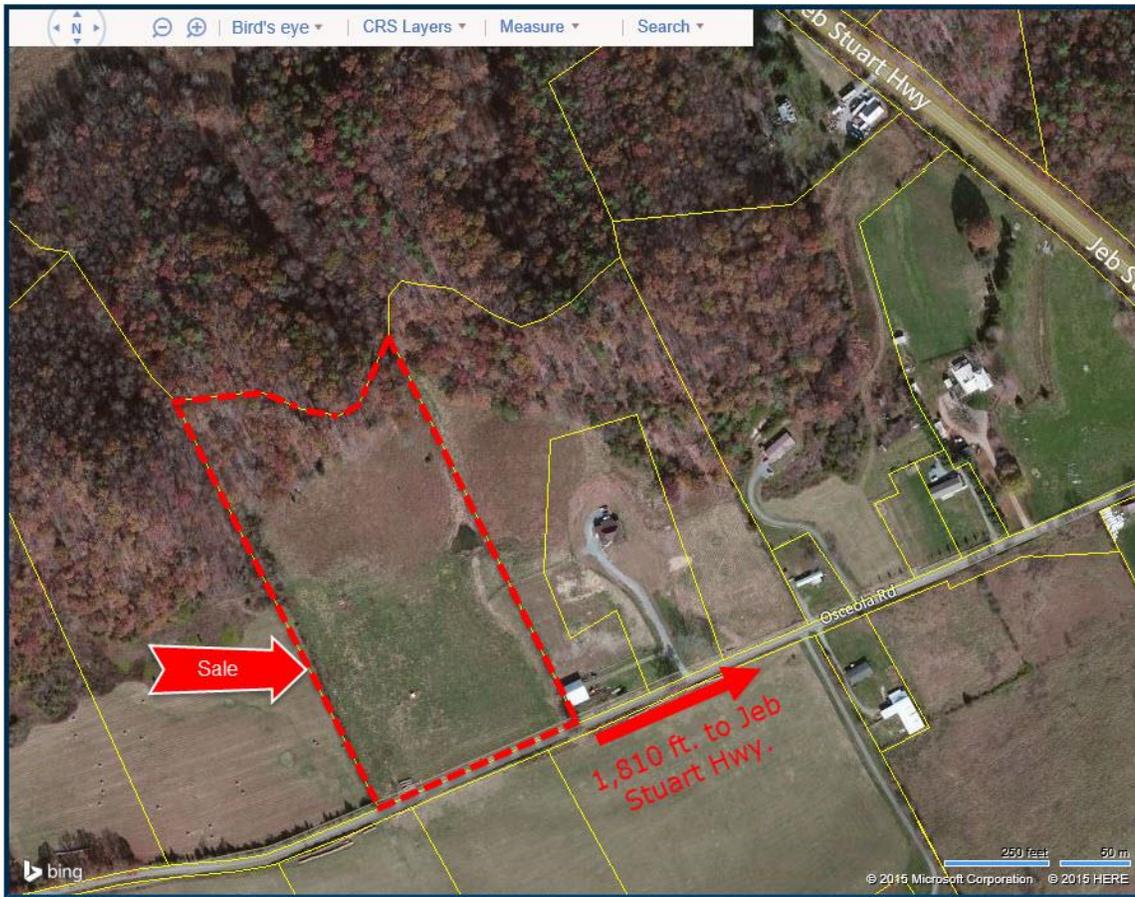
Two story dwelling under construction at time of inspection on 9/23/2015. Gravel drive shown in photograph was constructed after purchase. Barn on left in the photograph was on the adjoining property. Relatively level with Bethel Road along the front and classified as gentle rolling, cleared terrain.

Grantor's Tax: \$47.50 Recorded: 3/7/2014

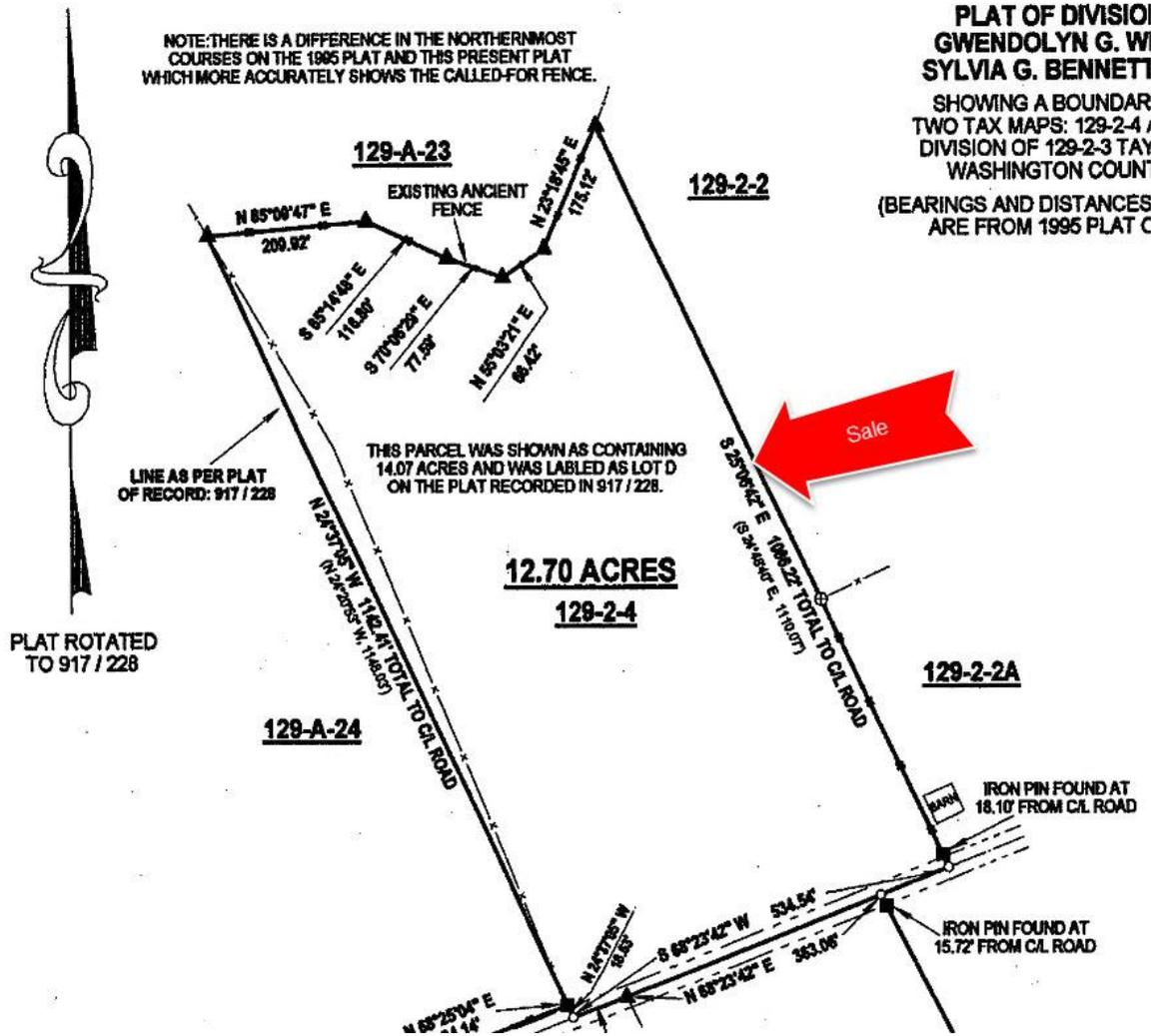
**Land Sale No. 2**



## Land Sale No. 2 (Cont.)



Land Sale No. 2 (Cont.)



Property Identification

Record ID 103  
 Property Type Rural Residential  
 Address Osceola Road (Rte. 722), Abingdon, Washington County, Virginia 24211  
 Location North side of Osceola Road 1,810 feet west of Jeb Stuart Highway (Rte. 58)  
 Tax ID 129/2/4  
 Longitude, Latitude W81.521103, N36.401884

Sale Data

Grantor Sylvia G. Bennett, Trustee of the Sylvia Grant Bennett Living Trust  
 Grantee Joshua D. Bourne and Lisa E. Bourne  
 Sale Date January 21, 2014  
 Deed Book/Page 14000635  
 Recorded Plat Book 68/Page 59

## **Land Sale No. 2 (Cont.)**

|                           |                                                       |
|---------------------------|-------------------------------------------------------|
| <b>Property Rights</b>    | Fee simple                                            |
| <b>Conditions of Sale</b> | Arm's length sale                                     |
| <b>Verification</b>       | Joshua Bourne; Other sources: \$92,000 stated in deed |
| <b>Sale Price</b>         | \$92,000                                              |
| <b>Cash Equivalent</b>    | \$92,000                                              |

### **Land Data**

|                   |                                                                     |
|-------------------|---------------------------------------------------------------------|
| <b>Zoning</b>     | A-2                                                                 |
| <b>Topography</b> | Very gently rolling on front rises 140 ft. above road grade at rear |
| <b>Utilities</b>  | Water, elect., & telephone                                          |
| <b>Shape</b>      | Slightly irregular                                                  |

### **Land Size Information**

|                        |                                              |
|------------------------|----------------------------------------------|
| <b>Gross Land Size</b> | 12.700 Acres or 553,212 SF                   |
| <b>Front Footage</b>   | 535 ft. Total Frontage: 535 ft. Osceola Road |

### **Indicators**

|                              |         |
|------------------------------|---------|
| <b>Sale Price/Gross Acre</b> | \$7,244 |
| <b>Sale Price/Gross SF</b>   | \$0.17  |
| <b>Sale Price/Front Foot</b> | \$172   |

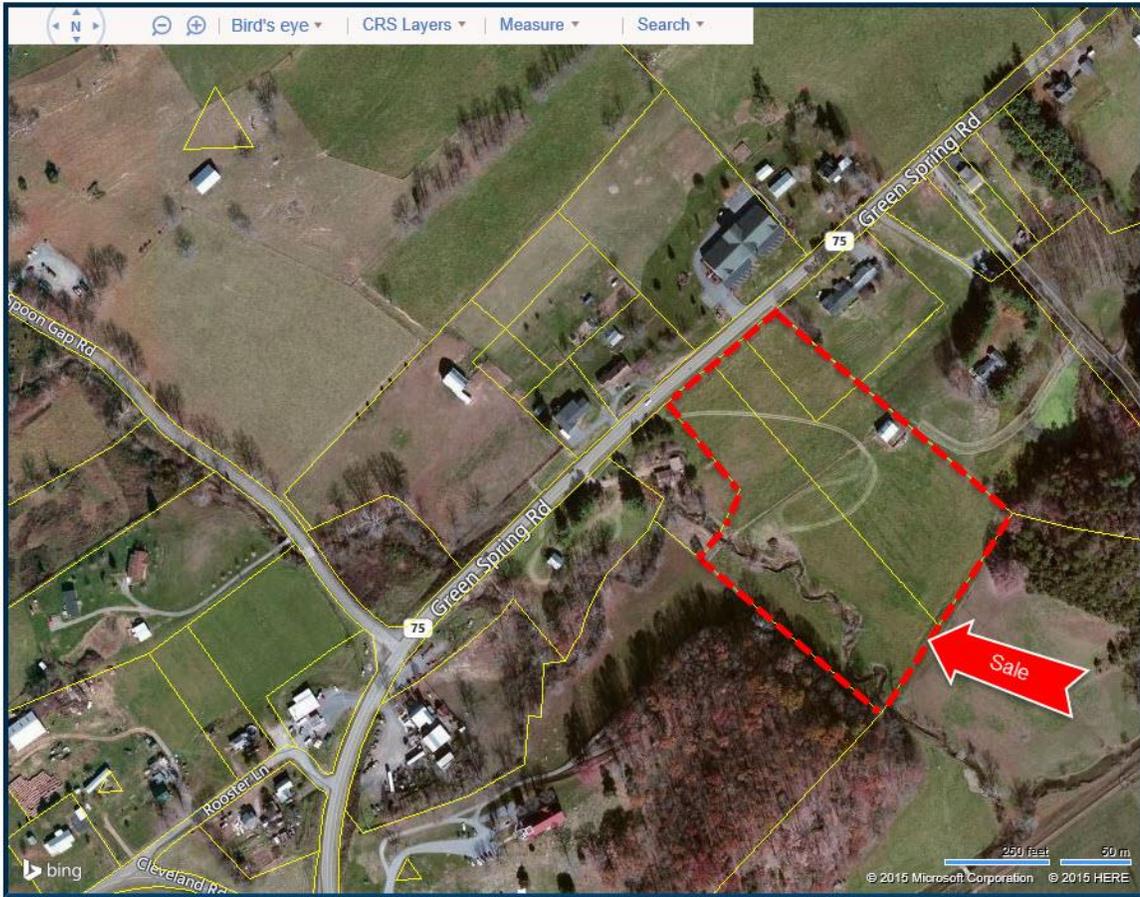
### **Remarks**

Wet weather pond near the middle of east property line. Property is 90% cleared with a few trees on the back. Approximately 60% of the property is very gently rolling and rises approximately 140 feet to the rear line.  
Grantor's tax: \$100.50 Recorded: 2/11/2014

**Land Sale No. 3**



### Land Sale No. 3 (Cont.)





### Land Sale No. 3 (Cont.)

**Location** Southeast side of Green Spring Road approximately 825 feet  
northeast of Spoon Gap Road  
**Tax ID** 145/5/3  
**Longitude, Latitude** W81.594010, N36.381939

#### Sale Data

**Grantor** Lois W. Cornett  
**Grantee** Richard C. Johnston and Julia Jackson Johnston  
**Sale Date** October 17, 2013  
**Deed Book/Page** 130006118  
**Recorded Plat** Book 59/Page 55  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Lois Cornett; Other sources: Consideration of \$110,000 stated  
in deed, Confirmed by Warren Klutz

**Sale Price** \$110,000  
**Cash Equivalent** \$110,000  
**Downward Adjustment** \$3,800 Barn  
**Adjusted Price** \$106,200

#### Land Data

**Zoning** R-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect. & telephone  
**Dimensions** See plat  
**Shape** Irregular

#### Land Size Information

**Gross Land Size** 9.940 Acres or 432,986 SF  
**Front Footage** 354 ft. Total Frontage: 354 ft. Green Spring Rd. (VA Rte. 75)

#### Indicators

**Sale Price/Gross Acre** \$11,066 Actual or \$10,684 Adjusted  
**Sale Price/Gross SF** \$0.25 Actual or \$0.25 Adjusted  
**Sale Price/Front Foot** \$311 Actual or \$300 Adjusted

#### Remarks

The property is located across VA Rte. 75 from Freedom Point Apartments. The property slopes downward from road about 30 to 40 feet and then is gentle rolling, cleared land. A barn is located on the property and the sale price has been adjusted downward \$3,800 based on the tax assessment/value of the barn. A creek passes through the property along the southwest side. Grantor's tax: \$110.00 Recorded: 10/17/2014

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**SALES COMPARISON TABLE – LAND VALUE**

| COMPARABLE #                             | SUBJECT                    | #1                          | #2                  | #3                                             |
|------------------------------------------|----------------------------|-----------------------------|---------------------|------------------------------------------------|
| TAX MAP ID                               | 127/A/10,<br>127/6/13 & 14 | 149/10/2                    | 129/2/4             | 145/5/3                                        |
| Location                                 | Watauga Road               | 20289 Bethel Rd. (Rte. 708) | N. side Osceola Rd. | SE side Green Spring Rd.                       |
| Proximity to Subject                     | N/A                        | 3.25 mi. SE                 | 3.7 mi. S.E.        | 4.3 mi. SW                                     |
| Sales Price                              | \$ N/A                     | \$ 40,000                   | \$ 92,000           | \$ 110,000<br>- \$3,800<br>barn =<br>\$106,200 |
| Date of Sale                             | N/A                        | 3/7/14                      | 1/21/14             | 10/17/13                                       |
| Highest & Best Use                       | Rural Residential          | Rural Residential           | Rural Residential   | Rural Residential                              |
| Size- Ac.                                | 35.0 ac.                   | 5.301 ac.                   | 12.7 ac.            | 9.94 ac.                                       |
| Unit Price Per Ac.                       | \$ N/A                     | \$ 7,546                    | \$ 7,244            | 10,684                                         |
| Real Property Rights Conveyed            | Fee Simple                 | Fee simple                  | Fee simple          | Fee simple                                     |
| Adjusted Price                           |                            | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      |
| Financing Terms                          |                            |                             |                     |                                                |
| Adjusted Price                           |                            | 7,546                       | 7,244               | \$ 10,684                                      |
| Conditions of Sale                       |                            |                             |                     |                                                |
| Adjusted Price                           | \$                         | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      |
| Expenditures Made Immediately After Sale |                            |                             |                     |                                                |
| Market Condition                         |                            |                             |                     |                                                |
| Adjusted Price                           | \$                         | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      |

|                 |    |      |        |      |        |    |        |
|-----------------|----|------|--------|------|--------|----|--------|
| Location        |    | +20% | +1,509 | +15% | +1,087 |    |        |
| Size            |    |      |        |      |        |    |        |
| Topography      |    |      |        | +15% | +1,087 |    |        |
| Utilities       |    |      |        |      |        |    |        |
| Shape           |    |      |        |      |        |    |        |
| Depth           |    |      |        |      |        |    |        |
| Other           |    |      |        |      |        |    |        |
| Other           |    |      |        |      |        |    |        |
| Other           |    |      |        |      |        |    |        |
| Other - Access  |    |      |        |      |        |    |        |
| Other -         |    |      |        |      |        |    |        |
| Net Adjustment  |    |      | +1,509 |      | +2,174 |    | 0      |
| Indicated Value | \$ | \$   | 9,055  | \$   | 9,418  | \$ | 10,684 |

## EXPLANATION AND SUPPORT FOR THE ADJUSTMENTS, CORRELATION AND FINAL RECONCILIATION OF VALUE

The preceding Land Sales Comparison Table provides the analysis of sales for the appraisal of the subject's land value. Sales selected for comparison are displayed on the preceding pages and are as close in size, location, time of sale, and potential use as possible. These three sales represent rural residential land sales in the vicinity of the subject with the nearest sale located 3.25 miles southeast and the furthest sale located 4.3 miles southwest of the appraised property. As shown on the Land Sales Comparison Table, the adjustments reflect the dissimilarities between the comparable sales and the subject property. Sales are analyzed on a price per acre basis. The final concluded per acre value of the subject will be applied to the subject's land size in acres and will be used to value the area acquired for the proposed Virginia Creeper Trail enhancement project. Adjustments discussed in the following paragraphs that are made as percentages are based on subjective judgment of the appraiser unless otherwise stated. If a sale property is inferior to the subject with regard to a specific characteristic or element of comparison, a positive adjustment is made. If the sale is superior to the subject in a characteristic, a minus adjustment is made. The adjustment process has a goal of reflecting what the comparable properties would have sold for, if they possessed similar characteristics to those of the subject. The adjustments are only made for differences the market participants tend to recognize by paying more or less for a property.

**PROPERTY RIGHTS CONVEYED:** Fee Simple Estate - No adjustment was made.

**CASH EQUIVALENCY:** All of the transactions are considered to not have been influenced by atypical financing terms available in the market.

**CONDITIONS OF SALE:** All of the sales are arm's length transactions.

**EXPENDITURES MADE IMMEDIATELY AFTER SALE:** None that were required to place the properties on an equal basis for this analysis.

**MARKET CONDITIONS ADJUSTMENT (TIME):** The sales utilized for comparison have all taken place within a time frame ranging from October 17, 2013 and March 7, 2014. The Abingdon and Washington County, Virginia market for rural residential properties has remained somewhat level with regard to prices and no time adjustment is made for the passage of time between the dates of sale and the date of the appraisal.

**LOCATION:** The location adjustment considers the difference between the quality of location of the subject and each comparable sale with consideration given the locational relationship of each sale to the center of population, shopping, and service providers in Abingdon, Virginia. In addition, the location adjustment considers the quality of the surrounding properties and road system for each of the sales in relation to that of the subject. Sale 1 is inferior to the subject and all the other sales and a +20% location adjustment was made. Sale 2 is inferior to the subject but superior to Sale 1 in location and a + 15% location adjustment was required. Sale 3 is relatively similar to the subject in travel time to Abingdon and quality of surrounding properties and no adjustment was made.

**SIZE:** Typically, smaller properties sell for higher per acre prices than larger parcels, assuming all other characteristics are equal. The subject contains 35.0 acres and the sales range in size from 5.301 to 12.7 acres. Additional sales were gathered in the research phase of the appraisal production and parcels containing as many as 44.83 acres (Tax I.D. 88/14/2) were viewed that indicate no size adjustment is required for this group of sales. While the sales used for analysis are smaller than the subject, the sales were not adjusted downward as the subject could be potentially divided into smaller acreage parcels more similar in size acreage to the sales. Given

the lack of further size adjustment found by analyzing Tax I.D. 88/14/2 and the potential to divide the subject due to road frontage, no size adjustment was made.

**TOPOGRAPY:** Sales 1 and 3 were very similar to the subject with regard to topography and no adjustment was made to either sale. Sale 2 rises in elevation from front to rear with about 40% of the property in inferior sloping topography to that of the subject. A +15% topography adjustment was made to Sale 2 to account for its inferior topography.

**UTILITIES:** Utilities available to the subject and sales are similar and no adjustment was necessary.

**SHAPE:** The subject is irregular in shape and so are the sales. While the subject is more irregular in shape, this condition is deemed to have little relevance in this particular analysis. Shape is of less importance in parcels with acreage than small residential lots since the shape in small lots limits the placement of improvements. In larger parcels, improvement placement is of less concern since adequate land area is available to choose locations for a dwelling and other improvements. Therefore, no shape adjustment is required for any of the sales.

**ZONING:** Sales 1 and 2 have A-2 zoning and Sale 3 has R-2 zoning. Practical uses allowed under the zoning ordinance are similar. Comparing Sales 1 and 2 with Sale 3 indicate little noticeable difference due to zoning differences. Final concluded value relied mostly on Sale 3 which had the highest adjusted per acre price. If any difference in per acre land value exists between the two zoning classifications, reliance on Sale 3 considers the possibility some difference exists.

**ACCESS:** The subject and all the sales have adequate access and no adjustment is needed.

**RECONCILIATION:** After adjustments, the indicated value per acre ranges from a low of \$9,055 by Sale 1 to a high of \$10,684 by Sale 3. Average or mean of the indicated per acre values for the adjusted sales is \$9,719 and the median is \$9,418. Sales 1 and 2 required the greatest net and absolute adjustments (adjustment without regard to sign). Sale 3 at \$10,684 per acre required no adjustments and is considered to be most similar to the subject. In conclusion, most weight was accorded Sale 3 in concluding the indicated per acre value of the subject at \$10,700 rounded. The concluded per acre value for the appraised property is multiplied by the land area in acres to value the tract.

VALUE OF LAND: \$10,700 per sq. ft. X 35.0 acres = \$374,500 rounded

## **ACQUISITION VALUE**

**TYPE OF ACQUISITION** (Check all that apply)

- Total Acquisition  
 Partial Acquisition  
 Easement  
 Other

## **ACQUISITION DESCRIPTION**

### Land

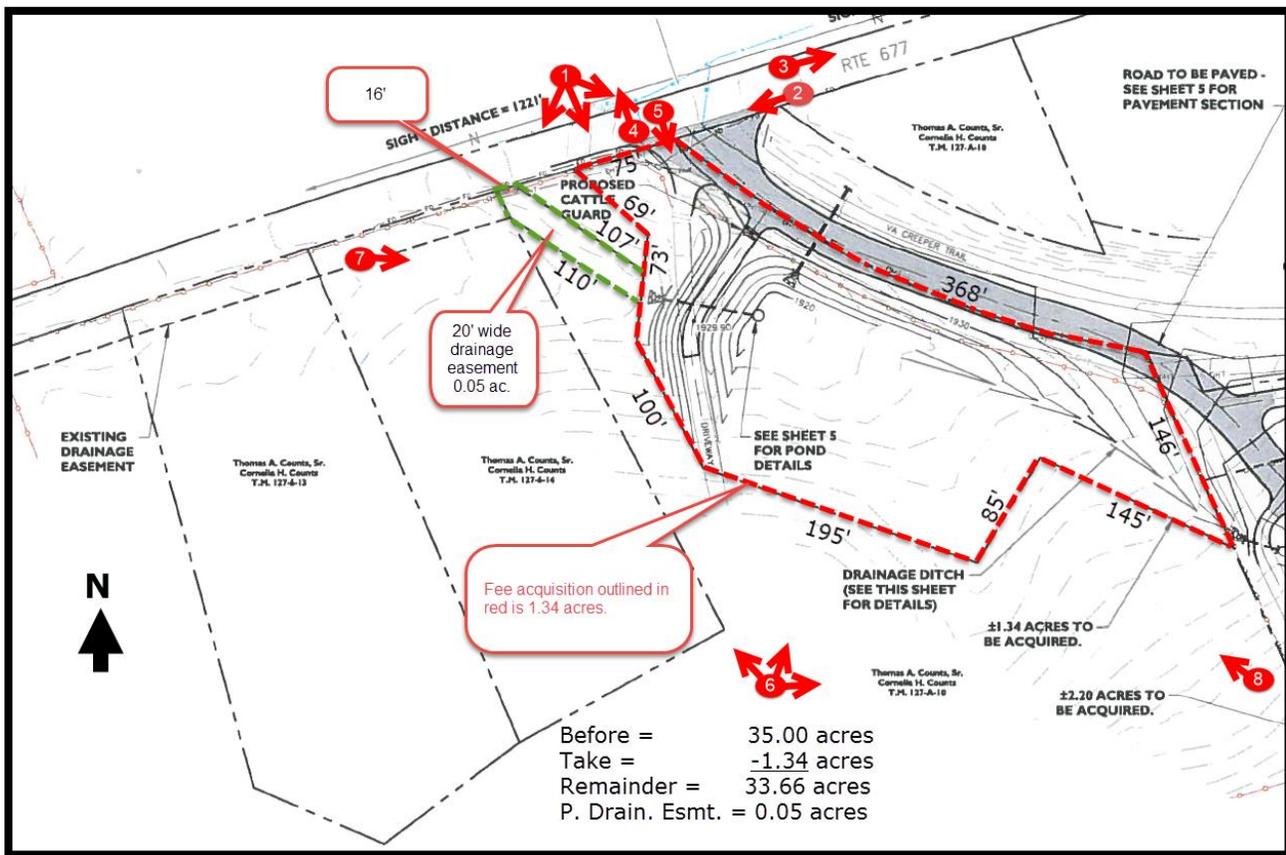
Fee acquisition from the subject is an irregular shaped parcel fronting 75 feet along the south side of Watauga Road, fronts the south side of Old South Way for 368 feet, is 146 feet along the east side, measures 667 feet along

the southwest side (including offsets), and contains 1.34 acres. The property is cleared, gently rolling terrain. In addition, a 20 foot wide permanent drainage easement is to be acquired that is 123 feet (2 calls) on the north side, is 110 feet on the south side, and contains 0.05 acre.

Acquisition includes approximately 2,760 square feet of gravel driveway; 100 feet of 4-rail, split rail, wooden fencing along Watauga Road and Old South Way; and approximately 310 feet of 5 foot high wire mesh fencing, topped with one strand of barb wire, on wood posts. The cattle guard near the entrance to the property is to be moved as part of project construction according to notes on “full size” plans furnished the appraiser but not shown on acquisition survey below. The appraisal assumes the cattle guard will be moved by the contractor and at the condemning authority’s expense. Acquisition survey follows.

Per acre value of the fee acquisition of 1.34 acres is \$10,700 per acre value and the same as the overall property per acre value before acquisition. Permanent drainage easement containing 0.05 acre is estimated at 90% of fee value or \$9,630 per acre.

**ACQUISITION SURVEY**



Improvements Acquired

Gravel drive acquired measures 230 feet by approximately 12 feet and contains 2,760 square feet of gravel driveway.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1 for median costs.

CCM = Current Cost Multiplier LM = Local Multiplier for Roanoke, Virginia

Grading and disposal cost = \$0.30 per sq. ft.

4 inch rock base = 0.71 per sq. ft.

Total cost = \$1.01 per sq. ft.

Estimated unit value of gravel drive =  $\$1.01 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$0.96$  per sq. ft. (R)

Total gravel value =  $\$0.96 \times 2,760$  sq. ft. =  $\$2,650$  (R)

No depreciation is estimated for the gravel.

Cost source for 4-rail, split rail fencing on wood posts is *Marshall Valuation Service*, Section 66, Page 5 for median costs. CCM = Current Cost Multiplier, LM = Local Multiplier for Roanoke, Virginia. Depreciation is estimated at 25% which leaves 75% of cost as the value of the fencing. Median costs are used.

4 Rail split rail fence =  $\$16.65$  per linear. ft.

Estimated unit cost of split rail fence =  $\$16.65 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$15.81$  per linear ft. (R)

Total split rail fence cost =  $\$15.81 \times 100$  ft. =  $\$1,581$  (R)

Depreciated value of split rail fence =  $\$1,581 \times 0.75 = \$1,185$  (R)

Cost source for 5 foot wire mesh fencing with one strand of barb wire on wood posts is *Marshall Valuation Service*, Section 66, Page 5 for median costs. CCM = Current Cost Multiplier, LM = Local Multiplier for Roanoke, Virginia. Depreciation is estimated at 25% which leaves 75% of cost as the value of the fencing. Median costs are used.

5 ft. wire mesh on metal posts =  $\$4.77$  per linear ft.

Add for one strand barb wire =  $+0.28$  per linear ft.

Add for wood posts =  $+0.52$  per linear ft.

Total =  $\$5.57$

Estimated unit cost value of wire mesh fence with barb wire =  $\$5.57 \times \text{CCM} @ 1.01 \times \text{LM} @ 0.94 = \$5.29$  per linear ft. (R)

Total cost of wire mesh fence =  $\$5.29 \times 310$  ft. =  $\$1,640$  (R)

Depreciated value of split rail fence =  $\$1,640 \times 0.75 = \$1,230$  (R)

Total value of the fencing acquired is  $\$1,185 + \$1,230 = \$2,415$  and less than the cost to re-enclose the property with fencing. Cost to re-enclose at  $\$3,465$  with new fencing is used as a cost to cure item and included in the amount due owner. Cost to cure is explained on the bottom of page 50.

## ACQUISITION VALUE

### **TOTAL ESTIMATED COMPENSATION BEFORE DAMAGES OR ENHANCEMENTS**

#### Value of Land in Fee Acquired

|                      |      |                |                 |
|----------------------|------|----------------|-----------------|
| Land in Fee Acquired | 1.34 | AC @ \$ 10,700 | = \$ 14,400 (R) |
| Land in Fee Acquired |      | SF @ \$        | = \$            |

#### Value of Easements Acquired:

|                          |      |                |                    |
|--------------------------|------|----------------|--------------------|
| Permanent Easement -     |      |                |                    |
| Drainage                 | 0.05 | AC @ \$ 10,700 | X 90% = \$ 500 (R) |
| Temp. Construction Esmt. |      | SF @ \$        | X % = \$           |
| Temp. Work Area Esmt.    |      | SF @ \$        | X % = \$           |
| Temporary Easement       |      | SF @ \$        | X % = \$           |
| Other                    |      | SF @ \$        | X % = \$           |

|                                         |  |  |                  |
|-----------------------------------------|--|--|------------------|
| <b>Estimated Value of Land Acquired</b> |  |  | <b>\$ 14,900</b> |
|-----------------------------------------|--|--|------------------|

#### Value of Buildings Acquired:

|            |    |
|------------|----|
| Building 1 | \$ |
| Building 2 | \$ |
| Building 3 | \$ |

|                                     |  |  |             |
|-------------------------------------|--|--|-------------|
| <b>Estimated Value of Buildings</b> |  |  | <b>\$ 0</b> |
|-------------------------------------|--|--|-------------|

#### Value of Other Improvements Acquired:

|                                     |       |              |                       |
|-------------------------------------|-------|--------------|-----------------------|
| Gravel drive                        | 2,760 | SF @ \$ 0.96 | X 100% = \$ 2,650 (R) |
| Split rail fence: Cost to cure used |       | LF @ \$      | X % = \$              |
| Wire mesh fence                     |       | LF @ \$      | X % = \$              |
| Drive                               |       | SF @ \$      | X % = \$              |
| Walls                               |       | SF @ \$      | X % = \$              |
| Other                               |       | SF @ \$      | X % = \$              |
| Other                               |       | SF @ \$      | X % = \$              |

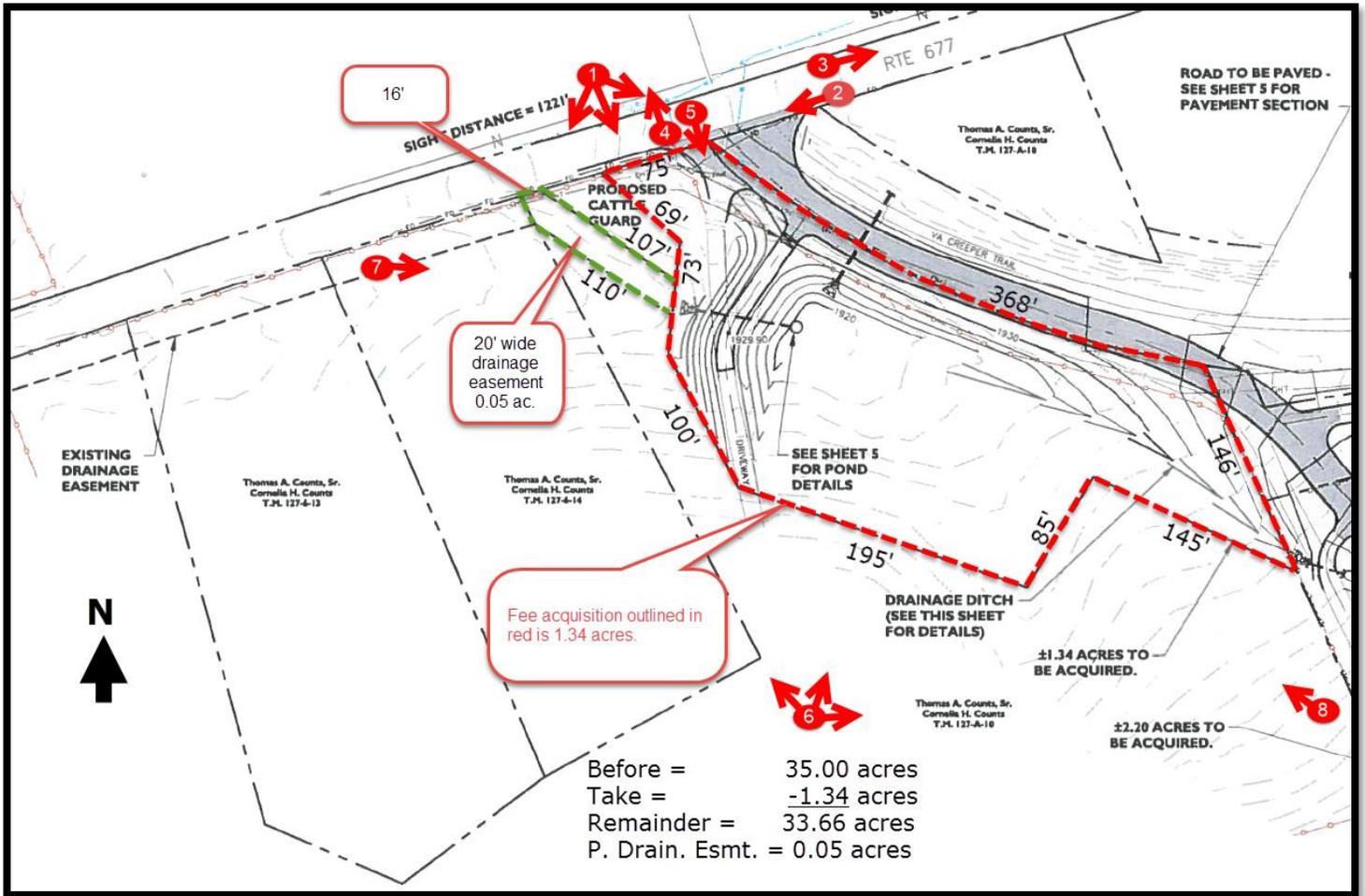
|                                              |  |  |                 |
|----------------------------------------------|--|--|-----------------|
| <b>Estimated Value of Other Improvements</b> |  |  | <b>\$ 2,650</b> |
|----------------------------------------------|--|--|-----------------|

|                                                                    |  |  |                  |
|--------------------------------------------------------------------|--|--|------------------|
| <b>Total Estimated Compensation Before Damages or Enhancements</b> |  |  | <b>\$ 17,550</b> |
|--------------------------------------------------------------------|--|--|------------------|

## Explanation of Cost to Cure Damages

Fencing acquired will be treated in this appraisal as a cost to cure item by enclosing. Approximately 655 linear feet of wire mesh fencing will be required to re-enclose the property. Estimated value of the fencing acquired is \$2,415 which is inadequate to allow the owner to re-enclose the property. There is no gate at the entrance, only an opening but there is a cattle guard which is to be moved during construction. Approximately 655 linear feet of 5-foot high wire mesh fencing with one strand of barb wire would be needed to enclose along the new boundary line on the east side where acquisition occurs. Project plans do not show or indicate that fencing will be installed along the acquisition as part of project construction.

Cost to Cure: Cost to enclose is 655 linear feet X \$5.29 = \$3,465 (R)



Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 1 Photo shows a view subject from Rte. 677 (Watauga Road) across from entrance to the property looking south.



Photo #: 2 Photo shows a view of neighborhood looking southwest along Watauga Road (Rte. 677) with entrance to subject in left center.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 3 Photo shows a view of neighborhood looking northeast along Watauga Road (Rte. 677).



Photo #: 4 Photo shows a view of neighborhood (existing Virginia Creeper Trail parking lot) looking north from Rte. 677 near entrance to property.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 5 Photo shows a view of entrance to subject from Rte. 677 looking south.



Photo #: 6 Photo shows a view of the area acquired from driveway of subject looking north.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 7 Photo shows a view of the permanent drainage easement acquisition from south side of Rte. 677 right of way looking northeast toward the entrance road.



Photo #: 8 Photo shows a view of the acquisition from the east boundary sideline looking north.

## CONTINGENT AND LIMITING CONDITIONS

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to the property. The appraiser assumes that the title is good and marketable and does not render any opinions about the title. Responsible ownership and competent property management are assumed unless otherwise stated.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made.
4. The appraiser has estimated the value of the land at its highest and best use. Improvements are estimated at their contributory value or their "cost to cure", whichever is less.
5. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) that were observed during the inspection of the subject property or that became apparent while conducting the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraiser is not qualified to detect hazardous waste and/or toxic materials.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers reliable and are believed to be true and correct. However, no warranty is given for its accuracy.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice or as required by professional appraisal peer review.
8. Unless otherwise noted, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property. Only the real property has been considered. Relocation assistance benefits were not given consideration in the appraisal.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, 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 there is no detailed evidence relating to this issue, the possibility of non-compliance with the requirements of the ADA in estimating the value of the property was not considered.
10. Sketches or plans contained in the report may show approximate dimensions, and they are included for illustrative purposes only since the appraiser did not complete a survey of the property.
11. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the report.
12. It is assumed that all required licenses, certificates of occupancy 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.
13. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. 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.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. All engineering plans are assumed to be correct. All plans submitted in this report are intended to assist the reader with visualizing the project.

**APPRAISER CERTIFICATION**

Property Owner's Name: Cornelia H. Counts

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 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 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
7. **My analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.**
8. I have made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this report unless specifically stated within the reconciliation section of this report where such individuals are named and their specific tasks performed are disclosed. I certify that any individual so named is qualified to perform the tasks.
10. I will not reveal the findings and results of such appraisal to anyone other than the client until authorized by the client to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
11. I understand that such appraisal is to be used in connection with the acquisition of right of way for a parking lot facility to be used in connection with the Virginia Creeper Trail which is to be constructed by the Commonwealth of Virginia potentially with the assistance of federal-aid highway funds or other federal funds, and that such appraisal has been made in conformity with the appropriate state laws, regulations, and policies for procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the Commonwealth of Virginia.
12. The owner or their designated representative was contacted and given the opportunity to accompany the appraiser during the property inspection.
13. I made a personal field inspection of the comparable sales relied upon in developing the appraisal.
14. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal.
15. Regardless of any stated or limiting condition or assumption, I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits and contents collected or prepared under this agreement shall become the property of the client without restriction or limitation on their use.
16. I certify I possess sufficient competence to appraise this property through education and experience.
17. I 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.
18. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
19. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
20. As of the date of this report, Warren Klutz, has completed the continuing education program of the Appraisal Institute.

**Certifications in Addition to Those Required by USPAP:**

1. I did not base, either partially or completely, my analysis and/or the opinion of value (if any) in the appraisal review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of the owners or occupants of the subject property of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis that is prohibited by law.
2. I developed my analysis, opinions, and conclusions and prepared this review report in conformity with the Uniform Standards of Professional Appraisal Practice; Title III of the Uniform Relocation Act; the Code of Federal Regulations, 49CFR 24.102, .103, .104, .105 and .108; and the Uniform Standards of Federal Land Acquisitions (as applicable).
3. I certify that the estimate of market value, as defined, as land acquired, easements, improvements, incurable damages and cost-to-cure items as of the effective appraisal date to be: \$21,015.

**LICENSED APPRAISER**

Signature Warren Klutz

Name Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA

Date January 31, 2016

License/Certification Number 4001000330

License Type Certified General

# QUALIFICATIONS OF WARREN KLUTZ, MAI, SRA, AI-GRS, CCIM, MBA, MS

## EDUCATION:

East Tennessee State University, 1972, Bachelor of Science, Business Administration with a Minor in Military Science and Major in Real Estate.

Minor in Military Science included Army ROTC Flight Training and was commissioned as an Infantry Officer in United States Army on Graduation from East Tennessee State University. Training in military included Basic Infantry Officer Course and Airborne School. Military service completed at the rank of Captain.

Master of Science (MS) in Real Estate Appraisal from University of St. Thomas in Minneapolis, MN.

Master of Business Administration from King University in Bristol, Tennessee.

Completed all requirements except dissertation in Doctor of Education (Ed.D.) degree program at East Tennessee State University.

Awarded the MAI (Member Appraisal Institute) designation. In addition to numerous other requirements regarding experience, comprehensive examination and demonstration report; Warren Klutz successfully completed and passed the following courses given by the Appraisal Institute prior to awarding of the MAI (Member Appraisal Institute).

Standards of Professional Practice (Parts A & B), University of Georgia  
Standards of Professional Practice (Part C), Manassas, Virginia  
Real Estate Appraisal Principles, Indiana University  
Basic Valuation Procedures, Indiana University  
Capitalization Theory & Techniques Part 1, University of North Carolina  
Capitalization Theory & Techniques Part A, University of Georgia  
Capitalization Theory & Techniques Part B, University of Georgia  
Market Analysis, University of Central Florida  
Case Studies in Real Estate Valuation, University of Georgia  
Report Writing and Valuation Analysis, University of Georgia

Recent seminars taken through the Appraisal Institute:

|                                              |                                          |
|----------------------------------------------|------------------------------------------|
| Economic Obsolescence Seminar                | Hotel Motel Valuation Seminar            |
| Accrued Depreciation Seminar                 | Applied Sales Comparison Approach        |
| Rates, Ratios and Reasonableness             | Rate Extraction                          |
| Commercial Construction Overview             | Appraising Troubled Properties           |
| Discounted Cash Flow Analysis                | The Appraiser As An Expert Witness       |
| Appraising Troubled Properties               | Demonstration Appraisal Report Writing   |
| Automated Valuation Models                   | Appraisal of Nursing Facilities          |
| The Internet and Appraising                  | The Future of Appraising                 |
| New Industrial Valuation                     | Appraisal Office Management              |
| Appraisal of Non-Conforming Uses             | Eminent Domain and Condemnation          |
| Litigation Skills for the Appraiser          | Data Confirmation & Verification Methods |
| Appraising Distressed Commercial Real Estate |                                          |

Successfully completed and passed the following courses and examinations and designated CCIM, Certified Commercial Investment Member of the Commercial Investment Real Estate Institute:

- CI-101, Fundamentals of Real Estate Investment and Taxation, Washington, D.C.
- CI-102, Fundamentals of Creating a Real Estate Investment, Atlanta, Georgia.
- CI-103, Advanced Real Estate Taxation and Marketing Tools for Investment Real Estate, Detroit, Michigan
- CI-104, Case Studies in Commercial and Investment Real Estate Brokerage, Atlanta, Georgia
- CI-105, Principles and Techniques of Effective Communication for Commercial-Investment Brokerage, Atlanta, Georgia.

Successfully completed the following courses as given by the Society of Real Estate Appraisers and designated SRA, Senior Residential Appraiser:

- An Introduction to Appraising Real Property, Course 101, Knoxville, Tennessee
- Applied Residential Property Valuation, Course 102, Appalachian State University.

Successfully completed the following courses as given by the International Right-of-Way Association:

- |                                       |                            |
|---------------------------------------|----------------------------|
| The Appraisal of Partial Acquisitions | Skills of Expert Testimony |
| Interpreting Engineering Drawings     | Easement Valuation         |

Graduated from Missouri Auction School, Kansas City, Missouri

**MEMBERSHIP AND LICENSES:**

- Licensed Certified General Real Estate Appraiser in Tennessee and Virginia
- Licensed Real Estate Broker in Tennessee, Virginia and North Carolina
- Licensed Real Estate Auctioneer in Tennessee and Virginia
- Member of the Bristol, Tennessee-Virginia Board of Realtors
- Member of the Tennessee-Virginia Regional Multiple Listing Service
- Member of the Southwest Virginia Association of Realtors Multiple Listing Service
- Member of the NETAR Commercial Multiple Listing Service
- President of the Bristol, Virginia-Tennessee Board of Realtors in 1978, 1982 and 1987
- President of the TENNEVA Chapter of the Society of Real Estate Appraisers, 1987
- Vice President, Blue Ridge Chapter of the Appraisal Institute, 2000
- Vice President, Virginia Commonwealth Chapter of the Appraisal Institute, 2003
- President, Virginia Commonwealth Chapter of the Appraisal Institute, 2004
- Member of the Commercial Investment Real Estate Institute
- MAI and SRA Designated Member of the Appraisal Institute
- Recipient of Appraiser of the Year 1985 - TENNEVA Chapter of the Society of Real Estate Appraisers

**EXPERIENCE:**

Owned and operated Warren Klutz and Company since 1975, specializing in commercial and investment real estate brokerage, consulting, and appraising in Tennessee, Virginia and North Carolina. Experience includes appraisals of various interests in all types of properties for financial institutions, utility companies, private, corporate and government clients. Qualified as expert witness in numerous courts in Tennessee and Virginia. Klutz serves as an instructor for the Appraisal Institute and was a contributing author for *Applications in Litigation Valuation: A Pragmatist's Guide* published by the Appraisal Institute in 2012.

**PARTIAL CLIENT LIST:**

Financial

NationsBank  
Signet Bank  
First Union  
Tri-Cities Bank  
Charter Federal  
First American Bank  
Dominion Bank  
Sovran  
First Tennessee Bank  
Bank of Baltimore  
Home Federal  
Chrysler First  
Highlands Union  
SunTrust Bank  
TruPoint Bank  
Settler's Life Insurance  
Valley Bank  
Darby Bank & Trust  
Bank of America  
Wells Fargo Bank

Governmental

State of Virginia  
State of Tennessee  
City of Johnson City  
Army Corps of Engineers  
Virginia Dept. of Trans.  
Tennessee Dept. of Trans.  
Virginia Attorney General  
Tennessee Dept. of Finance  
City of Bristol Tennessee  
City of Bristol Virginia  
Smyth County, Virginia  
Washington County, Virginia  
Sullivan County, Tennessee  
Tennessee Attorney General  
U.S. Dept. of Justice  
Wise County, Virginia  
Dickenson County, Virginia  
ETSU  
North Carolina State University  
Federal Bureau of Prisons

Corporations & Utility

Raytheon  
UNISYS  
IBM  
Smith Kline Beecham  
CONOCO  
Electrolux  
Shoney's Restaurants  
Hospital Corporation of America  
East Tennessee Natural Gas Company  
Norfolk Southern Railway  
Tennessee Valley Authority  
Appalachian Power Company  
CSX Railroad  
Virginia Gas Company  
Duke Energy  
Alpha Natural Resources  
Johnson Memorial Hospital  
TVA  
Bristol Motor Speedway  
Washington Co. Service Authority

**APPRAISAL OF PROPERTY**

**LOCATION OF PROPERTY:**

24648 Old South Way  
Abingdon, Virginia 24211-6187

**FOR:**

Mr. Kevin W. Worley, CPRP  
Director, Parks and Recreation  
Abingdon Parks and Recreation Department  
Coomes Recreation Center  
300 Stanley Street  
Abingdon, Virginia

**SUBMITTED BY:** Warren Klutz, MAI, AI-GRS, SRA, CCIM, MS, MBA

**DATE OF VALUATION:** November 2, 2015

**PROJECT IDENTIFICATION:**

Virginia Creeper Trail Enhancement Project

**PROPERTY IDENTIFICATION:**

Landowner(s) Name: John R. White  
Address: 24648 Old South Way, Abingdon, Virginia  
Tax I.D. 127/A/18 and 18A  
Phone: 276-614-0412

Appraisal Prepared By Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA  
 Warren Klutz & Co.  
 1241 Volunteer Parkway, Suite 426  
 Bristol, Tennessee 37620

**EXECUTIVE SUMMARY**

| <b>SUBJECT INFORMATION</b>               |       |    |
|------------------------------------------|-------|----|
| Parcel Size Before Acquisition:          | 20.11 | AC |
| Fee Simple Acquisition Size              | 2.20  | AC |
| Utility Easement Acquired                | 0.00  | AC |
| Temporary Construction Easement Acquired | 0.00  | AC |
| Temporary Work Area Easement Acquired    | 0.00  | AC |
| Parcel Size After Acquisition:           | 11.82 | AC |

**TOTAL ESTIMATED COMPENSATION**

Value of Land in Fee Acquired

|             |      |                |                       |
|-------------|------|----------------|-----------------------|
| Land in Fee | 2.20 | AC @ \$ 10,700 | = \$ 23,540 (Rounded) |
| Land in Fee |      | SF @ \$        | = \$                  |

Value of Easements Acquired:

|                       |         |   |         |
|-----------------------|---------|---|---------|
| Permanent Easement    | SF @ \$ | X | 0% = \$ |
| Temp. Const. Esmt.    | SF @ \$ | X | 0% = \$ |
| Temp. Work Area Esmt. | SF @ \$ | X | 0% = \$ |
| Temporary Easement    | SF @ \$ | X | 0% = \$ |
| Other                 | SF @ \$ | X | 0% = \$ |

|                                               |  |  |                  |
|-----------------------------------------------|--|--|------------------|
| <b>Total Estimated Value of Land Acquired</b> |  |  | <b>\$ 23,540</b> |
|-----------------------------------------------|--|--|------------------|

Value of Buildings Acquired:

|            |    |
|------------|----|
| Building 1 | \$ |
| Building 2 | \$ |
| Building 3 | \$ |

|                                           |  |  |             |
|-------------------------------------------|--|--|-------------|
| <b>Total Estimated Value of Buildings</b> |  |  | <b>\$ 0</b> |
|-------------------------------------------|--|--|-------------|

Value of Other Improvements Acquired:

|                    |                    |   |                   |
|--------------------|--------------------|---|-------------------|
| Asphalt paving     | SF @ \$            | X | 0% = \$           |
| Concrete curbs     | SF @ \$            | X | 0% = \$           |
| Parking lot lights | EA @ \$            | X | 0% = \$           |
| Gravel Drive       | 7,425 SF @ \$ 0.98 | X | 0% = \$ 7,275 (R) |
| Walls              | SF @ \$            | X | 0% = \$           |
| Other              | SF @ \$            | X | 0% = \$           |
| Other              | SF @ \$            | X | 0% = \$           |

|                                                    |  |  |                 |
|----------------------------------------------------|--|--|-----------------|
| <b>Total Estimated Value of Other Improvements</b> |  |  | <b>\$ 7,275</b> |
|----------------------------------------------------|--|--|-----------------|

|                                    |             |
|------------------------------------|-------------|
| <b>Value of Cost to Cure Items</b> | <b>\$ 0</b> |
|------------------------------------|-------------|

|                                    |             |
|------------------------------------|-------------|
| <b>Damages (less Enhancements)</b> | <b>\$ 0</b> |
|------------------------------------|-------------|

**I ESTIMATE THE MARKET VALUE, AS DEFINED, of ACQUIRED LAND, IMPROVEMENTS, EASEMENTS and COST TO CURE ITEMS as of the EFFECTIVE APPRAISAL DATE TO BE: \$ 30,815**

**IMPORTANT DATES**

|                                 |                                       |
|---------------------------------|---------------------------------------|
| Effective Date of the Appraisal | November 2, 2015                      |
| Property Inspection Date        | September 18, 2015 & November 2, 2015 |
| Appraisal Report Date           | November 7, 2015                      |

**LICENSED APPRAISER**

Signature

*Warren Klutz*

|                                        |                                               |
|----------------------------------------|-----------------------------------------------|
| Name                                   | Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA |
| Date                                   | November 7, 2015                              |
| Tennessee License/Certification Number | 4001 000330                                   |
| License Type                           | Certified General                             |

## INTRODUCTION

### APPRAISAL PROBLEM

The appraised property consists of two parcels containing a total of 20.11 acres. The property is improved with a two story, brick dwelling; a detached one car garage/2 car carport; an aircraft hangar; and miscellaneous other site improvements. The improvements remaining after acquisition are not affected by the acquisition and the owner agrees; therefore, the appraised value for the improvements as estimated by the Commissioner of Revenue's Office will be adopted for this appraisal. Acquisition is an irregular shaped piece of land containing 2.2 acres in the northwest corner of the subject.

### CONTACT

The landowner, Mr. John White, was contacted for authorization of the appraiser's inspection of the property. Inspection was made on September 18, 2015. Mr. White was present during the inspection.

### PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the fee simple and/or easement interests acquired and their financial impact (if applicable) on the remaining property as of the effective date of the appraisal.

The conveyance represents a:

Total Acquisition. The purpose of this appraisal is to estimate the market value of the whole property. The appraiser is to ignore the influences, both positive and negative, of the proposed project.

Partial Acquisition - If the acquisition is vacant land or includes only minor improvements, then the purpose of this appraisal is to estimate the value of the land, easements, and minor improvements acquired. If any, "cost to cure" damage should be estimated and included. If damages (those not otherwise addressed by a "cost to cure" item) are present, a value is estimated for the remainder, both "before acquisition" and "after acquisition", to determine the amount of the damages, less any enhancements. The appraiser has determined that:

**No damages result to the Remainder after the proposed acquisition:** The appraiser(s) concludes that no apparent damage occurred to the remainder as a result of the partial acquisition above and beyond those items addressed by a "cost to cure". This determination is based in part upon an "after acquisition scenario" review of the physical site characteristics, zoning compliance and the highest and best use of the property. Thus, the implication is that the report serves as a "before acquisition" and an "after acquisition" report. NOTE: If there are no damages, there is no need to quantify enhancement after the acquisition (except when preparing for trial) because this has no impact on compensation.

**Yes, Damages, less any Enhancements, result to the remainder after the proposed acquisition.** If damages do result to the remainder from the partial acquisition, they can be offset by benefits that may accrue to the property.

### DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after

reasonable exposure in a competitive 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 undue duress.<sup>1</sup>

The definitions of "Market Value" and "Fair Market Value" are typically considered to be synonymous and may be used interchangeably by some appraisers.

### **CLIENT AND INTENDED USER**

Mr. Kevin W. Worley, CPRP serving as Director of Parks and Recreation for the Abingdon Parks and Recreation Department. In addition, the Virginia Department of Transportation considered a client and potential user of the appraisal.

### **INTENDED USE OF THE APPRAISAL**

The intended use of this complete appraisal, summary report, is to provide the client with a basis for compensation due the property owner for the proposed property acquisition.

### **SCOPE OF THE APPRAISAL**

Market research was conducted to gather pertinent data required to estimate the value of any land, easements, and improvements acquired. Also, if applicable, the "cost to cure" damage to the remainder property as a result of the proposed acquisition is estimated. If the proposed conveyance is a partial acquisition, then the appraiser examined the impact of the partial acquisition and the proposed project improvements on the value of the remaining property.

Land and any improvements located within the acquisition area were inspected. If the proposed conveyance is a partial acquisition and the "before value" of the improvements located within the remainder is different from the "after value", then all of the improvements were inspected.

The applicable data collected to complete this appraisal includes, but is not limited to:

- Deeds, deed restrictions, easements, restrictive covenants, proffers, leases, sales history, and listing agreements for the subject property.
- The availability and capacity of public and private utilities.
- Flood plain, topography
- Zoning and the master plan
- Market and land use trends
- Sales data for competing properties
- Other data that the appraiser considers relevant to the valuation.

The most pertinent data collected is reported. Verification of the authenticity of this information was made from one or more of the following sources: public records, personal interviews, and any other sources with respect to sales of properties in the general area of the subject property. The research, analysis, and interpretation of information in the marketplace were completed in accordance with sound appraisal principles. The opinions and conclusions of value in this report are considered to be reasonable and reliable.

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).

## **JURISDICTIONAL EXCEPTION**

An assignment condition that voids the force of a part of or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment

## **HYPOTHETICAL CONDITIONS**

(That which is contrary to what exists but is supposed for the purpose of analysis.)

Any “after” value assumptions are based on the premise that the project is completed as of the effective date of the appraisal and according to the plans available to the appraiser.

## **EXTRAORDINARY ASSUMPTIONS**

The appraisal assumes an asphalt paved parking lot and entrance will be constructed as shown on the survey/project plans. Entrance to the subject’s remaining 17.91 acres is across the acquisition and this appraisal assumes a right of way or right to enter the remaining property will be retained or available to the owner.

## **EXPOSURE TIME**

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Estimated marketing time and exposure time for the subject is six to nine months.

## **“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

### **PROPERTY INFORMATION**

#### ***MARKET AREA***

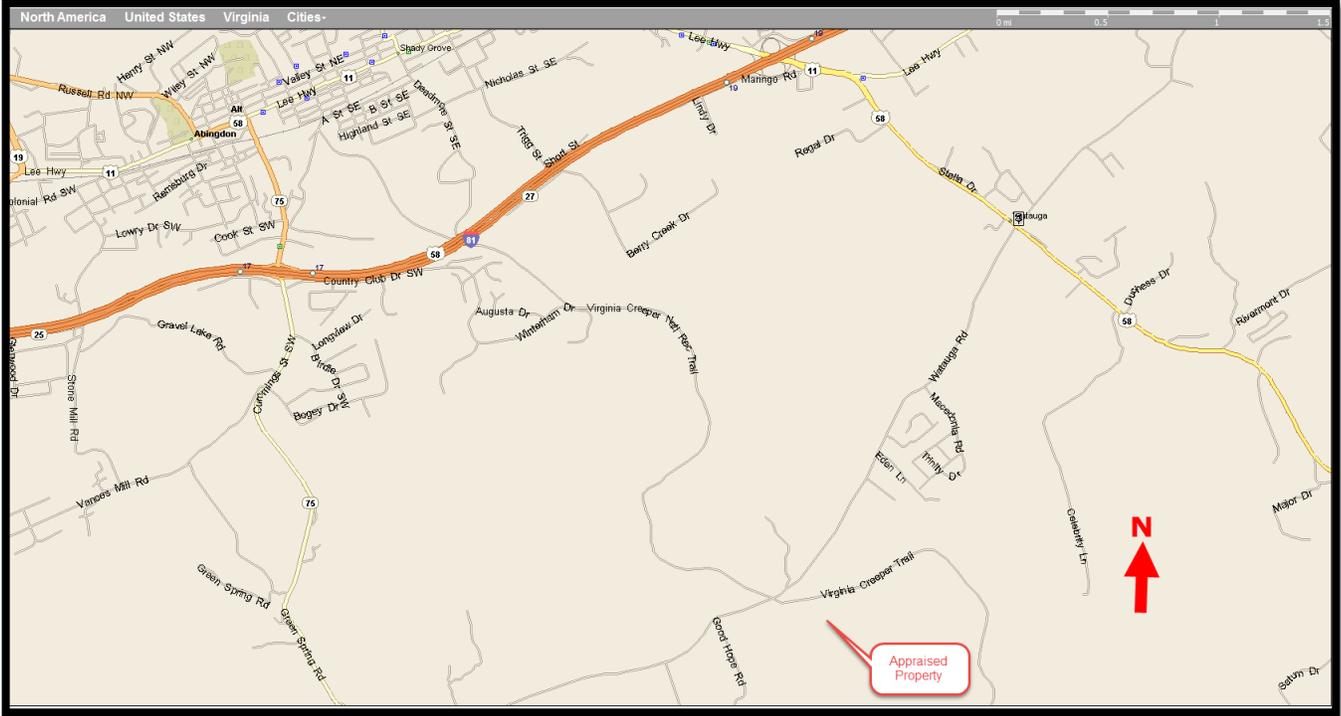
MARKET AREA INFLUENCES (Marketing times, pertinent demographics, etc.):

An understanding of the community in which the subject is located and analysis of the area is a necessary part of a marketability study as it provides consideration of the environment in which the subject exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable.

#### **COMMUNITY DATA**

An understanding of the community in which the subject is located and analysis of the area is a necessary part of the valuation process as it provides consideration of the environment in which the appraised property exists. Consideration of the four forces that influence value - environmental, social, governmental and economic -- is essential to appraising since the interaction of these forces creates the economic climate in which property values increase, decrease, or remain stable. For this reason study of the community is necessary to understand the environment in which the subject would be offered for sale.

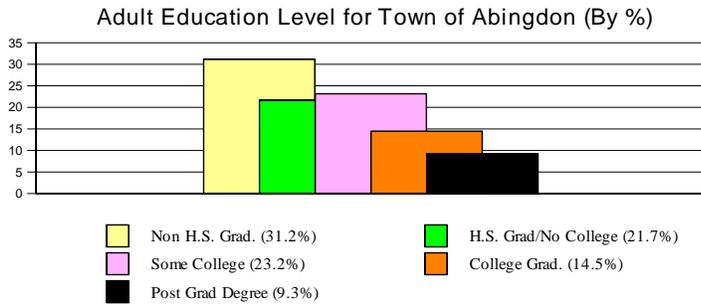
**ENVIRONMENTAL FORCES:** The subject is located 3.4 miles southeast from the center of Abingdon, Virginia. Abingdon contains 8.2 square miles of land area and is 15 miles east of Bristol, Tennessee, 130 miles west of Roanoke, Virginia and is adjacent to the Tri-Cities Area consisting of Bristol, Kingsport and Johnson City. In 1760, Daniel Boone gave Abingdon its first name, “Wolf Hills.” The town carried the name until 1774 when it was renamed “Black’s Fort” by Joseph Black who erected a fort in the area. In December of 1776, the General Assembly of Virginia established Washington County, the first region in the world named after General George Washington. Black’s Fort was designated the county seat of Washington County. In 1778, Blacks Fort was incorporated into the town of Abingdon and today, remains as the county seat.



**Subject Location Map.**

Public air transportation is available from the Tri-Cities Regional Airport, located 34 miles southwest of Abingdon. It is a new modern air facility constructed as a joint project of the Tri-Cities. Combined inbound and outbound daily flights total 46 with service provided by USAir, Eagle/American, Delta, Eastern and United. Virginia Highlands Airport, located two miles west of Abingdon on US 11, is a 4,470 ft. by 75 ft., lighted runway serving private aircraft and charter services. Greyhound Bus Lines and Appalachian Coach Lines provide the area with commercial bus service. Norfolk Southern mainline rail runs through Washington County. Major Highways include Interstate 81, US 11, US 58 and US 19. Interstate 77, a major interstate connecting the Great Lakes with the southeast, intersects Interstate 81 approximately 55 miles northeast of the Town of Abingdon. Motor freight is provided by 32 interstate motor carriers serving the area. Climate for Washington County is considered moderate. Average temperature is 55.8 degrees. Average Annual rainfall is 41 inches. Average annual snowfall is 23 inches. Elevation in Washington County varies from a low of 1,698 feet to a high of 5,520 feet.

**SOCIAL FORCES:** Education for Abingdon is provided by the Washington County School System consisting of a total county enrollment of 7,952 students in 13 elementary schools and four high schools.



Private education within a 30 mile radius of the Town of Abingdon is provided by Temple Christian School, Saint Anne’s School, Sullins Academy, Tri Cities Christian School, Copper Ridge Christian Academy, Fountain City Seventh Day Adventist and Gethsemane Christian Academy. Higher education is provided by Virginia Highlands Community College located in Abingdon; Emory and Henry College located in Emory, Virginia; Virginia Intermont College located in Bristol,

Virginia; King University located in Bristol, Tennessee; and East Tennessee State University located in Johnson City, Tennessee. Population count for the Town of Abingdon of 4,318 per 1980 census provides a misleading indication of growth when compared to the 1990 census count at 7,003 since annexation has created the illusion of a doubling of the population for that decade.

**Washington County, Virginia Census Data**

| Census | Washington Co. | Abingdon | Damascus | Glade Spring |
|--------|----------------|----------|----------|--------------|
| 1980   | 46,487         | 4,318    | 1,330    | 1,722        |
| 1990   | 45,887         | 7,681    | 981      | 1,374        |
| 2000   | 51,103         | 7,780    | 981      | 1,374        |
| 2010   | 54,443         | 8,009    | 1,066    | 1,525        |

In 1987, the Town of Abingdon annexed 5.5 square miles of Washington County. Based on the new boundaries, the 1980 population was 7,027 (source: U.S. Census Bureau). Therefore, Abingdon increased a total of 654 persons between 1980 and 1990 or about 9.3% for that decade. Washington County was estimated to have a population of 54,443 in 2010, covering 564.2 square miles with a population density of 96.5 persons per square mile. Age Breakdown for the Town of Abingdon and Washington County follow:

| POPULATION BREAKDOWN BY AGE GROUP |                  |                   |
|-----------------------------------|------------------|-------------------|
| Age Bracket                       | Town of Abingdon | Washington County |
| 0-9 years                         | 10.0%            | 11.4%             |
| 10-17 Years                       | 9.1%             | 11.0%             |
| 18-29 Years                       | 15.5%            | 16.9%             |
| 30-39 Years                       | 15.4%            | 15.9%             |
| 40-49 Years                       | 13.6%            | 14.4%             |
| 50-64 Years                       | 16.9%            | 16.3%             |
| 65+ Years                         | 19.6%            | 14.2%             |
| Average Age                       | 41.6 years       | 38.1 years        |

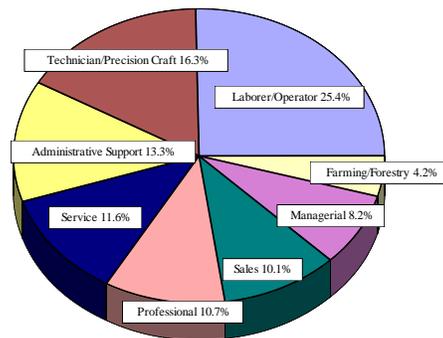
Medical services are provided by Johnston Memorial Hospital with 116 beds, 12 bassinets and a Neonatal Intensive Care Unit. The hospital is a state of the art Mountain States Health Alliance facility located in Abingdon. Wellmont-Bristol Regional Hospital with 337 beds and 40 psychiatric beds is located approximately 15 miles from Abingdon in Bristol, Tennessee.

Places of interest and recreation include: Abingdon Cinemall Theater, Mount Rogers National Recreation Area, South Holston Lake, Grayson Highlands and Hungry Mother State parks, Clinch Mountain Wildlife Management Area, Bristol Motor Speedway, the William King Regional Arts Center and the old Virginia Creeper Trail. The Appalachian Trail passes through the middle of Damascus (located in Washington County) on its way from Maine to Georgia. Camberley’s Martha Washington Inn is located at 150 West Main Street in Abingdon. Originally built by a Virginia General as a private residence, the Inn has served as a hospital during the Civil War and The Martha Washington College for Women. Restored in 1984, it is now a luxury, 61 room inn. The Barter Theater, founded by Robert Porterfield, is located across Main Street from Camberley’s Martha Washington Inn and opened in June 1933 with the advertised slogan for admission of “35 cents or the equivalent in produce.” The Barter Theater became the State Theater of Virginia in 1946 and is now open 11 months of the year. It is the second oldest performing arts theater in the United States, predated only by the Walnut Street Theater in Philadelphia. Abingdon is the site of the Virginia Highlands Festival held each year in August. The festivals main locations are adjacent to the Martha Washington Inn/Barter Theater and also on the Virginia Highlands Community College Campus. Activities at the festival include an antique car show, tours of historic homes and historic district, art shows, theater productions and antique displays/sales.

**GOVERNMENT FORCES:** A zoning ordinance and building code exists for the town of Abingdon and provides orderly planning, health, safety and welfare of residents. Washington County is also controlled by a county zoning ordinance. Washington County has a Board of Supervisors and County Administrator form of Government with a Planning Commission, an Industrial Development Authority and a county E-911 system. Three towns are incorporated in Washington County, Abingdon, Damascus and Glade Springs. All three towns operate with Mayor/Council forms of government. Police protection is provided by the Washington County Sheriff’s Department in the county and the Abingdon Police Department in the town. The Abingdon Volunteer Fire Department and Washington County Lifesaving Crew also serve the town. Washington County operates a transfer station for solid waste disposal. The station accepts most forms of non-hazardous industrial waste for transportation to a non-county disposal center. Private pick up of industrial waste is available.

**ECONOMIC FORCES:** Washington County is served by 11 banks, with statewide assets over \$30 billion dollars. According to the Bureau of Labor and Statistics, in March of 2012, approximately 19,901 were employed in Washington County with an average weekly pay of \$766. Unemployment in Washington County was at 6% in March of 2013.

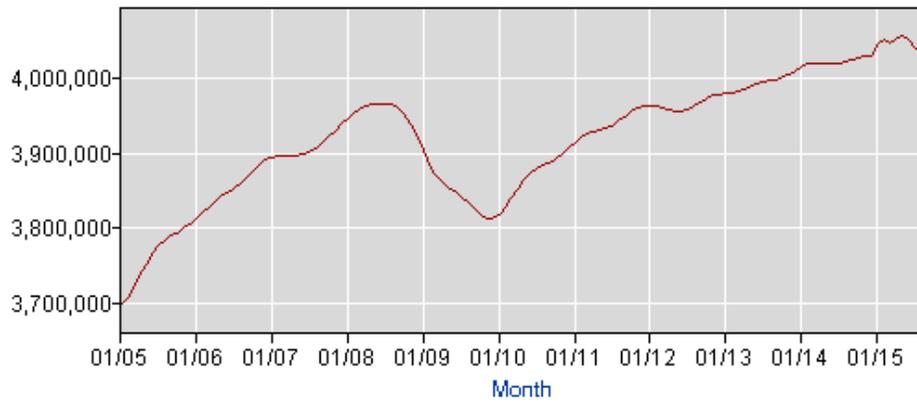
**Employment for Washington County**



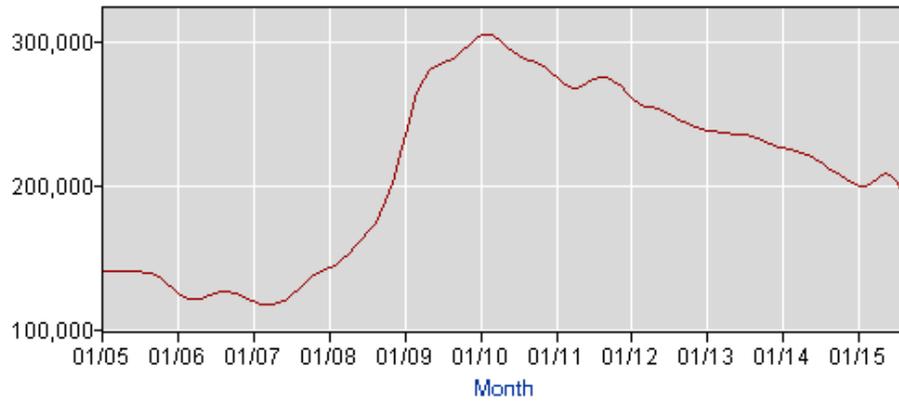


# Virginia Statewide Employment and Unemployment

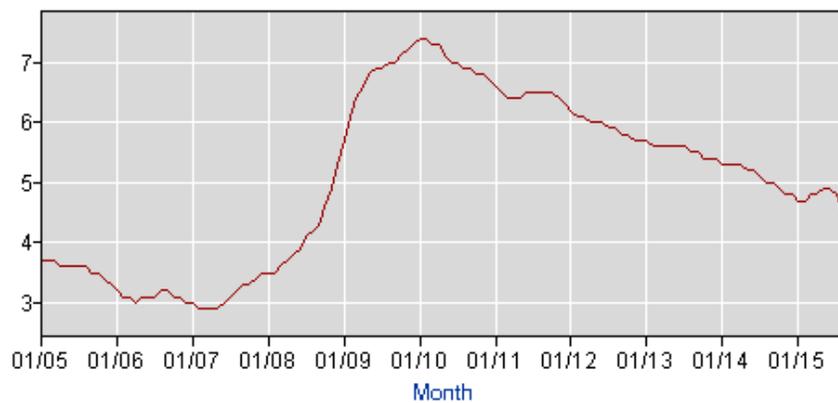
## employment



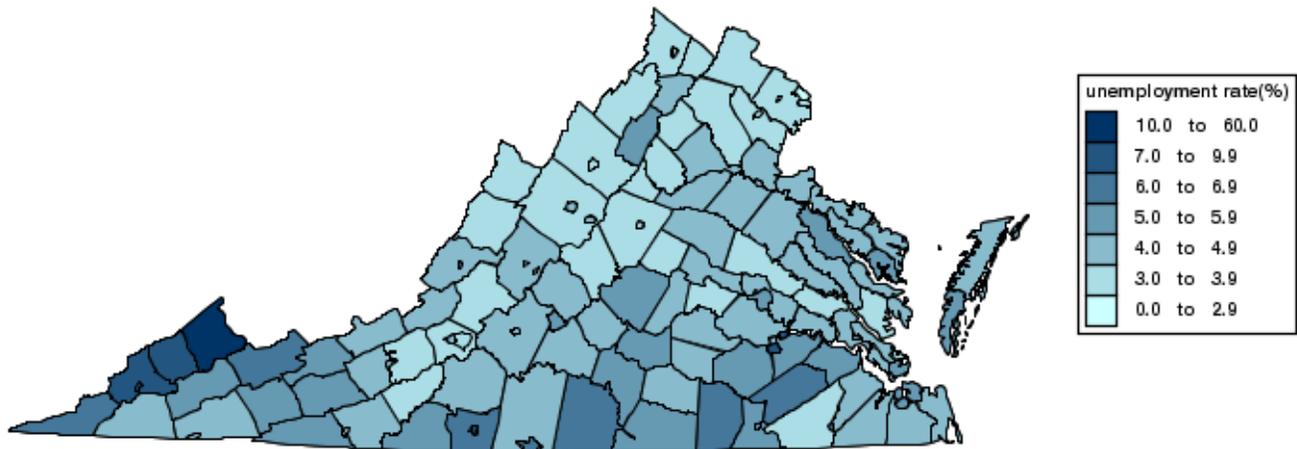
## unemployment



## unemployment rate



## Unemployment rates by county, not seasonally adjusted, Virginia September 2015



Source: [http://www. http://data.bls.gov/map/MapToolServlet](http://www.data.bls.gov/map/MapToolServlet)  
Retrieved 11/3/2015

Unemployment for Washington County, Virginia was 4.3% in September 2015. Unemployment has declined over the past 12 months. Industrial parks and sites in the area are the Bristol-Washington County Industrial Park, containing 400 acres, Washington County Industrial Park, containing 85 acres, William A. Cole Industrial Park, containing 34.66 acres, Carolina Steel Site, containing 27 acres, Burris Site, containing 99.7 acres, and Glade Highlands Industrial Park, containing 436 acres. The Washington County Chamber of Commerce list the largest employers in the area as: Bristol Compressors with 2,500 employees, Mid mountain Foods, Inc., 464; Camac Cookson Fibers, Inc., 455; Dutt Wagner of Virginia, Inc., 152; Joy Mining Machinery, 130; General Engineering Company, 120; Tri-Tube Inc., 103; and Hapco/American Flagpole Division of Kearney National, Inc., 100.

According to the United States Census Bureau, Abingdon has a per capita income in 2013 dollars of \$28,214 compared to Virginia at \$33,493 with people of all ages in poverty (2009-2013) of 20.0%. Median household income for Abingdon in 2009-2013 was \$38,477 compared to Virginia at \$63,907. (Source: <http://quickfacts.census.gov/qfd/states/51/5100148.html>)

### **THE REAL ESTATE MARKET**

A survey was prepared for a seven year cycle covering the local real estate market based on sales data reported by the Southwest Virginia Multiple Listing Service (SWVMLS) for Washington County, Virginia. The following transactions were reported annually for property types displayed below which included residential, multi-family, land, and commercial property types. The report does not cover all transactions as some sales will occur without the aid of a real estate broker and some property types are not included in the data. The appraiser recognizes that other transactions have occurred in Washington County, Virginia. The sales discussed immediately below do not include sales reported by the Bristol VA-TN Multiple Listing Service members or privately arranged transactions not reported through Southwest Virginia Multiple Listing Service. Sales from the Bristol VA-TN Multiple Listing Service

will be discussed later in this section of the report. The data presented here is useful for interpreting trends in sales volume and number of transactions between years since the data is from a relatively consistent pool of real estate brokers operating in most of Washington County and Abingdon, Virginia. The subject is located in Washington County and residents and property owners in the vicinity of the subject and the subject's neighborhood typically use Realtors located in Abingdon. Realtors located in Abingdon usually belong to the Southwest Virginia MLS and sales trends for the area and the market conditions for that area are reflected by the sales data discussed here. The data covered does provide an insight into the sales activity and trend over the time period covered between January 1, 2006 and January 1, 2013. Total of all sales reported in 2012 at \$50,443,353 is only 52.2% of the volume in sales reported in 2006. The total number of properties sold in 2012 is about 41.7% of the number sold in 2006.

### Sales Data Reported by the Southwest Virginia Multiple Listing Service

Areas: Washington County, VA

| Property Type  | <u>2006</u> |                     | <u>2007</u> |                     | <u>2008</u> |                     | <u>2009</u> |                     |
|----------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|
|                | Units       | Dollars             | Units       | Dollars             | Units       | Dollars             | Units       | Dollars             |
| Residential    | 453         | \$76,847,302        | 412         | \$78,428,721        | 338         | \$60,683,168        | 330         | \$62,132,476        |
| Multi-Family   | 4           | 2,709,900           | 2           | 216,400             | 5           | 590,000             | 2           | 975,000             |
| Land           | 123         | 16,058,969          | 109         | 9,904,477           | 86          | 7,682,400           | 66          | 3,876,995           |
| Commercial     | 5           | 980,000             | 9           | 5,019,500           | 7           | 1,880,000           | 6           | 2,117,500           |
| <b>Totals:</b> | <b>585</b>  | <b>\$96,596,171</b> | <b>532</b>  | <b>\$93,569,098</b> | <b>436</b>  | <b>\$70,835,568</b> | <b>404</b>  | <b>\$69,101,971</b> |

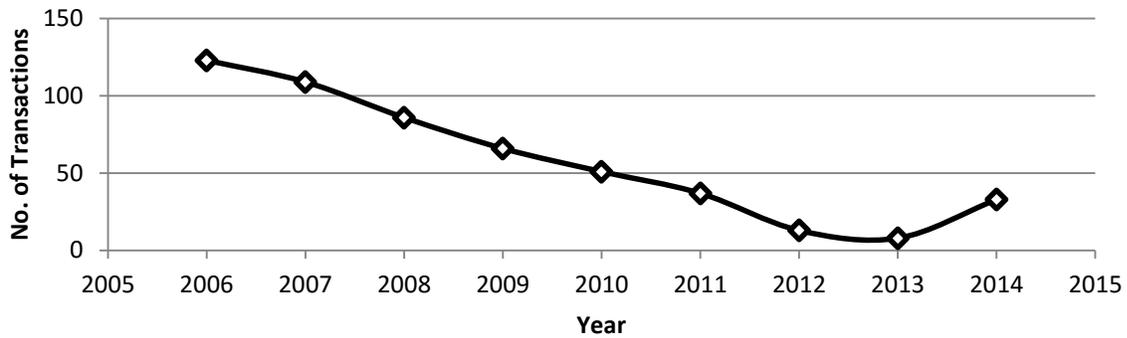
| Property Type | <u>2011</u> |                     | <u>2012</u> |                     | <u>2013</u> |                     | <u>2014</u> |                     |
|---------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|
|               | Units       | Dollars             | Units       | Dollars             | Units       | Dollars             | Units       | Dollars             |
| Residential   | 298         | \$59,180,702        | 229         | \$47,348,997        | 197         | \$43,024,825        | 248         | \$47,144,437        |
| Multi-Family  | 2           | 1,620,000           | 0           | 0                   | 0           | \$0                 | 2           | \$230,000           |
| Land          | 37          | 3,371,725           | 13          | 2,884,356           | 8           | \$513,500           | 33          | \$3,849,350         |
| Commercial    | 3           | 836,000             | 2           | 210,000             | 1           | \$330,000           | 3           | \$226,000           |
| <b>Totals</b> | <b>340</b>  | <b>\$65,008,427</b> | <b>244</b>  | <b>\$50,443,353</b> | <b>206</b>  | <b>\$43,868,325</b> | <b>286</b>  | <b>\$51,449,787</b> |

The above data is graphically depicted on the following page.

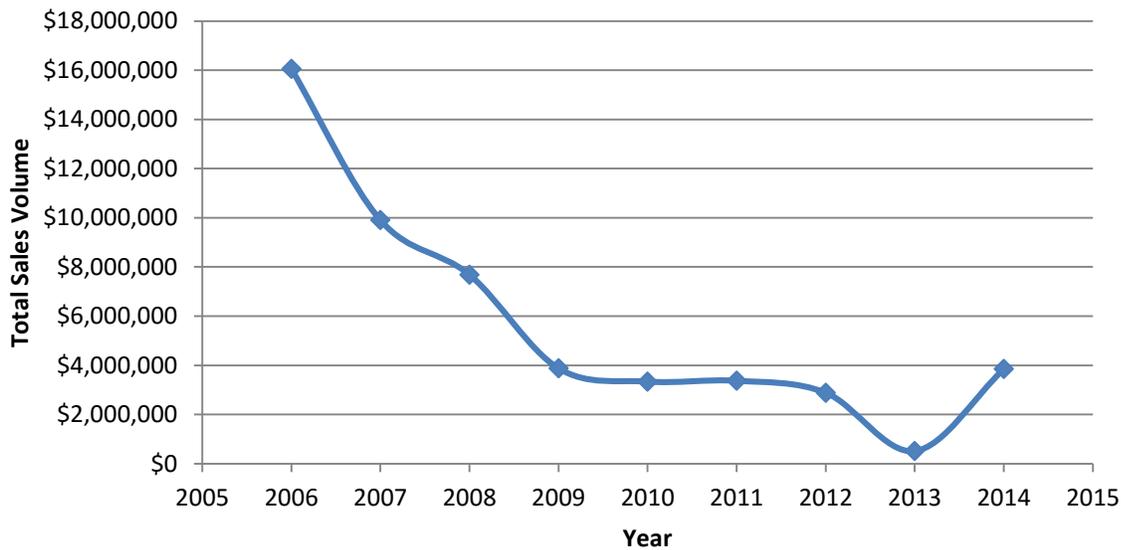
Based on the sales in the above table, the average residential sale price in 2010 was \$198,592 and in 2014 it was \$190,099. The decrease in the average residential sale price between 2010 and 2014 represents a 1.01% per annum decrease over the time period. Over short periods of time, no measurable change is noted in residential prices between the beginning of 2010 and ending in December 2014.

The number of annual transactions for the land segment of the Washington County real estate market between 2006 and January 1, 2015 has declined from a high of 123 to a low of 8 in 2013 and the total volume of sales for land transactions has declined from \$16,058,969 in 2006 to \$3,849,350 in 2014. MLS Reporting methodology and combining of different land types makes comparison on a year to year basis for land difficult. The two charts derived from the above data follow and depict the depressed market and the "relative" decline in demand for land over the time period covered between 2006 and January 1, 2015.

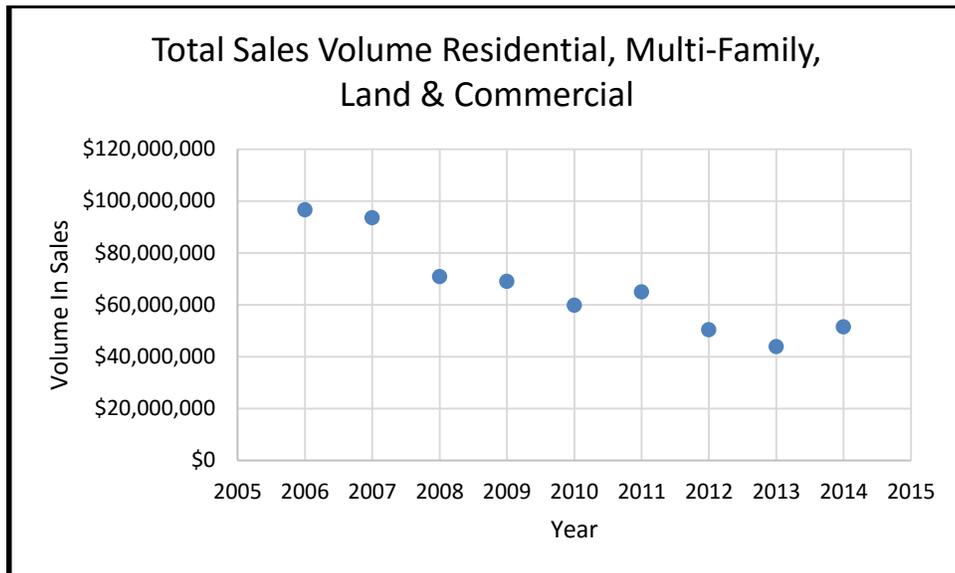
### No. of Land Sales Reported by Southwest VA MLS Washington Co., VA



### Total Volume In Land Sales Reported by Southwest VA MLS



Total sales volume for residential, multi-family, land and commercial properties has declined since 2006 with minor upticks in 2011 and 2014.



**Total Volume Residential Sales – Bristol, TN-VA, Sullivan and Washington Counties  
Reported in the Bristol, Tennessee-Virginia MLS**

| 2004        | 2005        | 2006        | 2007        | 2008        | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| \$3,130,989 | \$3,726,660 | \$4,825,701 | \$6,214,110 | \$5,050,131 | \$7,240,846 | \$5,550,894 | \$6,168,601 | \$8,573,721 | \$8,468,312 | \$5,500,998 |

As observed in the preceding table, total volume has declined since the peak in 2012 at \$8,573,721 to \$5,500,998 in 2014 or a total of a 35.85% decline in sales volume. Average sale price for residential properties have been somewhat volatile over time and in 2014 was still below the average price in 2004. Average number of days on the market for all property types was 103 days in 2014. Insufficient statistical data is available due to the low number of commercial and industrial sales to provide meaningful overall trends based on averages for the commercial and industrial segments of the local real estate market based on the Bristol, Tennessee-Virginia MLS.

**Average Residential Sale Price – Bristol, TN-VA, Sullivan and Washington Counties  
Bristol, Tennessee-Virginia MLS Data**

| 2004     | 2005     | 2006     | 2007     | 2008     | 2009     | 2010     | 2011     | 2012     | 2013      | 2014      |
|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|
| \$68,065 | \$66,548 | \$62,671 | \$66,108 | \$58,047 | \$73,140 | \$64,545 | \$69,310 | \$66,463 | \$ 78,410 | \$ 65,488 |



## Market Statistics & Trends

You're currently viewing statistics for **Kingsport-Bristol-Bristol** [Change This](#)

**1.3 million SF**

Commercial Space For Sale

**624,027 SF**

Commercial Space For Lease

**853 Acres**

Land & Farm For Sale

**\$114.7 million**

Total Sale Price



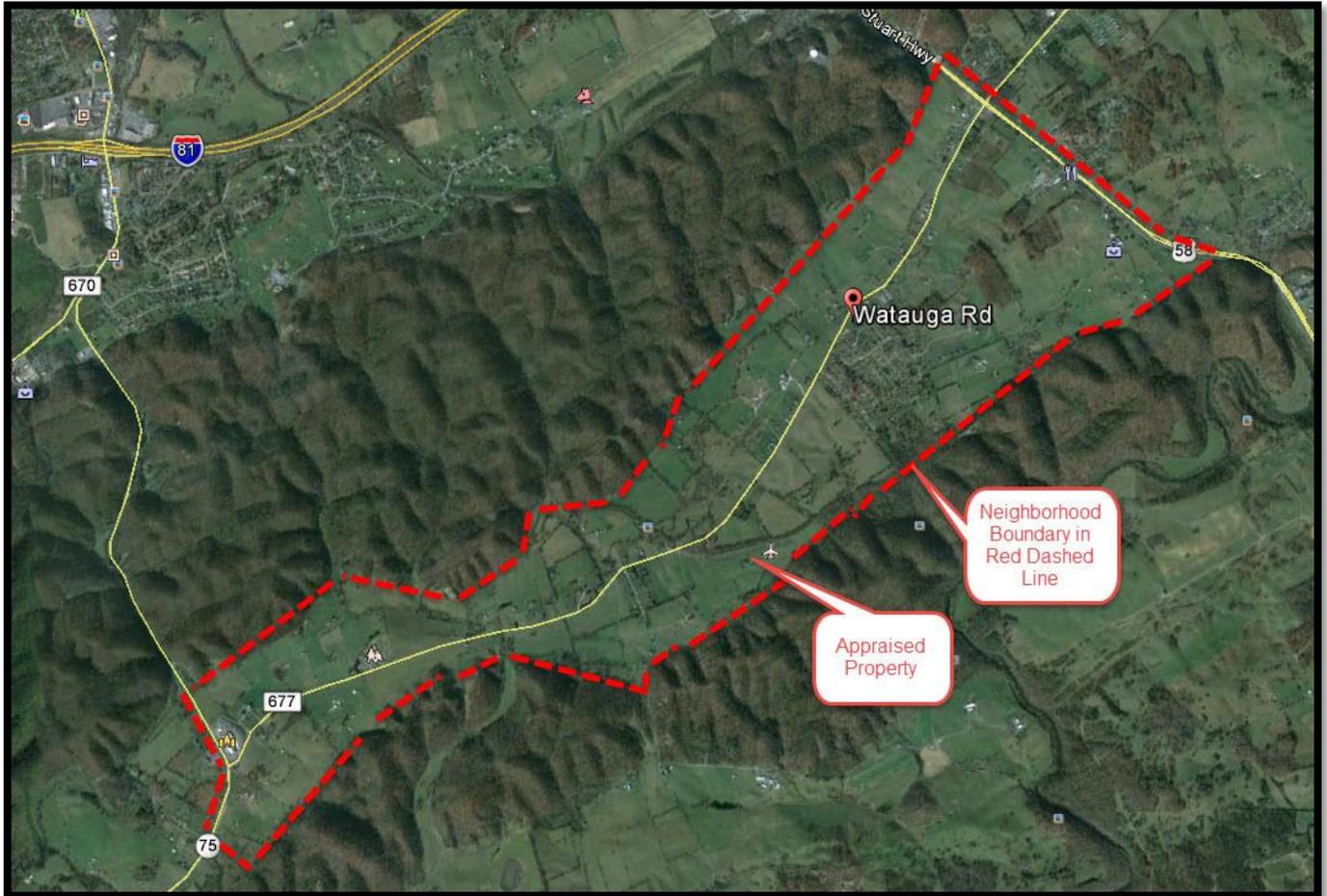
### Current Statistics for Kingsport-Bristol-Bristol

| Property Type     | Listings | Asking Lease Rate | Asking Sale Price | Below List | Days on Market | Total Available | More... |
|-------------------|----------|-------------------|-------------------|------------|----------------|-----------------|---------|
| Industrial        | 28       | \$4.19 PSF        | \$32.75 PSF       | -          | 20             | 453,041 SF      | -       |
| Office            | 81       | \$13.02 PSF       | \$77.90 PSF       | 10.7%      | 1,203          | 552,574 SF      | -       |
| Retail-Commercial | 36       | \$5.64 PSF        | \$69.72 PSF       | -          | -              | 255,356 SF      | -       |
| Shopping Center   | 44       | \$6.54 PSF        | \$90.10 PSF       | -          | -              | 203,318 SF      | -       |
| Vacant Land       | 95       | \$0.56 PSF        | \$1.54 PSF        | -          | -              | 37.6 million SF | -       |
| Hospitality       | 4        | -                 | \$11.27 PSF       | -          | -              | 335,648 SF      | -       |
| Multi-Family      | 5        | -                 | \$19.01 PSF       | -          | -              | 92,800 SF       | -       |

Market Statistics & Trends Report for Kingsport-Bristol, TN & Bristol, VA as of 5/17/2015 from Northeast Tennessee Association of Realtors Commercial MLS.

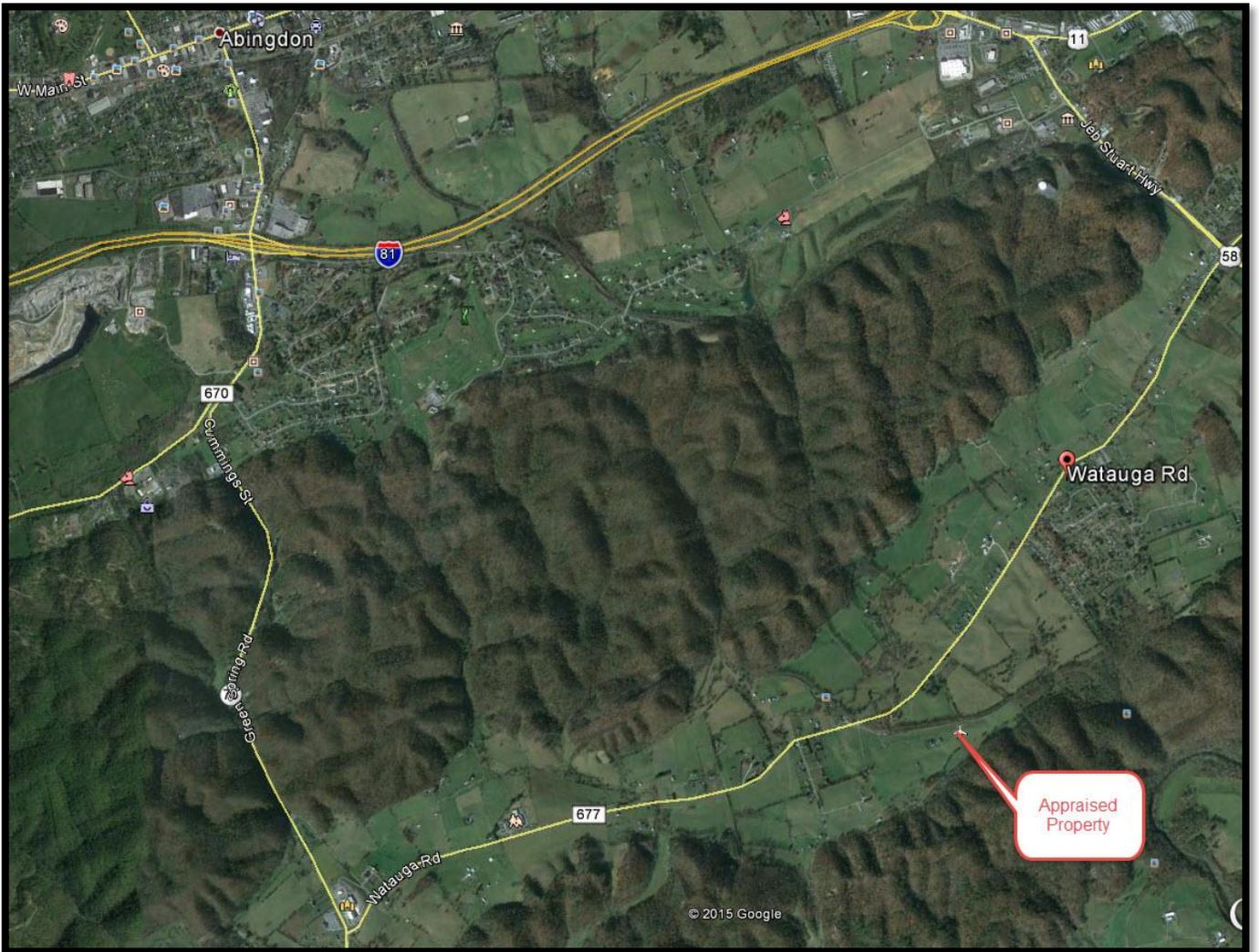
**DESCRIBE THE IMMEDIATE MARKET AREA OF THE SUBJECT PROPERTY:**

The subject is located on the south side of The Virginia Creeper Trail about 430 feet from the south side of Watauga Road (Rte. 677) in Washington County, Virginia. Property in the immediate vicinity of the subject primarily includes residential and agricultural uses. Aerial map depicting nearby properties follows.



Neighborhood Boundary Map.

The neighborhood boundary is as outlined on the map depicted above. General demographics and description of the neighborhood are based on the “Executive Summary” table which follow the and provide greater detail regarding population characteristics of the area defined as the neighborhood. Population for the neighborhood covering 2.93 square miles is 515 as of 2015 is only five more than the 510 2000 census. Median age in the area is 44.3 years. The 2015 household count for the neighborhood is 211 with an average household size of 2.44 persons. Average 2015 household income for the neighborhood is \$60,084 which is below the \$74,669 average household income for all the U.S. Median home value in 2010 for the neighborhood was \$165,833 compared to 200,006 for the U.S. A total of 217 housing units are located in the neighborhood in 2015 and 168 are estimated to be owner occupied. Overall neighborhood occupancy in 2015 is 97.2%.



Neighborhood and subject in relation to Abingdon.



## Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Population

|                        |        |
|------------------------|--------|
| 2000 Population        | 510    |
| 2010 Population        | 522    |
| 2015 Population        | 515    |
| 2020 Population        | 508    |
| 2000-2010 Annual Rate  | 0.23%  |
| 2010-2015 Annual Rate  | -0.26% |
| 2015-2020 Annual Rate  | -0.27% |
| 2015 Male Population   | 50.5%  |
| 2015 Female Population | 49.3%  |
| 2015 Median Age        | 44.3   |

In the identified area, the current year population is 515. In 2010, the Census count in the area was 522. The rate of change since 2010 was -0.26% annually. The five-year projection for the population in the area is 508 representing a change of -0.27% annually from 2015 to 2020. Currently, the population is 50.5% male and 49.3% female.

### Median Age

The median age in this area is 44.3, compared to U.S. median age of 37.9.

### Race and Ethnicity

|                                          |       |
|------------------------------------------|-------|
| 2015 White Alone                         | 98.1% |
| 2015 Black Alone                         | 0.8%  |
| 2015 American Indian/Alaska Native Alone | 0.2%  |
| 2015 Asian Alone                         | 0.2%  |
| 2015 Pacific Islander Alone              | 0.0%  |
| 2015 Other Race                          | 0.6%  |
| 2015 Two or More Races                   | 0.2%  |
| 2015 Hispanic Origin (Any Race)          | 1.2%  |

Persons of Hispanic origin represent 1.2% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 6.4 in the identified area, compared to 63.0 for the U.S. as a whole.

### Households

|                             |        |
|-----------------------------|--------|
| 2000 Households             | 208    |
| 2010 Households             | 213    |
| 2015 Total Households       | 211    |
| 2020 Total Households       | 208    |
| 2000-2010 Annual Rate       | 0.24%  |
| 2010-2015 Annual Rate       | -0.18% |
| 2015-2020 Annual Rate       | -0.29% |
| 2015 Average Household Size | 2.44   |

The household count in this area has changed from 213 in 2010 to 211 in the current year, a change of -0.18% annually. The five-year projection of households is 208, a change of -0.29% annually from the current year total. Average household size is currently 2.44, compared to 2.45 in the year 2010. The number of families in the current year is 153 in the specified area.



# Executive Summary

Neighborhood 2  
Area: 2.93 square miles

Watauga Road Neighborhood  
Latitude: 36.68295567  
Longitude: -81.9319352

### Median Household Income

|                              |          |
|------------------------------|----------|
| 2015 Median Household Income | \$43,589 |
| 2020 Median Household Income | \$50,179 |
| 2015-2020 Annual Rate        | 2.86%    |

### Average Household Income

|                               |          |
|-------------------------------|----------|
| 2015 Average Household Income | \$60,084 |
| 2020 Average Household Income | \$69,233 |
| 2015-2020 Annual Rate         | 2.88%    |

### Per Capita Income

|                        |          |
|------------------------|----------|
| 2015 Per Capita Income | \$24,831 |
| 2020 Per Capita Income | \$28,589 |
| 2015-2020 Annual Rate  | 2.86%    |

### Households by Income

Current median household income is \$43,589 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$50,179 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$60,084 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$69,233 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$24,831 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$28,589 in five years, compared to \$32,501 for all U.S. households

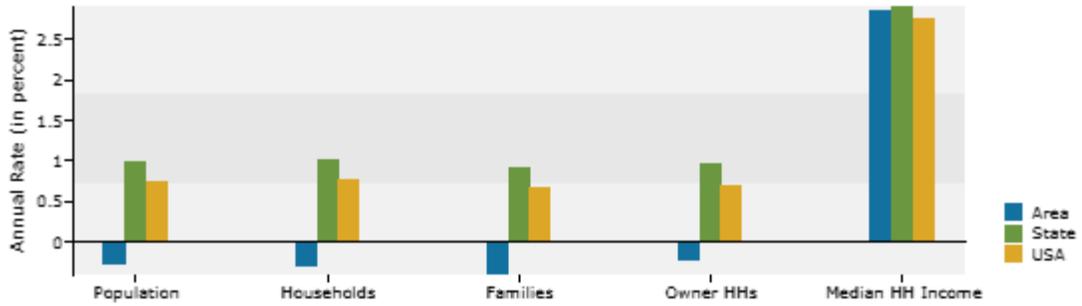
### Housing

|                                    |     |
|------------------------------------|-----|
| 2000 Total Housing Units           | 209 |
| 2000 Owner Occupied Housing Units  | 177 |
| 2000 Renter Occupied Housing Units | 31  |
| 2000 Vacant Housing Units          | 1   |
| 2010 Total Housing Units           | 217 |
| 2010 Owner Occupied Housing Units  | 173 |
| 2010 Renter Occupied Housing Units | 40  |
| 2010 Vacant Housing Units          | 4   |
| 2015 Total Housing Units           | 217 |
| 2015 Owner Occupied Housing Units  | 168 |
| 2015 Renter Occupied Housing Units | 43  |
| 2015 Vacant Housing Units          | 6   |
| 2020 Total Housing Units           | 217 |
| 2020 Owner Occupied Housing Units  | 166 |
| 2020 Renter Occupied Housing Units | 42  |
| 2020 Vacant Housing Units          | 9   |

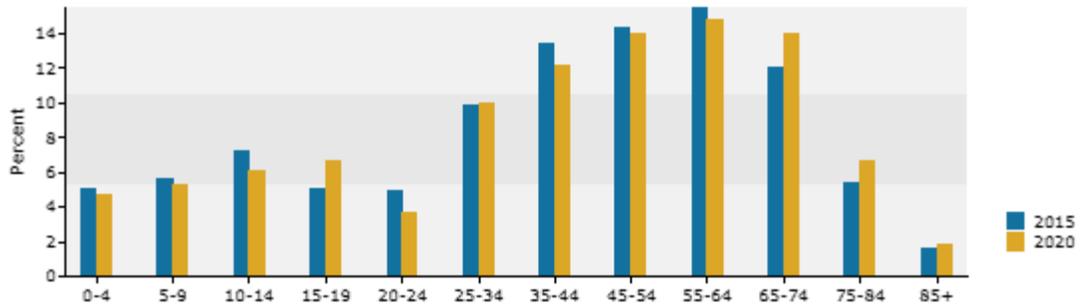
Currently, 77.4% of the 217 housing units in the area are owner occupied; 19.8% are renter occupied; and 2.8% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 217 housing units in the area - 79.7% owner occupied, 18.4% renter occupied, and 1.8% vacant. The annual rate of change in housing units since 2010 is 0.00%. Median home value in the area is \$165,833, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 7.65% annually to \$239,773.



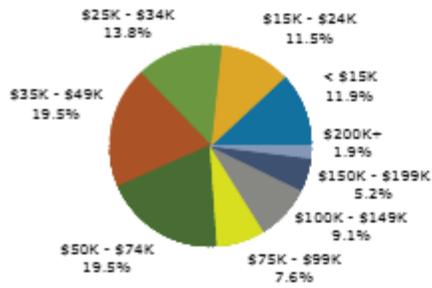
Trends 2015-2020



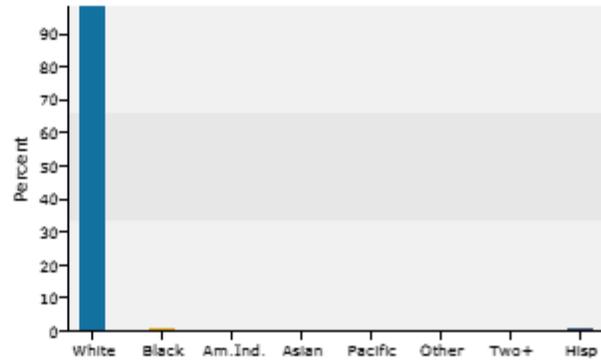
Population by Age



2015 Household Income



2015 Population by Race



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

**DELINEATION OF TITLE**

Title Report Furnished:  Yes  No. Has the property sold in the last 5 years:  Yes  No  
Last Conveyance: From: Warren W. McCray and Imogene McCray To: John Russell White and Nina Castle White

Date: 8/20/1994 D.B.: 900 Page: 350 Verified/Indicated Consideration \$100,000 when the property contained a total of 37.16 acres and was vacant. Consideration represents \$2,691 per acre in 1994 for the 37.16.

The appraiser was not furnished a title report and title search is beyond the scope of work performed by appraisers. Deeds and surveys were gathered which allowed a means of describing the property. The survey indicates the property does not have road frontage and field inspection indicates access is by a gravel driveway leading along the Virginia Creeper Trail to its intersection with Watauga Road approximately 430 feet west of the subject's northwest corner. This appraisal assumes a right of way exists which provides legal access.

**PROPERTY ASSESSMENT**

Tax Map #: 127-A-18.0 and 18A      Taxes: \$2,925 county taxes total for both parcels  
Real Estate Assessment:  
Year: 2014    Land: \$176,700      Improvements: \$287,700      TOTAL: \$464,400

**ZONING AND PROPERTY RESTRICTIONS**

Zoning and Current Property Use: The property is zoned A-2 (General Agricultural). Currently, no major improvements are situated on the property and it is classified as vacant except for a well and septic system.



Zoning Map. Subject is zoned A-2.

- **Sec. 66-322. - Permitted uses and accessory uses and structures.**

- (a) *Permitted uses.* In the A-2 district, structures to be erected or land to be used shall be for one or more of the following permitted uses:
- (1) Agriculture, general farming, dairying, greenhouses and forestry.
  - (2) Beauty shops and barbershops.
  - (3) Cemeteries.
  - (4) Ecotourism, minor.
  - (5) General stores, gift and antique shops and small handicraft shops having less than 1,500 square feet of total floor area and no more than six paid employees. Small handicraft shops include but are not limited to woodworking, upholstery, framing, glass blowing and ceramic shops.
  - (6) Home occupations conducted by the occupant.
  - (7) Lodges and private clubs.
  - (8) Parks, playgrounds, preserves and conservation areas.
  - (9) Professional offices (within occupant's dwelling).
  - (10) Schools and churches.
  - (11) Single-, two- and multiple-family dwellings, including manufactured homes, provided that no manufactured home shall be used for business purposes in the A-2 district except for home occupations as defined by this chapter and subject to the provisions of article XI, division 2 of this chapter.
  - (12) Small boat docks (with repair).
  - (13) Townhouses, if public water and public sewer systems are available.
  - (14) Utilities and public services as follows:
    - a. Poles, overhead and underground lines, distribution transformers, meters, street lighting and related appurtenances necessary for the transmission and distribution of electric and telecommunication services, electrical power substations, electrical power transmission towers, telecommunication switching facilities and telecommunication towers and antennas.
    - b. Underground pipes and lines, manholes, pumping and booster stations, meters and related appurtenances necessary for the transmission and distribution of potable water, wastewater collection, and natural gas transmission and distribution.
    - c. Solid waste disposal convenience station operated by the county after a public hearing shall have been held by the board of supervisors.
  - (15) Veterinary and related services.
- (b) *Accessory uses and structures.* No accessory structure may be closer than five feet to any property line. The following accessory uses and structures are permitted in the A-2 district:
- (1) Church bulletin boards and identification signs.
  - (2) Directional signs, business signs and home occupation signs.
  - (3) Garages. However, garages or other accessory structures such as carports, porches and stoops attached to the main building shall be considered part of the main building.
  - (4) Off-street parking as required in this chapter.

(Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, § 1(66-362), 4-11-2000; Ord. No. 2015-003, § 4, 5-12-2015)

- **Sec. 66-323. - Special exception uses.**

In the A-2 district, the following uses or structures may be permitted only if approved for the issuance of a special exception as provided in this chapter:

- (1) Airports.
- (2) Ecotourism, major.

- (3) Fire department offices and facilities, emergency medical rescue squad offices and facilities, law enforcement offices and facilities and other governmental offices and facilities.
  - (4) Gas wells.
  - (5) Golf courses.
  - (6) Group homes and day care centers.
  - (7) Hotels and restaurants.
  - (8) Land application of human waste sludge or industrial sludge pursuant to article VI.
  - (9) Nonagriculturally related storage facilities having a single story and no more than 2,000 square feet in floor area.
  - (10) Off-site uses related to airport safety as defined in section 66-695.
  - (11) Recreation, commercial.
  - (12) Rest homes.
  - (13) Sawmills, planing mills, agriculturally related businesses, small businesses in general, and light industry.
  - (14) Water and wastewater treatment plants.
- (Code 1997, § 66-362; Ord. No. 98-7, § 1(66-362), 7-27-1998; Ord. No. 99-4, § 1(66-362), 6-8-1999; Ord. No. 2000-01, §1(66-362), 4-11-2000; Ord. No. 2014-008, § 3, 9-9-2014; Ord. No. 2015-003, §§ 5, 6, 5-12-2015)

- **Sec. 66-324. - Area regulations.**

The lot area for each permitted use in the A-2 district shall be as follows:

- (1) A minimum of one acre with no public water or sewer.
  - (2) A minimum of 30,000 square feet with public water.
  - (3) A minimum of 15,000 square feet with public sewer and water.
- (Code 1997, § 66-363)

- **Sec. 66-325. - Setback regulations.**

Structures in the A-2 district shall be 35 feet or more from any street right-of-way that is 50 feet or greater in width or 60 feet or more from the centerline of any street right-of-way less than 50 feet in width, except that signs advertising the sale or rent of premises may be erected up to the property line. This shall be known as the "setback line."

(Code 1997, § 66-364)

- **Sec. 66-326. - Frontage regulations.**

The minimum frontage for permitted uses in the A-2 district shall be 100 feet at the setback line.

(Code 1997, § 66-365)

- **Sec. 66-327. - Yard regulations.**

- (a) *Side.* The minimum side yard for each main structure in the A-2 district shall be 15 feet, and the total width of the two required side yards shall be 35 feet or more.
- (b) *Rear.* Each main structure in the A-2 district shall have a rear yard of 35 feet or more.

(Code 1997, § 66-366)

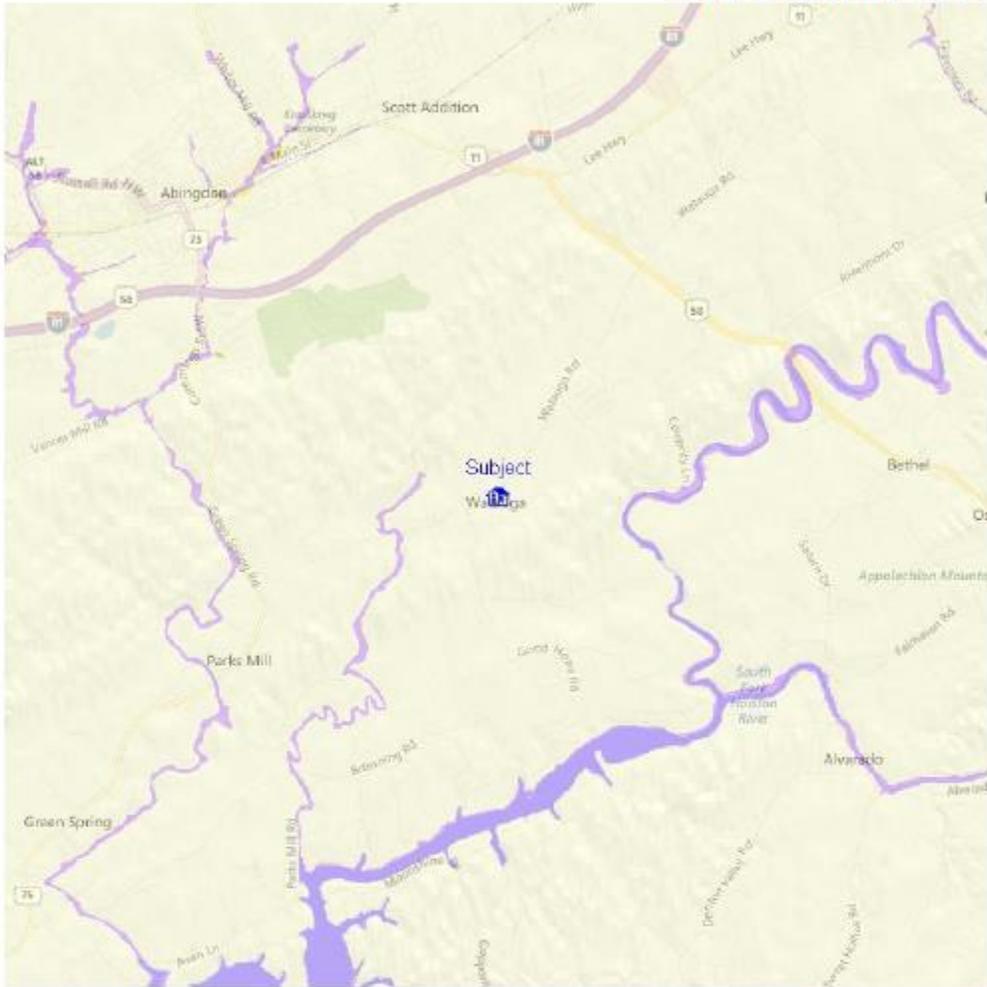
- **Sec. 66-328. - Height regulations.**

Buildings in the A-2 district may be erected up to 35 feet in height; except that:

- (1) The height limit for dwellings may be increased up to 45 feet and up to three stories, provided there are two side yards for each permitted use, each of which is 15 feet or more, plus one foot or more of side yard for each additional foot of building height over 35 feet.
  - (2) A public or semipublic building such as a school, church, library or general hospital may be erected to a height of 60 feet from grade provided that required front, side and rear yards shall be increased one foot for each foot in height over 35 feet.
  - (3) Church spires, belfries, silos and barns, cupolas, monuments, water towers, chimneys, flues, flagpoles, television antennas and radio aerials are exempt. Parapet walls may be up to four feet above the height of the building on which the walls rest.
  - (4) No accessory building that is within 20 feet of any party lot line shall be more than one story high. All accessory buildings shall be less than the main building in height.
- (Code 1997, § 66-367)

## **FLOOD ZONE**

Property Located in Flood Zone:  Yes  No    Zones: The subject is not located in a flood hazard zone. Flood map and source of information regarding flood zones follows.



**MAP DATA**

Map Number : **51191C0295C**  
 Panel Date : **September 29, 2010**  
 FIPS Code : **51191**

Census Tract : **0110.00**  
 Geo Result : **S4 - single close match, point located at the center of shape point path**

| Flood |                 |
|-------|-----------------|
|       | X or C Zone     |
|       | X500 or B Zone  |
|       | A Zone          |
|       | V Zone          |
|       | D Zone          |
|       | Area Not Mapped |

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Map # 51191C0295C Date Sept. 29, 2010

Hazardous Material:  Yes  No  None observed. If yes, explain:

Proffers:  Yes  No. If yes, explain:

**TENANT INFORMATION**

Are tenants located on the property?  Yes  No  Unknown

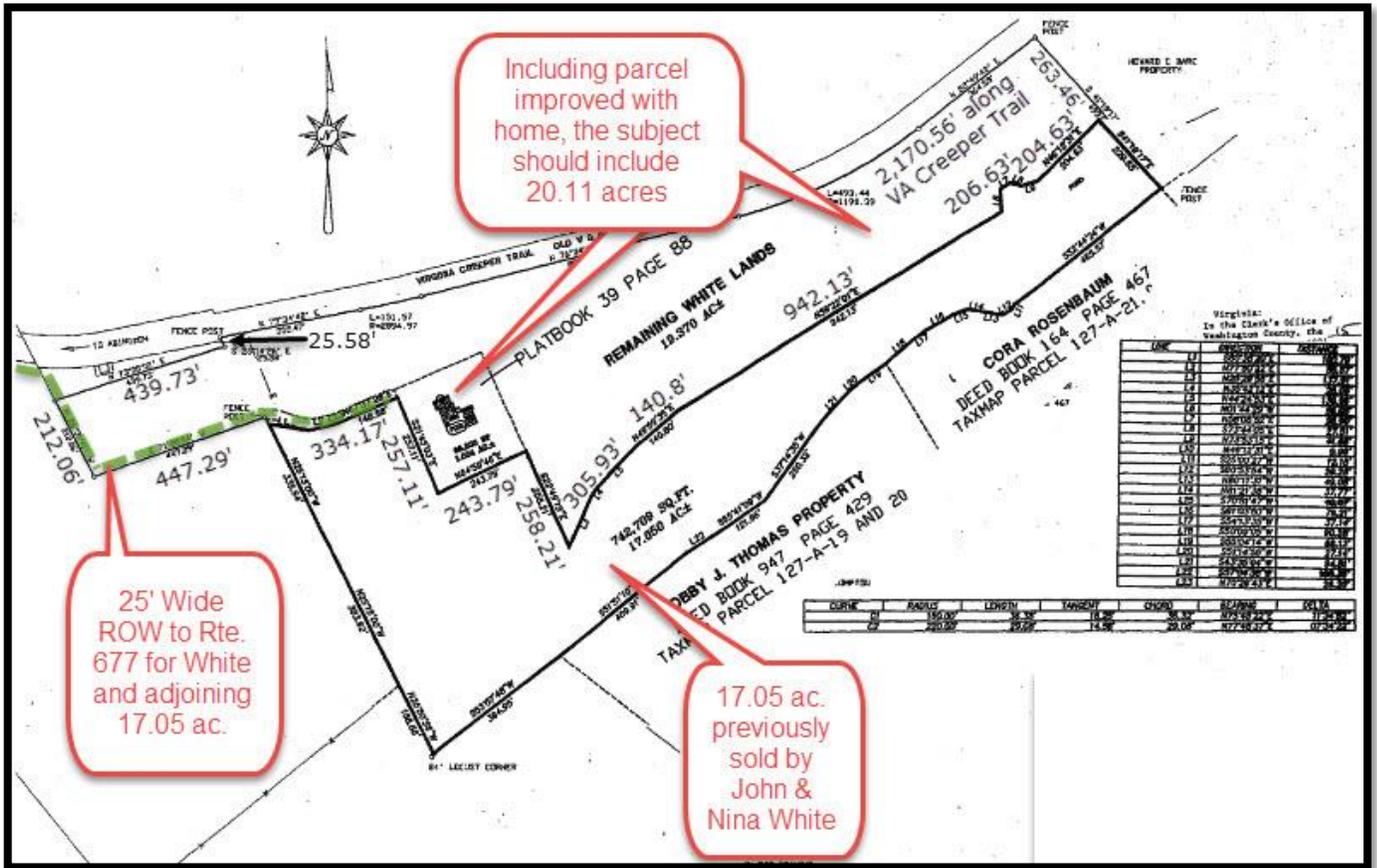
**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**PROPERTY INFORMATION**

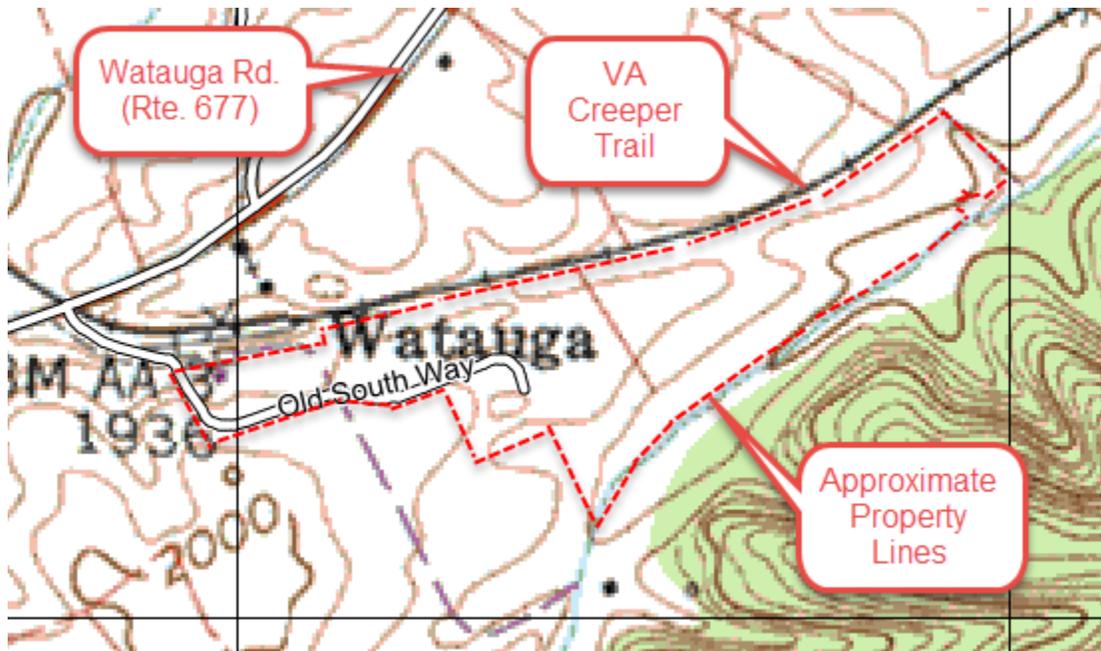
***GENERAL DESCRIPTION of LAND AND IMPROVEMENTS***

**LAND:**

The subject is an irregular shaped property containing 20.11 acres consisting of two contiguous parcels fronting the south side of the Virginia Creeper Trail about 430 feet east of its intersection with Watauga Road (Rte. 677). The property is 2,453.3 feet on the north boundary (including offset), measures 263.45 feet on the northeast side, is 3,097.91 feet along the south side (including offsets), measures 212.06 feet on the west sideline, and contains 20.11 acres. According to project plans furnished by Thompson & Litton, access appears to be by an easement over a gravel driveway leading from the northwest corner of the subject and across property owned by Karen Saltz Hunger and property owned by Thomas A. Counts, Sr. and Cornelia H. Counts. Access is depicted differently on the Washington County tax map and suggests the easement may only be across the Counts property. Survey referenced in the legal description does not depict the easement for access. Survey of the property referenced in the legal description is provided on the following page and represents a combining of two surveys, the original acquisition and a conveyance out of 17.05 acres. A portion of the property that is approximately 1,800 feet in length by 65 feet wide has been graded for purposes of a grass landing strip.



Topography is classified as gentle rolling to sloping, cleared terrain and varies in elevation from about 1,910 feet ASL to 1,958 feet ASL.



Topographic Map. Approximate location of subject's property lines are red dashed lines.

Soils are depicted on the soil map below along with map legend. The subject is outlined in turquois.



| Washington County Area and the City of Bristol, Virginia (VA191) |                                                                    |              |                |
|------------------------------------------------------------------|--------------------------------------------------------------------|--------------|----------------|
| Map Unit Symbol                                                  | Map Unit Name                                                      | Acres in AOI | Percent of AOI |
| 16B                                                              | Frederick silt loam, 2 to 8 percent slopes                         | 0.7          | 3.4%           |
| 16C                                                              | Frederick silt loam, 8 to 15 percent slopes                        | 13.2         | 66.4%          |
| 16D                                                              | Frederick silt loam, 15 to 25 percent slopes                       | 4.0          | 20.3%          |
| 20D                                                              | Hagerstown silt loam, 15 to 25 percent slopes, very rocky          | 0.6          | 3.0%           |
| 42C                                                              | Timberville-Marbie complex, 7 to 15 percent slopes, rarely flooded | 1.0          | 5.2%           |
| 55C                                                              | Wyrick-Marbie complex, 7 to 15 percent slopes                      | 0.3          | 1.7%           |
| <b>Totals for Area of Interest</b>                               |                                                                    | <b>19.9</b>  | <b>100.0%</b>  |

Major utilities available include a 2 inch public water line on the north side of Watauga Road, electric service, and telephone.

**IMPROVEMENTS:**

The property is fenced and major improvements include a two story dwelling, an airplane hangar, a combination two car carport/one car garage, and a in ground swimming pool. The value of the remainder parcel and improvements are not affected due to the nature of the proposed acquisition. For purposes of this appraisal, the value of improvements estimated by the commissioner of revenue's office are adopted.

PUBLIC UTILITIES AVAILABLE:  Electric  Telephone  Water  Sewer  
 Gas  Other \_\_\_\_\_; Private  Well  Septic System  Other \_\_\_\_\_.

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**HIGHEST AND BEST USE**

The Appraisal of Real Estate, 13<sup>th</sup> edition, defines highest and best use as:

*The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*

In addition, it states:

*In the analysis of pertinent data, four steps are implicit and are applied in the following order to develop adequate support for the appraiser's highest and best use opinion*

- 1. Physically possible*
- 2. Legally permissible*
- 3. Financially feasible*
- 4. Maximally productive*

**AS IF VACANT**

Highest and best use, if vacant, is for rural residential use. Rural residential use is defined here as parcels that are larger than typical subdivision lots but smaller than large operating farms. The present zoning of A-2, General Agricultural, allows rural residential use. cursory view of the aerial photograph of the subject and surrounding area suggest density of development is relatively low. Total population in the neighborhood is 515 in 2015 and the land area within the neighborhood covers 2.93 square miles or 1,875.2 acres.

$$1,875.2 \text{ acres} \div 515 \text{ population} = 3.64 \text{ acres per person}$$

The low density of population suggests rural residential use as the highest and best use as though vacant. Access is assumed to be over a right of way rather than the subject having road frontage on Watauga Road. The limited access via a right of way suggests use of the property as a rural residential use. In addition, the highest and best use is considered to be as two parcels (lot with dwelling and acreage tract) used in combination with each other as shown on the survey.

## ***AS IMPROVED***

The subject is improved with a two story dwelling, an airplane hangar, a 2-car carport/1-car garage combination, and a swimming pool. The present improvements are considered to fulfill the concluded highest and best use for rural residential use.

## **APPROACHES TO VALUE EXCLUDED**

The income approach was not processed due to the lack of recently negotiated leases of similar size acreage parcels with similar highest and best use for rural residential purpose. Typically, this type property is not leased. The cost approach was not processed as it is not an applicable valuation approach for land.

## **APPROACHES TO VALUE EXPLAINED**

### ***COST APPROACH***

The Cost Approach to value is based on the principle that a prudent purchaser would not pay more for a property than the cost to purchase a similar parcel and erect similar improvements. The replacement cost new of an improvement is typically estimated by use of local contractors and/or a national cost service. Depreciation from all causes is then deducted from the estimated replacement cost new. The depreciated cost new of the improvements is then added to the site improvements and land value to arrive at the value indicated by the Cost Approach.

The Cost Approach is summarized as follows:

$$\begin{array}{l} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

### ***THE INCOME APPROACH***

The Income Approach typically involves projecting the income and expenses of a property over a period or periods of time into a cash flow projection, before debt service and depreciation. The cash flow (net operating income) is then capitalized into a value estimate. The capitalization rate is typically based upon current financial market requirements and equity return requirements of the specific real estate market of which the property is a part. The validity of this approach is largely based upon the principle of anticipation. An investor purchasing an income producing property is paying a sum of money in present dollars for the right to receive future dollars.

In arriving at a value estimate via this approach the following steps are taken:

- 1) Estimate the annual gross income of the property based upon the actual lease in effect and/or on comparable leases.
- 2) Deduct from the Gross Potential Income the estimated loss of income resulting from vacancies and/or non-collections to arrive at an estimate of gross effective income.

- 3) Estimate the expenses that are anticipated to be incurred on the operation of the property. The total expenses are deducted from the effective gross income to arrive at the estimate of net operating income (NOI- income before debt service, income taxes and depreciation).
- 4) Derive a capitalization rate by reference to the competitive markets. Select an appropriate method of capitalization and convert the NOI into a value estimate.

**THE SALES COMPARISON APPROACH – LAND VALUATION**

The sales comparison approach is based upon the principle of substitution. That is, a knowledgeable purchaser would pay no more for a property than they would for a substitute property of similar utility and desirability. In applying this approach the appraiser will:

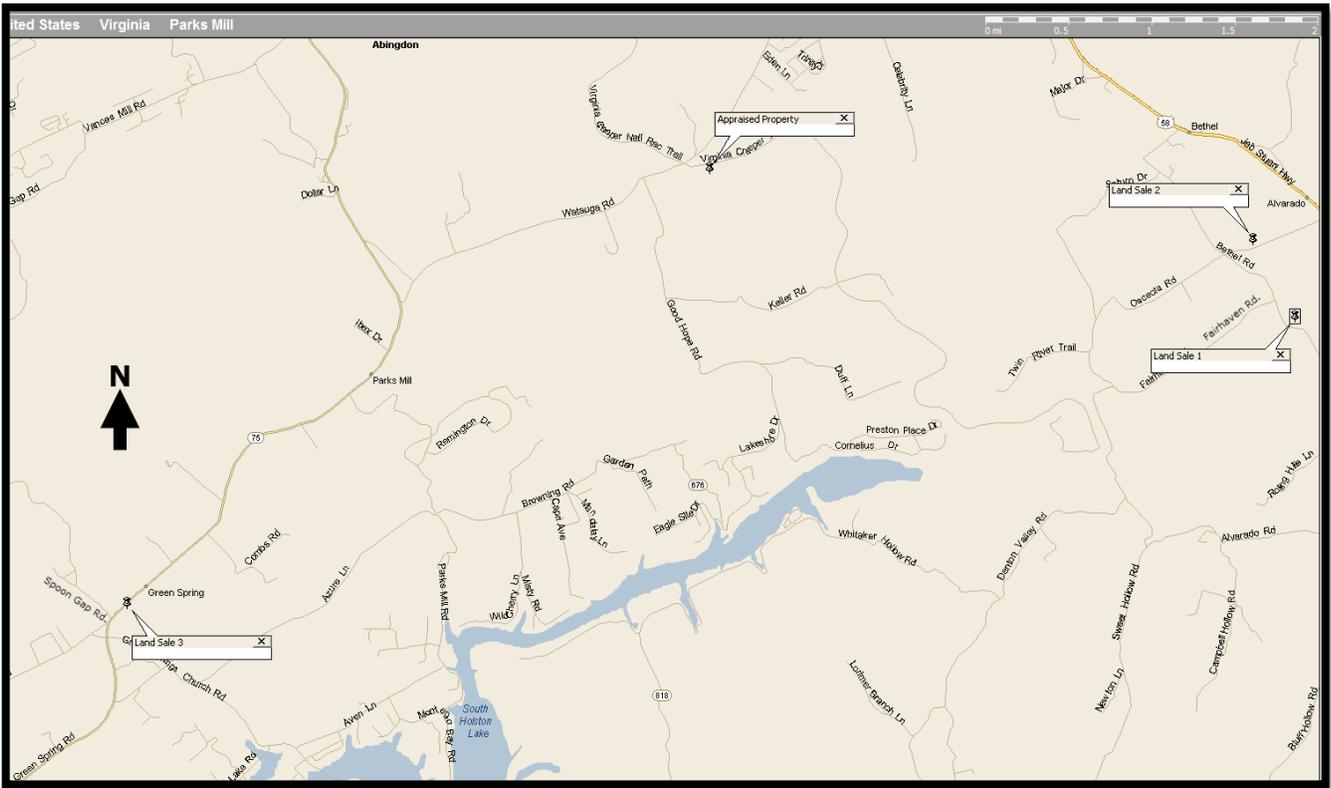
- Research and verify sales data on properties similar to the subject.
- Select relevant units of comparison and develop a comparative analysis for each unit
- Compare the sales to the subject property and adjust the comparables for those items that influence value
- Reconcile the various value indications produced from analysis of the comparables into an estimate of value for the subject.

Sales of similar vacant parcels with rural residential highest and best use in the subjects’ market area were researched for comparison to the subject. The following pages contain a summary and analysis of those sales.

**COMPARABLE LAND SALES SUMMARY TABLE**

| <b>No.</b> | <b>Location</b>              | <b>Sale Date</b> | <b>Price</b> | <b>Size in Acres</b> | <b>Price/ Acre</b> |
|------------|------------------------------|------------------|--------------|----------------------|--------------------|
| 1.         | 20289 Bethel Road (Rte. 708) | 03/07/2014       | \$40,000     | 5.301                | \$7,546            |
| 2.         | Osceola Road (Rte. 722)      | 01/21/2014       | \$92,000     | 12.700               | \$7,244            |
| 3.         | Green Spring Road (Rte. 75)  | 10/17/2013       | *\$106,200   | 9.940                | *\$10,684          |

\*Before adjusting downward for barn.

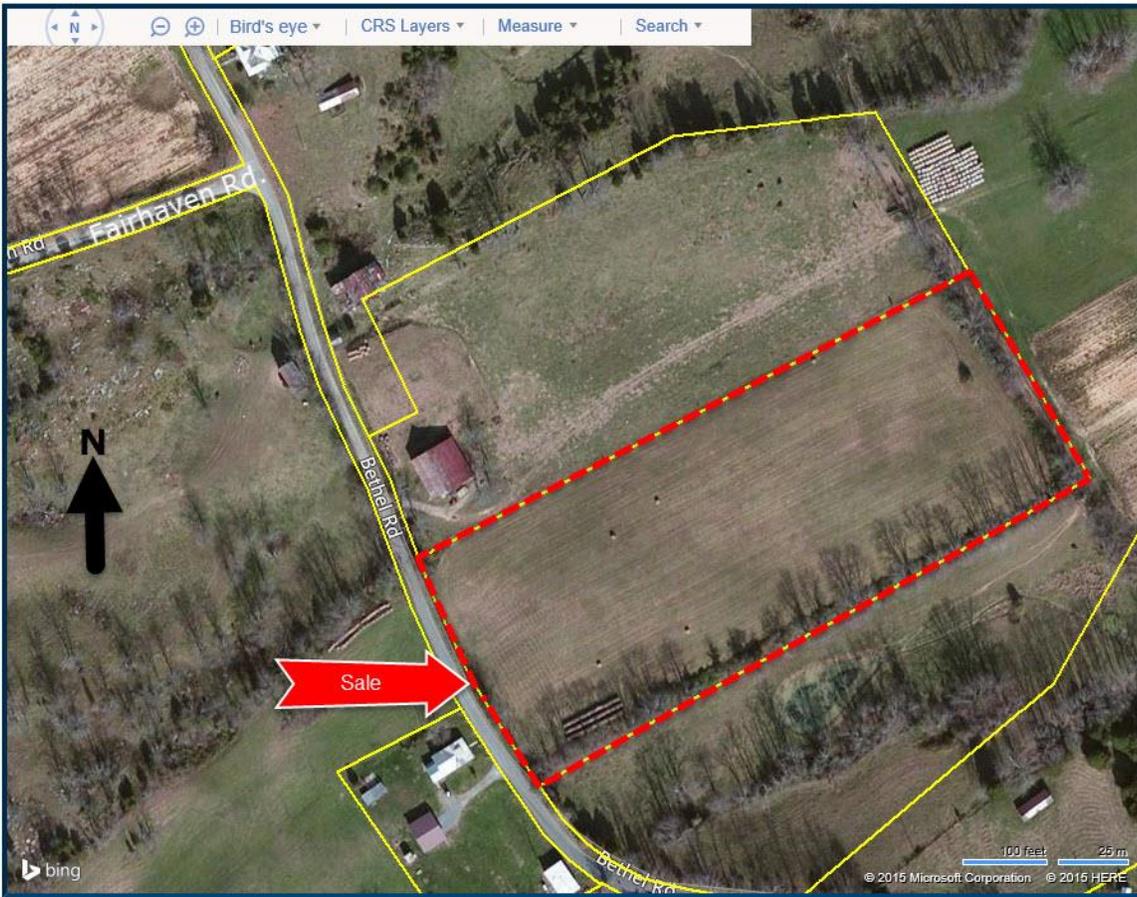


Land Sales Map.

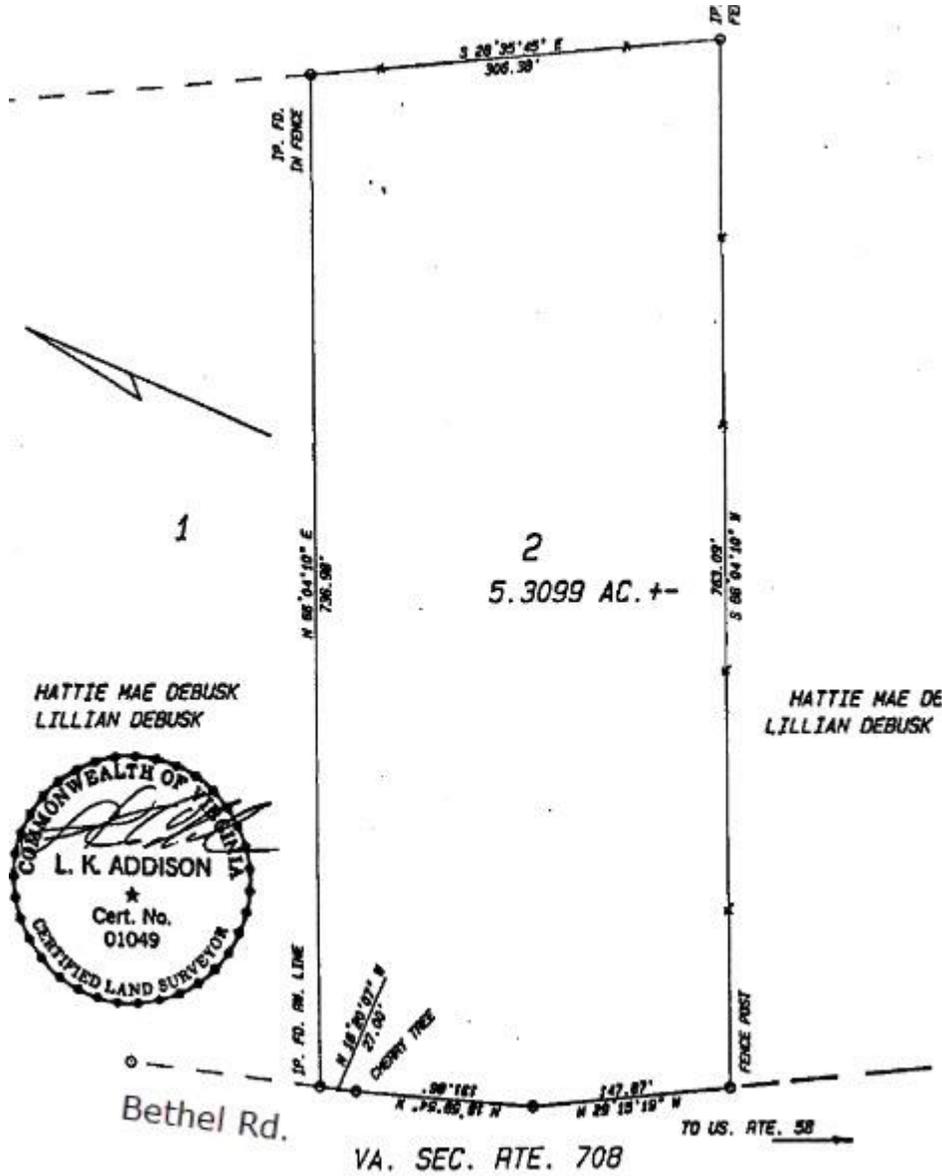
**Land Sale No. 1**



# Land Sale No. 1 (Cont.)



Land Sale No. 1 (Cont.)



|                                       |                                                                           |
|---------------------------------------|---------------------------------------------------------------------------|
| <b><u>Property Identification</u></b> |                                                                           |
| Record ID                             | 102                                                                       |
| Property Type                         | Rural Residential                                                         |
| Address                               | 20289 Bethel Road (Rte. 708), Abingdon, Washington County, Virginia 24211 |
| Location                              | East side of Bethel Road approximately 500 feet south of Fairhaven Road   |
| Tax ID                                | 149/10/2                                                                  |
| Longitude, Latitude                   | W81.515901, N36.395268                                                    |

**Sale Data**  
**Grantor** Roland H. Dunn and Ruth M. Dunn

**Land Sale No. 1 (Cont.)**

**Grantee** David C. Johnson and Miranda N. Johnson  
**Sale Date** March 07, 2014  
**Deed Book/Page** 140001025  
**Recorded Plat** Book 784/Page 336  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Miranda Johnson; Other sources: \$40,000 stated in deed,  
Confirmed by Warren Klutz

**Sale Price** \$40,000  
**Cash Equivalent** \$40,000

**Land Data**

**Zoning** A-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect., & telephone  
**Dimensions** See sketch  
**Shape** Rectangular

**Land Size Information**

**Gross Land Size** 5.301 Acres or 230,912 SF  
**Front Footage** 307 ft. Total Frontage: 307 ft. Approx. on Bethel Road

**Indicators**

**Sale Price/Gross Acre** \$7,546  
**Sale Price/Gross SF** \$0.17  
**Sale Price/Front Foot** \$130

**Remarks**

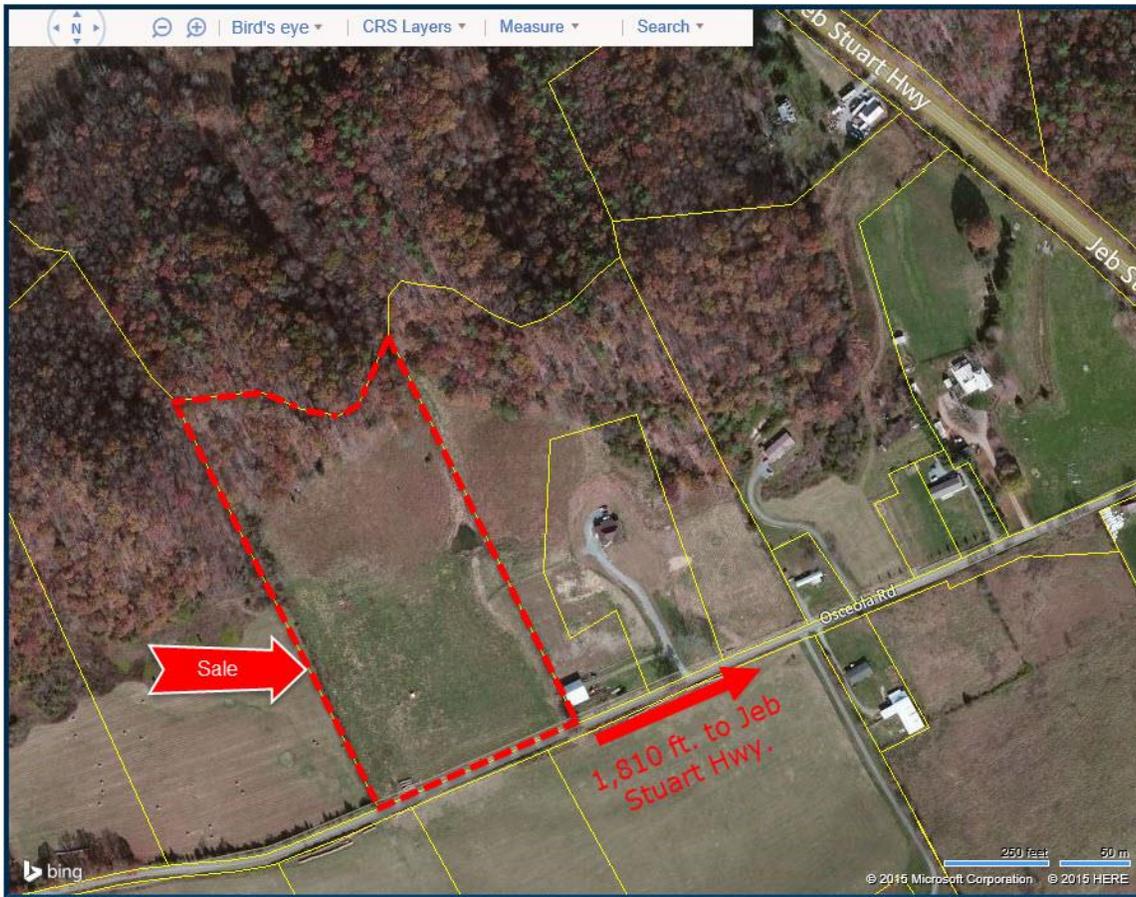
Two story dwelling under construction at time of inspection on 9/23/2015. Gravel drive shown in photograph was constructed after purchase. Barn on left in the photograph was on the adjoining property. Relatively level with Bethel Road along the front and classified as gentle rolling, cleared terrain.

Grantor's Tax: \$47.50 Recorded: 3/7/2014

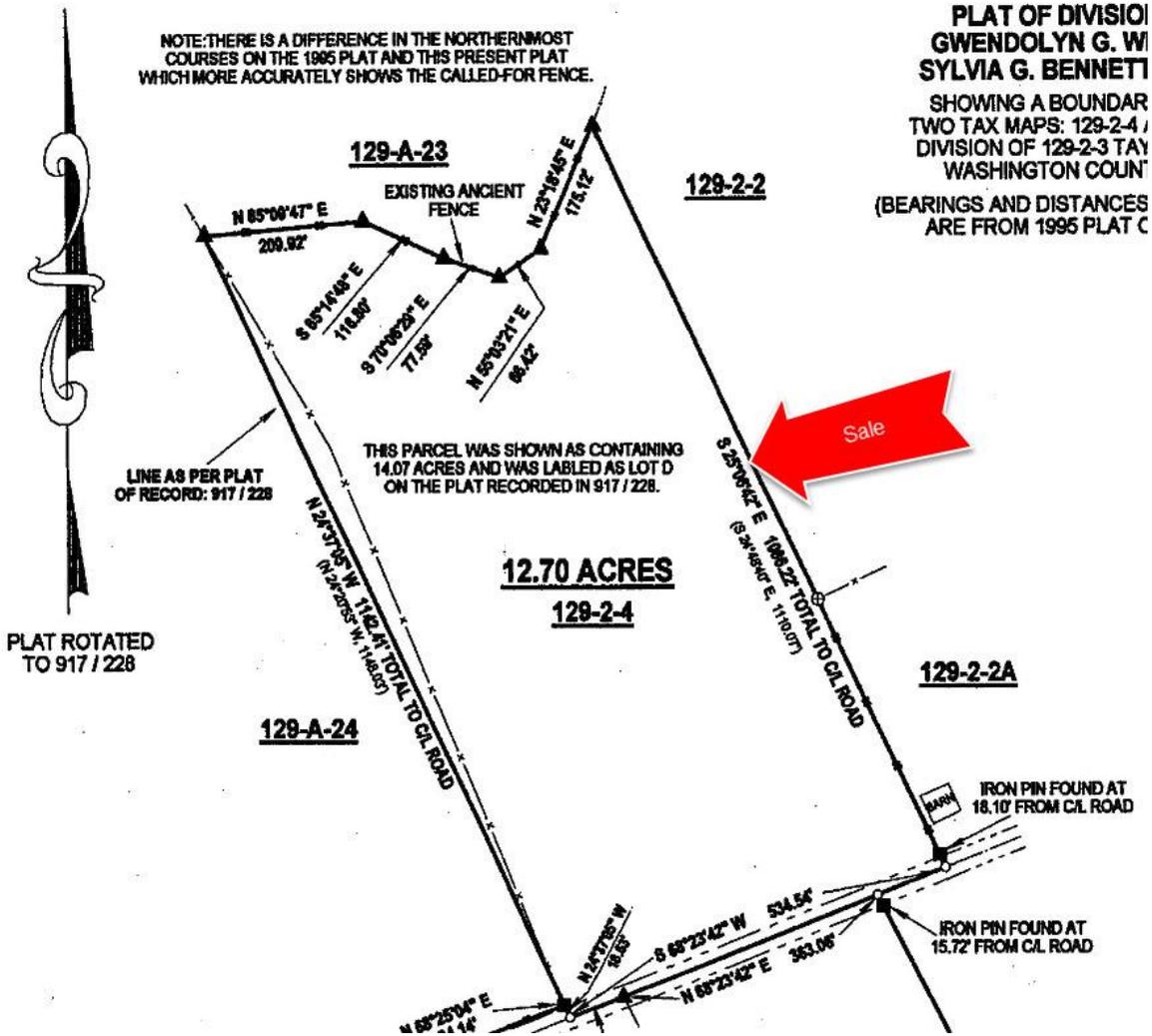
**Land Sale No. 2**



## Land Sale No. 2 (Cont.)



Land Sale No. 2 (Cont.)



**Property Identification**

**Record ID** 103  
**Property Type** Rural Residential  
**Address** Osceola Road (Rte. 722), Abingdon, Washington County, Virginia 24211  
**Location** North side of Osceola Road 1,810 feet west of Jeb Stuart Highway (Rte. 58)  
**Tax ID** 129/2/4  
**Longitude, Latitude** W81.521103, N36.401884

**Sale Data**

**Grantor** Sylvia G. Bennett, Trustee of the Sylvia Grant Bennett Living Trust  
**Grantee** Joshua D. Bourne and Lisa E. Bourne  
**Sale Date** January 21, 2014  
**Deed Book/Page** 14000635  
**Recorded Plat** Book 68/Page 59

**Land Sale No. 2 (Cont.)**

|                           |                                                       |
|---------------------------|-------------------------------------------------------|
| <b>Property Rights</b>    | Fee simple                                            |
| <b>Conditions of Sale</b> | Arm's length sale                                     |
| <b>Verification</b>       | Joshua Bourne; Other sources: \$92,000 stated in deed |
| <b>Sale Price</b>         | \$92,000                                              |
| <b>Cash Equivalent</b>    | \$92,000                                              |

**Land Data**

|                   |                                                                     |
|-------------------|---------------------------------------------------------------------|
| <b>Zoning</b>     | A-2                                                                 |
| <b>Topography</b> | Very gently rolling on front rises 140 ft. above road grade at rear |
| <b>Utilities</b>  | Water, elect., & telephone                                          |
| <b>Shape</b>      | Slightly irregular                                                  |

**Land Size Information**

|                        |                                              |
|------------------------|----------------------------------------------|
| <b>Gross Land Size</b> | 12.700 Acres or 553,212 SF                   |
| <b>Front Footage</b>   | 535 ft. Total Frontage: 535 ft. Osceola Road |

**Indicators**

|                              |         |
|------------------------------|---------|
| <b>Sale Price/Gross Acre</b> | \$7,244 |
| <b>Sale Price/Gross SF</b>   | \$0.17  |
| <b>Sale Price/Front Foot</b> | \$172   |

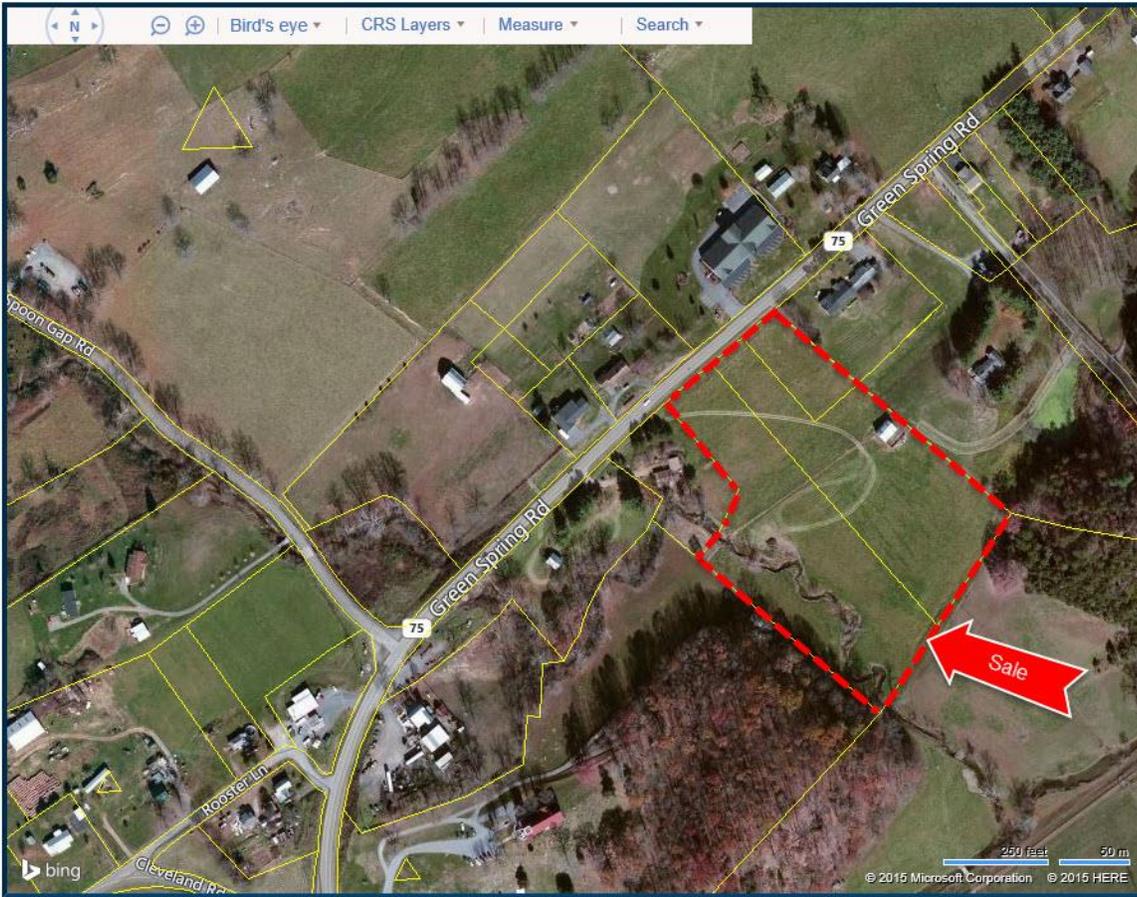
**Remarks**

Wet weather pond near the middle of east property line. Property is 90% cleared with a few trees on the back. Approximately 60% of the property is very gently rolling and rises approximately 140 feet to the rear line.  
Grantor's tax: \$100.50 Recorded: 2/11/2014

**Land Sale No. 3**



### Land Sale No. 3 (Cont.)





### Land Sale No. 3 (Cont.)

**Location** Southeast side of Green Spring Road approximately 825 feet  
northeast of Spoon Gap Road  
**Tax ID** 145/5/3  
**Longitude, Latitude** W81.594010, N36.381939

#### Sale Data

**Grantor** Lois W. Cornett  
**Grantee** Richard C. Johnston and Julia Jackson Johnston  
**Sale Date** October 17, 2013  
**Deed Book/Page** 130006118  
**Recorded Plat** Book 59/Page 55  
**Property Rights** Fee simple  
**Conditions of Sale** Arm's length sale  
**Verification** Lois Cornett; Other sources: Consideration of \$110,000 stated  
in deed, Confirmed by Warren Klutz

**Sale Price** \$110,000  
**Cash Equivalent** \$110,000  
**Downward Adjustment** \$3,800 Barn  
**Adjusted Price** \$106,200

#### Land Data

**Zoning** R-2  
**Topography** Very gentle rolling, cleared terrain  
**Utilities** Water, elect. & telephone  
**Dimensions** See plat  
**Shape** Irregular

#### Land Size Information

**Gross Land Size** 9.940 Acres or 432,986 SF  
**Front Footage** 354 ft. Total Frontage: 354 ft. Green Spring Rd. (VA Rte. 75)

#### Indicators

**Sale Price/Gross Acre** \$11,066 Actual or \$10,684 Adjusted  
**Sale Price/Gross SF** \$0.25 Actual or \$0.25 Adjusted  
**Sale Price/Front Foot** \$311 Actual or \$300 Adjusted

#### Remarks

The property is located across VA Rte. 75 from Freedom Point Apartments. The property slopes downward from road about 30 to 40 feet and then is gentle rolling, cleared land. A barn is located on the property and the sale price has been adjusted downward \$3,800 based on the tax assessment/value of the barn. A creek passes through the property along the southwest side. Grantor's tax: \$110.00 Recorded: 10/17/2014

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**SALES COMPARISON TABLE – LAND VALUE**

| COMPARABLE #                             | #1                          | #2                  | #3                                             | #4 |
|------------------------------------------|-----------------------------|---------------------|------------------------------------------------|----|
| TAX MAP ID                               | 149/10/2                    | 129/2/4             | 145/5/3                                        |    |
| Location                                 | 20289 Bethel Rd. (Rte. 708) | N. side Osceola Rd. | SE side Green Spring Rd.                       |    |
| Proximity to Subject                     | 3.25 mi. SE                 | 3.7 mi. SE          | 4.3 mi. SW                                     |    |
| Sales Price                              | \$ 40,000                   | \$ 92,000           | \$ 110,000<br>- \$3,800<br>barn =<br>\$106,200 | \$ |
| Date of Sale                             | 3/7/14                      | 1/21/14             | 10/17/13                                       |    |
| Highest & Best Use                       | Rural Residential           | Rural Residential   | Rural Residential                              |    |
| Size- Ac.                                | 5.301 ac.                   | 12.7 ac.            | 9.94 ac.                                       |    |
| Unit Price Per Ac.                       | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      |    |
| Real Property Rights Conveyed            | Fee simple                  | Fee simple          | Fee simple                                     |    |
| Adjusted Price                           | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      | \$ |
| Financing Terms                          |                             |                     |                                                |    |
| Adjusted Price                           | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      | \$ |
| Conditions of Sale                       |                             |                     |                                                |    |
| Adjusted Price                           | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      | \$ |
| Expenditures Made Immediately After Sale |                             |                     |                                                |    |
| Market Condition                         |                             |                     |                                                |    |
| Adjusted Price                           | \$ 7,546                    | \$ 7,244            | \$ 10,684                                      | \$ |

|                 |      |        |      |        |    |        |    |  |
|-----------------|------|--------|------|--------|----|--------|----|--|
| Location        | +20% | +1,509 | +15% | +1,087 |    |        |    |  |
| Size            |      |        |      |        |    |        |    |  |
| Topography      |      |        | +15% | +1,087 |    |        |    |  |
| Utilities       |      |        |      |        |    |        |    |  |
| Shape           |      |        |      |        |    |        |    |  |
| Depth           |      |        |      |        |    |        |    |  |
| Other           |      |        |      |        |    |        |    |  |
| Other           |      |        |      |        |    |        |    |  |
| Other           |      |        |      |        |    |        |    |  |
| Other - Access  |      |        |      |        |    |        |    |  |
| Other -         |      |        |      |        |    |        |    |  |
| Net Adjustment  |      | +1,509 |      | +2,174 |    | 0      |    |  |
| Indicated Value | \$   | 9,055  | \$   | 9,418  | \$ | 10,684 | \$ |  |

## EXPLANATION AND SUPPORT FOR THE ADJUSTMENTS, CORRELATION AND FINAL RECONCILIATION OF VALUE

The preceding Land Sales Comparison Table provides the analysis of sales for the appraisal of the subject's land value. Sales selected for comparison are displayed on the preceding pages and are as close in size, location, time of sale, and potential use as possible. These three sales represent rural residential land sales in the vicinity of the subject with the nearest sale located 3.25 miles southeast and the furthest sale located 4.3 miles southwest of the appraised property. As shown on the Land Sales Comparison Table, the adjustments reflect the dissimilarities between the comparable sales and the subject property. Sales are analyzed on a price per acre basis. The final concluded per acre value of the subject will be applied to the subject's land size in acres and will be used to value the area acquired for the proposed Virginia Creeper Trail enhancement project. Adjustments discussed in the following paragraphs that are made as percentages are based on subjective judgment of the appraiser unless otherwise stated. If a sale property is inferior to the subject with regard to a specific characteristic or element of comparison, a positive adjustment is made. If the sale is superior to the subject in a characteristic, a minus adjustment is made. The adjustment process has a goal of reflecting what the comparable properties would have sold for, if they possessed similar characteristics to those of the subject. The adjustments are only made for differences the market participants tend to recognize by paying more or less for a property.

**PROPERTY RIGHTS CONVEYED:** Fee Simple Estate - No adjustment was made.

**CASH EQUIVALENCY:** All of the transactions are considered to not have been influenced by atypical financing terms available in the market.

**CONDITIONS OF SALE:** All of the sales are arm's length transactions.

**EXPENDITURES MADE IMMEDIATELY AFTER SALE:** None that were required to place the properties on an equal basis for this analysis.

**MARKET CONDITIONS ADJUSTMENT (TIME):** The sales utilized for comparison have all taken place within a time frame ranging from October 17, 2013 and March 7, 2014. The Abingdon and Washington County, Virginia market for rural residential properties has remained somewhat level with regard to prices and no time adjustment is made for the passage of time between the dates of sale and the date of the appraisal.

**LOCATION:** The location adjustment considers the difference between the quality of location of the subject and each comparable sale with consideration given the locational relationship of each sale to the center of population, shopping, and service providers in Abingdon, Virginia. In addition, the location adjustment considers the quality of the surrounding properties and road system for each of the sales in relation to that of the subject. Sale 1 is inferior to the subject and all the other sales and a +20% location adjustment was made. Sale 2 is inferior to the subject but superior to Sale 1 in location and a + 15% location adjustment was required. Sale 3 is relatively similar to the subject in travel time to Abingdon and quality of surrounding properties and no adjustment was made.

**SIZE:** Typically, smaller properties sell for higher per acre prices than larger parcels, assuming all other characteristics are equal. The subject contains 20.11 acres and the sales range in size from 5.301 to 12.7

acres. Additional sales were gathered in the research phase of the appraisal production and parcels containing 44.83 acres (Tax I.D. 88/14/2) were viewed that indicate no size adjustment is required for this group of sales.

**TOPOGRAPHY:** Sales 1 and 3 were very similar to the subject with regard to topography and no adjustment was made to either sale. Sale 2 rises in elevation from front to rear with about 40% of the property in inferior sloping topography to that of the subject. A +15% topography adjustment was made to Sale 2 to account for its inferior topography.

**UTILITIES:** Utilities available to the subject and sales are similar and no adjustment was necessary.

**SHAPE:** The subject is irregular in shape and so are the sales. While the subject is more irregular in shape, this condition is deemed to have little relevance in this particular analysis. Shape is of less importance in parcels with acreage than small residential lots since the shape in small lots limits the placement of improvements. In larger parcels, improvement placement is of less concern since adequate land area is available to choose locations for a dwelling and other improvements. Therefore, no shape adjustment is required for any of the sales.

**ACCESS:** The subject and all the sales have adequate access and no adjustment is needed. While access differences exist between the subject and sales, they are deemed to not be recognized for this size property.

**RECONCILIATION:** After adjustments, the indicated value per acre ranges from a low of \$9,055 by Sale 1 to a high of \$10,684 by Sale 3. Average or mean of the indicated per acre values for the adjusted sales is \$9,719 and the median is \$9,418. Sales 1 and 2 required the greatest net and absolute adjustments (adjustment without regard to sign). Sale 3 at \$10,684 per acre required no adjustments and is considered to be most similar to the subject. In conclusion, most weight was accorded Sale 3 in concluding the indicated per acre value of the subject at \$10,700 rounded. The concluded per acre value for the appraised property is multiplied by the land area in acres to value the tract.

VALUE OF LAND: \$10,700 per sq. ft. X 20.11 acres = \$215,000 rounded

The tax assessment values of the improvements are adopted for this appraisal.

**SUMMARY OF THE SALES**

**COMPARISON APPROACH:**

|                     |                  |
|---------------------|------------------|
| Land:               | <u>\$215,000</u> |
| Buildings           | <u>\$282,700</u> |
| Other Improvements: | <u>\$5,000</u>   |

**TOTAL PROPERTY VALUE:** \$502,700

**“BEFORE ACQUISITION VALUE” OF THE PROPERTY**

**RECONCILIATION OF THE COST, SALES COMPARISON AND INCOME APPROACHES**

***INDICATED VALUE BY EACH APPROACH***

|                           |                         |
|---------------------------|-------------------------|
| Cost Approach             | \$ <u>Not processed</u> |
| Sales Comparison Approach | \$ <u>502,700</u>       |
| Income Approach           | \$ <u>Not processed</u> |

**TOTAL VALUE OF THE PROPERTY “BEFORE ACQUISITION”**                      \$ 502,700

## **ACQUISITION VALUE**

**TYPE OF ACQUISITION** (Check all that apply)

- Total Acquisition
- Partial Acquisition
- Easement
- Other

## **ACQUISITION DESCRIPTION**

### Land

Fee acquisition from the subject is an irregular shaped parcel fronting 440 feet along the south side of the Karen Saltz Hunger property, is about 63 feet (including offset) along the south side of the Virginia Creeper Trail, measures 215 feet on the east side, is 447 feet along the south side, measures 214 feet on the west side, and contains 2.20 acres. The property is cleared, gently rolling terrain. Entrance to the subject's remaining 17.91 acres is across the acquisition and this appraisal assumes a right of way or right to enter the remaining property will be retained or available to the owner. Acquisition survey follows.



Improvements Acquired

Any fencing acquired is included in the land value because the comparable sales used were fenced and fencing is included in the concluded per acre value derived from the sales. Gravel drive acquired measures 675 feet by approximately 11 feet and contains 7,425 square feet of gravel driveway.

Per acre value of the acquisition is the same \$10,700 per acre value of property before acquisition.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1.

Grading and disposal cost = \$0.29 per sq. ft.

4 inch rock base = 0.69 per sq. ft.

Total cost = \$0.98 per sq. ft.

Estimated value of gravel drive = \$0.98 X 7,425 sq. ft. = \$7,275 (R)

No depreciation is estimated for the gravel.

**ACQUISITION VALUE**

**TOTAL ESTIMATED COMPENSATION BEFORE DAMAGES OR ENHANCEMENTS**

Value of Land in Fee Acquired

|                      |      |                |                       |
|----------------------|------|----------------|-----------------------|
| Land in Fee Acquired | 2.20 | AC @ \$ 10,700 | = \$ 23,540 (rounded) |
| Land in Fee Acquired |      | SF @ \$        | = \$                  |

Value of Easements Acquired:

|                          |  |         |   |        |
|--------------------------|--|---------|---|--------|
| Permanent Easement       |  | SF @ \$ | X | % = \$ |
| Temp. Construction Esmt. |  | SF @ \$ | X | % = \$ |
| Temp. Work Area Esmt.    |  | SF @ \$ | X | % = \$ |
| Temporary Easement       |  | SF @ \$ | X | % = \$ |
| Other                    |  | SF @ \$ | X | % = \$ |

|                                         |  |  |                  |
|-----------------------------------------|--|--|------------------|
| <b>Estimated Value of Land Acquired</b> |  |  | <b>\$ 23,540</b> |
|-----------------------------------------|--|--|------------------|

Value of Buildings Acquired:

|            |  |  |    |
|------------|--|--|----|
| Building 1 |  |  | \$ |
| Building 2 |  |  | \$ |
| Building 3 |  |  | \$ |

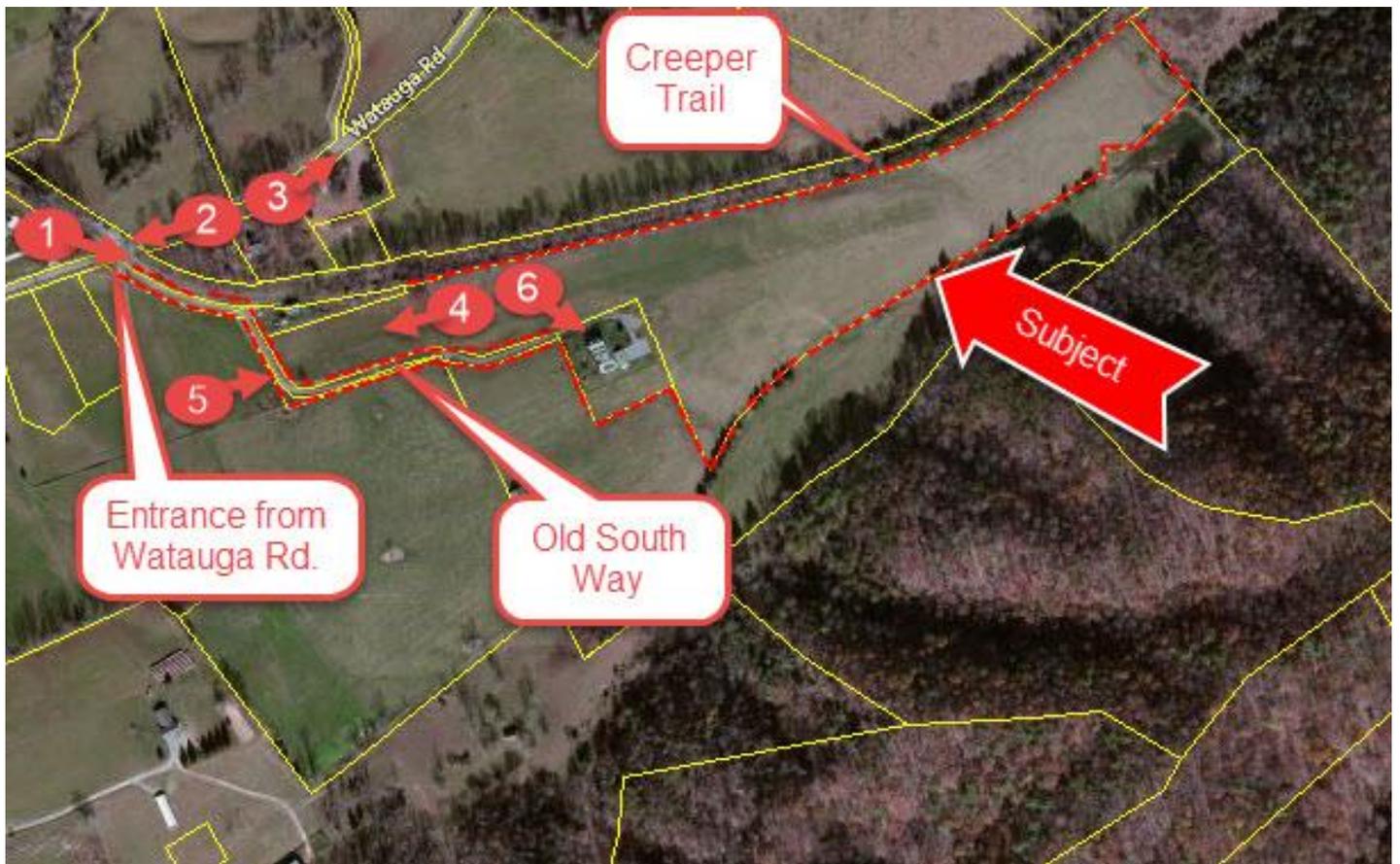
|                                     |  |  |             |
|-------------------------------------|--|--|-------------|
| <b>Estimated Value of Buildings</b> |  |  | <b>\$ 0</b> |
|-------------------------------------|--|--|-------------|

**Value of Other Improvements Acquired:**

|                    |       |              |   |                  |
|--------------------|-------|--------------|---|------------------|
| Asphalt paving     |       | SF @ \$      | X | % = \$           |
| Concrete curbs     |       | LF @ \$      | X | % = \$           |
| Parking lot lights |       | SF @ \$      | X | % = \$           |
| Drive              | 7,425 | SF @ \$ 0.98 | X | % = \$ 7,275 (R) |
| Walls              |       | SF @ \$      | X | % = \$           |
| Other              |       | SF @ \$      | X | % = \$           |
| Other              |       | SF @ \$      | X | % = \$           |

|                                              |  |  |                 |
|----------------------------------------------|--|--|-----------------|
| <b>Estimated Value of Other Improvements</b> |  |  | <b>\$ 7,275</b> |
|----------------------------------------------|--|--|-----------------|

|                                                                    |  |  |                  |
|--------------------------------------------------------------------|--|--|------------------|
| <b>Total Estimated Compensation Before Damages or Enhancements</b> |  |  | <b>\$ 30,815</b> |
|--------------------------------------------------------------------|--|--|------------------|



Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 1 Photo shows a view from left to right: Watauga Road (far left), Virginia Creeper Trail, driveway to subject and driveway leading to the Counts property. Center of photograph is looking southwest from Watauga Road.



Photo #: 2 Photo Shows a View of: Neighborhood looking southwest along Watauga Road (Rte. 677).

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 3 Photo Shows a View of: Neighborhood view looking northeast along Watauga Road (Rte. 677).



Photo #: 4 Photo Shows a View of: Acquisition from the east end looking southwest.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 5 Photo Shows a View of: Proposed acquisition from the Counts property approximately 40 feet west of the west end of the acquisition looking northeast.



Photo #: 6 Photo Shows a View of: View of dwelling on the property with green roof of the aircraft hangar in background.

## PHOTOGRAPHS

Project # Virginia Creeper Trail Enhancement Project

Date Photo Taken: September 18, 2015

Photo Taken By: Warren Klutz



Photo #: 7 Photo Shows a View of: Grass landing strip on subject looking northeast from beyond the east side of the proposed acquisition.

## CONTINGENT AND LIMITING CONDITIONS

The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser is not responsible for matters of a legal nature that affect either the property being appraised or the title to the property. The appraiser assumes that the title is good and marketable and does not render any opinions about the title. Responsible ownership and competent property management are assumed unless otherwise stated.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made.
4. The appraiser has estimated the value of the land at its highest and best use. Improvements are estimated at their contributory value or their "cost to cure", whichever is less.
5. The appraiser has noted in the appraisal report any adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) that were observed during the inspection of the subject property or that became apparent while conducting the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property. The appraiser is not qualified to detect hazardous waste and/or toxic materials.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers reliable and are believed to be true and correct. However, no warranty is given for its accuracy.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice or as required by professional appraisal peer review.
8. Unless otherwise noted, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property. Only the real property has been considered. Relocation assistance benefits were not given consideration in the appraisal.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, 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 there is no detailed evidence relating to this issue, the possibility of non-compliance with the requirements of the ADA in estimating the value of the property was not considered.
10. Sketches or plans contained in the report may show approximate dimensions, and they are included for illustrative purposes only since the appraiser did not complete a survey of the property.
11. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the report.
12. It is assumed that all required licenses, certificates of occupancy 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.
13. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. 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.
15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. All engineering plans are assumed to be correct. All plans submitted in this report are intended to assist the reader with visualizing the project.

**APPRAISER CERTIFICATION**

Property Owner's Name: John Russell White and Nina Castle White

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 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 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
7. **My analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.**
8. I have made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this report unless specifically stated within the reconciliation section of this report where such individuals are named and their specific tasks performed are disclosed. I certify that any individual so named is qualified to perform the tasks.
10. I will not reveal the findings and results of such appraisal to anyone other than the client until authorized by the client to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
11. I understand that such appraisal is to be used in connection with the acquisition of right of way for a parking lot facility to be used in connection with the Virginia Creeper Trail which is to be constructed by the Commonwealth of Virginia potentially with the assistance of federal-aid highway funds or other federal funds, and that such appraisal has been made in conformity with the appropriate state laws, regulations, and policies for procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the Commonwealth of Virginia.
12. The owner or their designated representative was contacted and given the opportunity to accompany the appraiser during the property inspection.
13. I made a personal field inspection of the comparable sales relied upon in developing the appraisal.
14. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in the appraisal.
15. Regardless of any stated or limiting condition or assumption, I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits and contents collected or prepared under this agreement shall become the property of the client without restriction or limitation on their use.
16. I certify I possess sufficient competence to appraise this property through education and experience.
17. I 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.
18. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
19. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
20. As of the date of this report, Warren Klutz, has completed the continuing education program of the Appraisal Institute.

**Certifications in Addition to Those Required by USPAP:**

1. I did not base, either partially or completely, my analysis and/or the opinion of value (if any) in the appraisal review report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of the owners or occupants of the subject property of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis that is prohibited by law.
2. I developed my analysis, opinions, and conclusions and prepared this review report in conformity with the Uniform Standards of Professional Appraisal Practice; Title III of the Uniform Relocation Act; the Code of Federal Regulations, 49CFR 24.102, .103, .104, .105 and .108; and the Uniform Standards of Federal Land Acquisitions (as applicable).

**LICENSED APPRAISER**

Signature Warren Klutz  
Name Warren Klutz, MAI, SRA, AI-GRS, CCIM, MS, MBA  
Date November 7, 2013  
License/Certification Number 4001000330  
License Type Certified General

## **QUALIFICATIONS OF WARREN KLUTZ, MAI, SRA, AI-GRS, CCIM, MBA, MS**

### **EDUCATION:**

East Tennessee State University, 1972, Bachelor of Science, Business Administration with a Minor in Military Science and Major in Real Estate.

Minor in Military Science included Army ROTC Flight Training and was commissioned as an Infantry Officer in United States Army on Graduation from East Tennessee State University. Training in military included Basic Infantry Officer Course and Airborne School. Military service completed at the rank of Captain.

Master of Science (MS) in Real Estate Appraisal from University of St. Thomas in Minneapolis, MN.

Master of Business Administration from King University in Bristol, Tennessee.

Completed all requirements except dissertation in Doctor of Education (Ed.D.) degree program at East Tennessee State University.

Awarded the MAI (Member Appraisal Institute) designation. In addition to numerous other requirements regarding experience, comprehensive examination and demonstration report; Warren Klutz successfully completed and passed the following courses given by the Appraisal Institute prior to awarding of the MAI (Member Appraisal Institute).

Standards of Professional Practice (Parts A & B), University of Georgia  
Standards of Professional Practice (Part C), Manassas, Virginia  
Real Estate Appraisal Principles, Indiana University  
Basic Valuation Procedures, Indiana University  
Capitalization Theory & Techniques Part 1, University of North Carolina  
Capitalization Theory & Techniques Part A, University of Georgia  
Capitalization Theory & Techniques Part B, University of Georgia  
Market Analysis, University of Central Florida  
Case Studies in Real Estate Valuation, University of Georgia  
Report Writing and Valuation Analysis, University of Georgia

Recent seminars taken through the Appraisal Institute:

|                                     |                                          |
|-------------------------------------|------------------------------------------|
| Economic Obsolescence Seminar       | Hotel Motel Valuation Seminar            |
| Accrued Depreciation Seminar        | Applied Sales Comparison Approach        |
| Rates, Ratios and Reasonableness    | Rate Extraction                          |
| Commercial Construction Overview    | Appraising Troubled Properties           |
| Discounted Cash Flow Analysis       | The Appraiser As An Expert Witness       |
| Appraising Troubled Properties      | Demonstration Appraisal Report Writing   |
| Automated Valuation Models          | Appraisal Of Nursing Facilities          |
| The Internet and Appraising         | The Future Of Appraising                 |
| New Industrial Valuation            | Appraisal Office Management              |
| Appraisal of Non-Conforming Uses    | Eminent Domain and Condemnation          |
| Litigation Skills for the Appraiser | Data Confirmation & Verification Methods |

## Appraising Distressed Commercial Real Estate

Successfully completed and passed the following courses and examinations and designated CCIM, Certified Commercial Investment Member of the Commercial Investment Real Estate Institute:

- CI-101, Fundamentals of Real Estate Investment and Taxation, Washington, D.C.
- CI-102, Fundamentals of Creating a Real Estate Investment, Atlanta, Georgia.
- CI-103, Advanced Real Estate Taxation and Marketing Tools for Investment Real Estate, Detroit, Michigan
- CI-104, Case Studies in Commercial and Investment Real Estate Brokerage, Atlanta, Georgia
- CI-105, Principles and Techniques of Effective Communication for Commercial-Investment Brokerage, Atlanta, Georgia.

Successfully completed the following courses as given by the Society of Real Estate Appraisers and designated SRA, Senior Residential Appraiser:

- An Introduction to Appraising Real Property, Course 101, Knoxville, Tennessee
- Applied Residential Property Valuation, Course 102, Appalachian State University.

Successfully completed the following courses as given by the International Right-of-Way Association:

- |                                       |                            |
|---------------------------------------|----------------------------|
| The Appraisal of Partial Acquisitions | Skills of Expert Testimony |
| Interpreting Engineering Drawings     | Easement Valuation         |

Graduated from Missouri Auction School, Kansas City, Missouri

### **MEMBERSHIP AND LICENSES:**

- Licensed Certified General Real Estate Appraiser in Tennessee and Virginia
- Licensed Real Estate Broker in Tennessee, Virginia and North Carolina
- Licensed Real Estate Auctioneer in Tennessee and Virginia
- Member of the Bristol, Tennessee-Virginia Board of Realtors
- Member of the Tennessee-Virginia Regional Multiple Listing Service
- Member of the Southwest Virginia Association of Realtors Multiple Listing Service
- Member of the NETAR Commercial Multiple Listing Service
- President of the Bristol, Virginia-Tennessee Board of Realtors in 1978, 1982 and 1987
- President of the TENNEVA Chapter of the Society of Real Estate Appraisers, 1987
- Vice President, Blue Ridge Chapter of the Appraisal Institute, 2000
- Vice President, Virginia Commonwealth Chapter of the Appraisal Institute, 2003
- President, Virginia Commonwealth Chapter of the Appraisal Institute, 2004
- Member of the Commercial Investment Real Estate Institute
- MAI and SRA Designated Member of the Appraisal Institute
- Recipient of Appraiser of the Year 1985 - TENNEVA Chapter of the Society of Real Estate Appraisers

### **EXPERIENCE:**

Owned and operated Warren Klutz and Company since 1975, specializing in commercial and investment real estate brokerage, consulting, and appraising in Tennessee, Virginia and North Carolina. Experience includes appraisals of various interests in all types of properties for financial institutions, utility companies, private, corporate and government clients. Qualified as expert witness in numerous courts in Tennessee and Virginia.

Klutz serves as an instructor for the Appraisal Institute and was a contributing author for *Applications in Litigation Valuation: A Pragmatist's Guide* published by the Appraisal Institute in 2012.

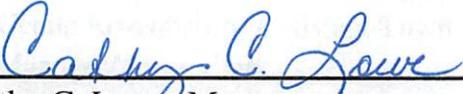
**PARTIAL CLIENT LIST:**

| <u>Financial</u>         | <u>Governmental</u>             | <u>Corporations &amp; Utility</u>  |
|--------------------------|---------------------------------|------------------------------------|
| NationsBank              | State of Virginia               | Raytheon                           |
| Signet Bank              | State of Tennessee              | UNISYS                             |
| First Union              | City of Johnson City            | IBM                                |
| Tri-Cities Bank          | Army Corps of Engineers         | Smith Kline Beecham                |
| Charter Federal          | Virginia Dept. Of Trans.        | CONOCO                             |
| First American Bank      | Tennessee Dept. Of Trans.       | Electrolux                         |
| Dominion Bank            | Virginia Attorney General       | Shoney's Restaurants               |
| Sovran                   | Tennessee Dept. Of Finance      | Hospital Corporation Of America    |
| First Tennessee Bank     | City of Bristol Tennessee       | East Tennessee Natural Gas Company |
| Bank Of Baltimore        | City of Bristol Virginia        | Norfolk Southern Railway           |
| Home Federal             | Smyth County, Virginia          | Tennessee Valley Authority         |
| Chrysler First           | Washington County, Virginia     | Appalachian Power Company          |
| Highlands Union          | Sullivan County, Tennessee      | CSX Railroad                       |
| SunTrust Bank            | Tennessee Attorney General      | Virginia Gas Company               |
| TruPoint Bank            | U.S. Dept. of Justice           | Duke Energy                        |
| Settler's Life Insurance | Wise County, Virginia           | Alpha Natural Resources            |
| Valley Bank              | Dickenson County, Virginia      | Johnson Memorial Hospital          |
| Darby Bank & Trust       | ETSU                            | TVA                                |
| Bank of America          | North Carolina State University | Bristol Motor Speedway             |
| Wells Fargo Bank         | Federal Bureau of Prisons       | Washington Co. Service Authority   |

Artisans because of difficulty obtaining the necessary easements from surrounding property owners.

16. John Dew, Director of Public Services and Construction reported VDOT now has an Abingdon office and one of the main focuses is the maintenance of the exit ramps and entrances to the town.
17. Mr. Kelly, Town Manager reported the property owners near the Watauga parking section of the Virginia Creeper Trail have agreed to sell their properties to the Town. Mr. Kelly noted that this project has been ongoing over eight (8) years but appears to be moving towards a conclusion. Mr. Kelly reported that revenue sharing funds approved by VDOT will be used for the project and any overages on land purchase, not approved by VDOT, will be paid by the Town over the next 2 years.

Mayor Lowe declared a 5-minute recess for Council and Town staff to reconvene in the Council Chambers for the regular 7:30 meeting.

  
Cathy C. Lowe, Mayor

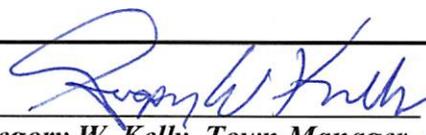
  
Tonya Triplet, Deputy Town Clerk



## NOTICE OF PUBLIC HEARING

Pursuant to Section 15.2-1800, *et seq.*, of the Code of Virginia, 1950, as amended, the Town of Abingdon will hold a public hearing before the members of the Town Council at 7:30 p.m. on Monday, November 7, 2016 in the Council Chambers of the Town Hall, 133 West Main Street, Abingdon, Virginia, to receive comments from the public regarding the proposed purchase of properties, 3.54 acres, more or less, laying and being in the Madison Magisterial District, Old South Way and Watauga Road area, being a portion consisting of 2.20 acres, more or less, of Tax Map No. 127-A-18, currently owned by John R. and Nina C. White; and being a portion consisting of 1.34 acres, more or less, of Tax Map No. 127-A-10, currently owned by Cornelia H. Counts. The proposed plat of said property is available for public inspection at the Office of the Town Manager for the Town of Abingdon, 133 West Main Street, Abingdon, Virginia.

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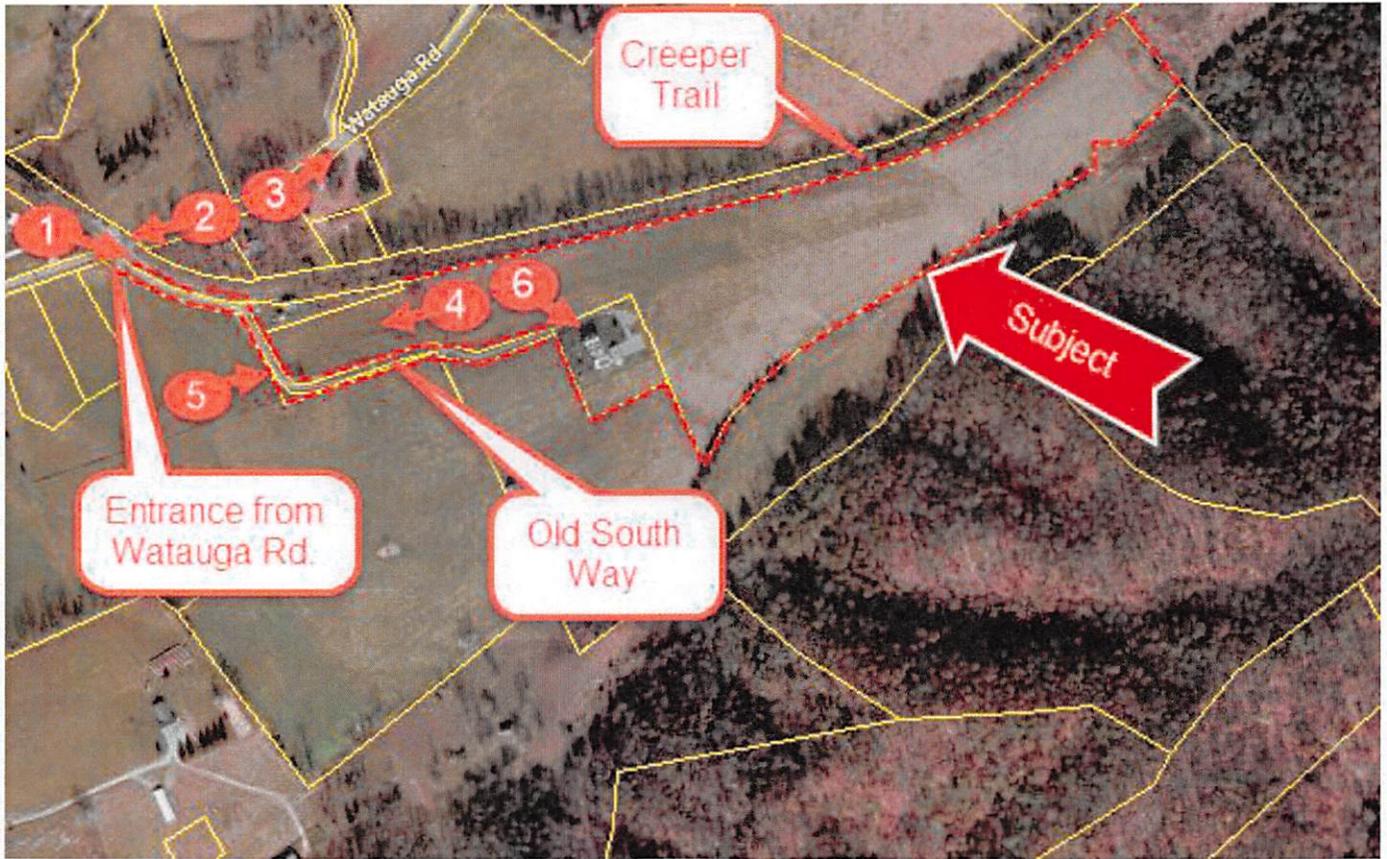
  
Gregory W. Kelly, Town Manager

Please advertise in **Bristol Herald Courier** under the Town of Abingdon Seal on:  
**Monday, October 31, 2016**

*I, Deborah C. Icenhour, Town Attorney for the Town of Abingdon, Virginia, do hereby acknowledge that this notice is true and correct in form and that it meets all of the procedural and substantive requirements set forth in the Town Code, this the 17<sup>th</sup> day of October, 2016.*



Please send confirmation once advertisement has been completed, together with invoice, to Deborah C. Icenhour, Town Attorney, P. O. Box 789, Abingdon, Virginia 24212-0789.



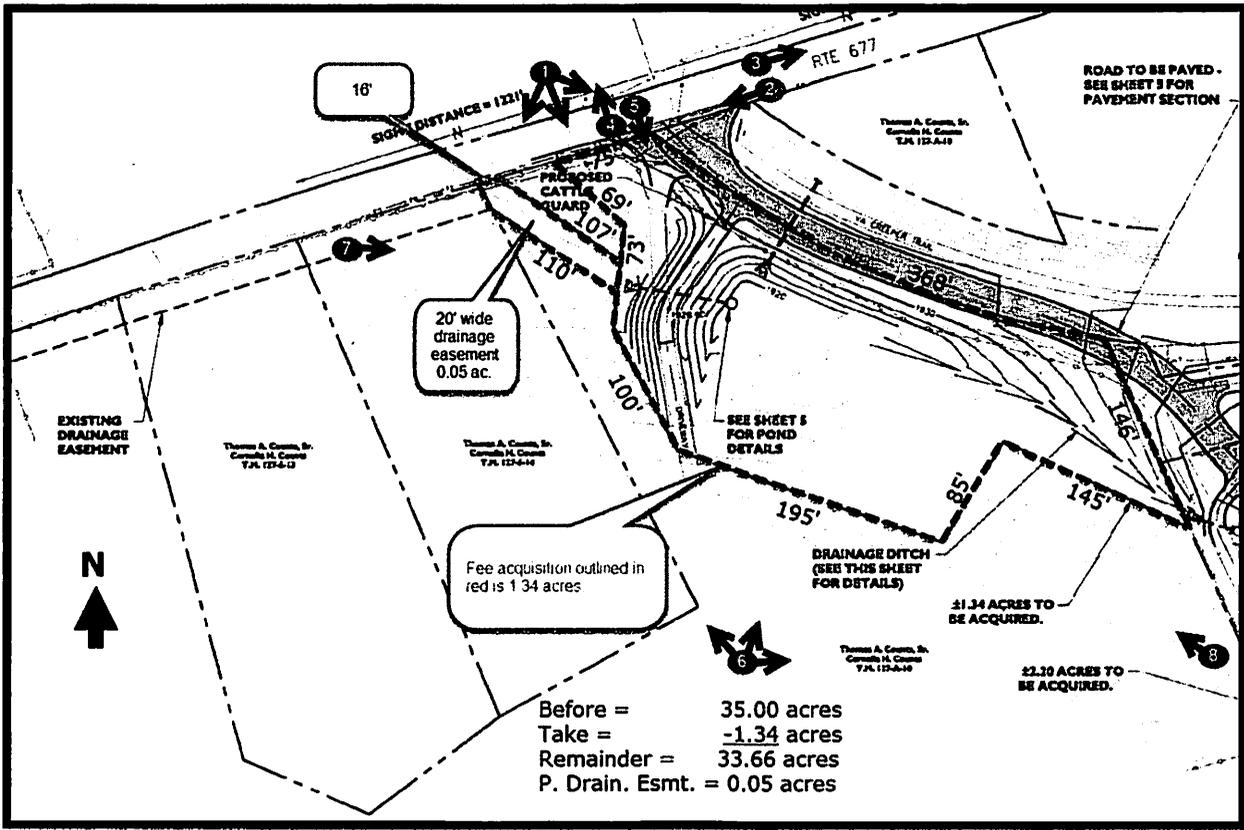
Aerial view of subject outlined in red dashed line. Red circled numbers with arrows indicate photograph views and direction of photographs on the following pages.

the southwest side (including offsets), and contains 1.34 acres. The property is cleared, gently rolling terrain. In addition, a 20 foot wide permanent drainage easement is to be acquired that is 123 feet (2 calls) on the north side, is 110 feet on the south side, and contains 0.05 acre.

Acquisition includes approximately 2,760 square feet of gravel driveway; 100 feet of 4-rail, split rail, wooden fencing along Watauga Road and Old South Way; and approximately 310 feet of 5 foot high wire mesh fencing, topped with one strand of barb wire, on wood posts. The cattle guard near the entrance to the property is to be moved as part of project construction according to notes on "full size" plans furnished the appraiser but not shown on acquisition survey below. The appraisal assumes the cattle guard will be moved by the contractor and at the condemning authority's expense. Acquisition survey follows.

Per acre value of the fee acquisition of 1.34 acres is \$10,700 per acre value and the same as the overall property per acre value before acquisition. Permanent drainage easement containing 0.05 acre is estimated at 90% of fee value or \$9,630 per acre.

**ACQUISITION SURVEY**



Improvements Acquired

Gravel drive acquired measures 230 feet by approximately 12 feet and contains 2,760 square feet of gravel driveway.

Cost source for gravel drive is *Marshall Valuation Service*, Section 66, Page 1 for median costs.

CCM = Current Cost Multiplier LM = Local Multiplier for Roanoke, Virginia

Grading and disposal cost = \$0.30 per sq. ft.

4 inch rock base = 0.71 per sq. ft.

Total cost = \$1.01 per sq. ft.



## TOWN OF ABINGDON

133 WEST MAIN STREET

P. O. BOX 789

ABINGDON, VIRGINIA 24212-0789

**TO:** Members of Town Council  
**FROM:** Chuck Banner- Treasurer  
**RE:** Banking Request for Proposals  
**DATE:** November 1, 2016

In response to the Request for Proposal that was issued on September 1, 2016 for banking services the town received five (5) responses to the proposal request. The contract is for an initial five (5) year period with five additional one year renewals for a possible total of ten (10) years. The five (5) banks which submitted a proposal by the September 30<sup>th</sup> deadline were:

1. First Bank & Trust
2. TruPoint Bank
3. National Bank
4. BB&T
5. First Community Bank

The proposal requested a fee structure based off of compensating balances for cost of banking services. Of the proposals received three (3) banks required no compensating balances and offered their services at no charge to the Town. Those banks were:

1. First Bank & Trust
2. TruPoint Bank
3. National Bank

These banks were brought in on October 24<sup>th</sup> for presentations on the bank's capabilities to provide the services as requested in the Request for Proposal (RFP) to the committee which consisted of myself, Cecile Rosenbaum and Greg Kelly. The effective date of this conversion is January 1, 2017. After reviewing the proposals and lengthy discussion on the content of the proposal and the bank's capabilities to provide the services and the bank's plan for handling the conversion the committee would like to recommend:



## TOWN OF ABINGDON

133 WEST MAIN STREET  
P. O. BOX 789  
ABINGDON, VIRGINIA 24212-0789

### First Bank & Trust

This recommendation is based off the bank's proposal and the ability to commit significant resources to ensure a smooth conversion for the town. First Bank & Trust also stated that if at any time the town is not pleased with the services, the town could walk away from the contract at no cost.

Respectfully submitted,

Chuck Banner

c: Greg Kelly

Cecile Rosenbaum



## TOWN OF ABINGDON

133 WEST MAIN STREET

P. O. BOX 789

ABINGDON, VIRGINIA 24212-0789

TELEPHONE:  
(276) 628-3167

FAX:  
(276) 628-9986

TO: Members of Town Council  
FROM: Chuck Banner-Treasurer   
RE: Movement of Sewer Fund Deposit Account  
DATE: November 1, 2016

Based off of a recommendation made to myself during exit conferencing from our Financial Write Up Audit the town's auditor, Tamara Greear from Thrower, Blanton, & Associates, has recommended that we move this account from Wells Fargo due to the analysis fees being charged which averaged approximately \$240 per month.

It is my recommendation, that you authorize myself and the Town Manager to execute the necessary documents to move this account from Wells Fargo to First Bank & Trust where no analysis fees will be charged. These funds can be moved prior to the January 1, 2017 banking services change over date according to Ms. Greear.

These funds will be held in a separate account as required and there will be no charges associated with maintaining the account by First Bank & Trust

C: Greg Kelly

Cecile Rosenbaum



## **A Resolution by the Council of the Town of Abingdon, VA, Authorizing to Pick up the Employees Contribution to VRS for Past Service Credit under § 414(h) of the Internal Revenue Code**

**WHEREAS**, the Town of Abingdon desires to provide its employees with tax deferral pursuant to § 414(h) Internal Revenue Code with respect to their member contributions to the Virginia Retirement System, the State Police Officers Retirement System and the Judicial Retirement System (collectively referred to as VRS) for the permissible purchase of past service credit by picking up member contributions to the VRS; and

**WHEREAS**, the pick up is authorized under Virginia Code Sections 51.1-142.2; as such Code, has been or may be amended from time to time

**WHEREAS**, the VRS keeps track of such picked up member contributions, and is prepared to treat such contributions as employee contributions for all purposes of VRS;

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that effective the first pay day on or after the later of November 7, 2016 or the date the member executes a binding and irrevocable salary reduction election relating to the past service permitted to be purchased, the Town of Abingdon shall pick up all or a portion of the member contributions of its employees to VRS based on the terms of the salary reduction election, and such contributions shall be treated as employer contributions in determining tax treatment under the Internal Revenue Code of the United States; and it is further

**RESOLVED**, the binding salary reduction election to be executed by the member shall include the following: (1) the beginning and ending date of the election, (2) the amount of the salary reduction on a pay period by pay period basis, (3) the total amount of contribution expected to be involved, (4) a statement that the member may not receive the contributed amounts instead of having them paid by the Town of Abingdon to the VRS, and (5) an agreement that the member will not purchase the service credit through a lump sum payment during the period in which the salary reduction election is in effect, and it is further

**RESOLVED**, the member may revoke the salary reduction election only in the event of an unforeseeable emergency as that phrase is used and defined in IRC Section 457 and Treasury Regulation Section 1.457-2(h)(4) and if such a revocation is made, the member may not make a new salary reduction election during his period of employment, and it is further

**RESOLVED**, that such contributions, although designated as member contributions, are to be made by the Town of Abingdon in lieu of member contributions; and it is further

**RESOLVED**, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and it is further

**RESOLVED**, that member contributions made by the Town of Abingdon under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and it is further

**RESOLVED**, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the Town of Abingdon directly instead of having them paid to VRS; and it is further

**RESOLVED, by the Council of the Town of Abingdon** that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the Town of Abingdon shall be reduced by the amount of member contributions picked up by the Town of Abingdon on behalf of such employee pursuant to the foregoing resolution.

**TOWN OF ABINGDON, VIRGINIA**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the "Town"), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on November 7, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

| <b>MEMBERS</b>                   | <b>ATTENDANCE</b> | <b>VOTE</b> |
|----------------------------------|-------------------|-------------|
| Cathy C. Lowe, Mayor             |                   |             |
| Richard E. Humphreys, Vice Mayor |                   |             |
| Robert M. Howard                 |                   |             |
| M. Cindy Patterson               |                   |             |
| J. Wayne Craig                   |                   |             |

WITNESS MY HAND and the seal of the Town of Abingdon as of November 8, 2016.

(SEAL)

\_\_\_\_\_  
Tonya Triplett, Deputy Clerk  
Town of Abingdon, Virginia



**A Resolution by the Council of the Town of Abingdon, VA Endorsing the  
2016 Virginia Smart Scale Project Applications for the Town of  
Abingdon, Virginia**

**WHEREAS**, Virginia's Smart Scale program established a prioritization and scoring process for the Commonwealth Transportation Board to objectively evaluate projects for funding; and,

**WHEREAS**, Smart Scale is an application based process available for Counties, Cities and Towns, and public transportation agencies to apply for project funding; and

**WHEREAS**, The Town of Abingdon, Virginia has submitted applications for funding through the Smart Scale process.

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the Town of Abingdon as follows:

That the following Smart Scale applications for the Town of Abingdon, Virginia are fully supported and endorsed by the Council of the Town of Abingdon:

- *Project: French Moore Jr. Boulevard Extension*
- *Project: US 11 (Lee Highway) at US 19 (Porterfield Highway) Intersection Improvements.*
- *Project: US11 (Lee Highway) at State Route 140 (Jonesboro Road) Intersection Improvements*
- *Project: Widen US 11 (East Main Street) between Hillman Highway and Empire Drive*

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Abingdon, Virginia that the above listed 2016 Smart Scale Application projects have the full support and endorsement of the Council.

**TOWN OF ABINGDON, VIRGINIA**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the “Town”), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on November 7, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

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|----------------------------------|-------------------|-------------|
| Cathy C. Lowe, Mayor             |                   |             |
| Richard E. Humphreys, Vice Mayor |                   |             |
| Robert M. Howard                 |                   |             |
| M. Cindy Patterson               |                   |             |
| J. Wayne Craig                   |                   |             |

WITNESS MY HAND and the seal of the Town of Abingdon as of November 8, 2016

(SEAL)

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Tonya Triplett, Deputy Clerk  
Town of Abingdon, Virginia