Board Members: Charley Bible Shannon Coleman Egle Paul Fortunato Tiffany Gardner Bill Fox Terry Henley J. Ford Little Lou Moran, III Alvin Nance Lisa Rottmann Anthony Wise



# The Industrial Development Board of the County of Knox

Regular Meeting Tuesday, February 13, 2024, 4:00 p.m. 17 Market Square, #201 Knoxville, Tennessee 37902

# AGENDA

- I. Call to Order
- ACTION II. Approval of Minutes from Previous Meeting a) Regular Meeting – December 12, 2023
- ACTION III. Finance Report
- ACTION IV. Review and Consideration of a resolution of the Board of Directors of The Industrial Development Board of the County of Knox approving the Tax Increment Financing of I-40/75 Business Park, LLC concerning the financing of public infrastructure for the proposed "Prosperity Crossing" project to be located at 13115 El Camino Lane, 0 El Camino Lane, 0 Everett Road, 0 Buttermilk Road
- ACTION V. Review and Consideration of a resolution of the Board of Directors of the Industrial Development Board of the County of Knox approving the Memorandum of Understanding between Knox County and The Industrial Development Board of the County of Knox for the exchange of Karns Valley Business Park, Lot 2 (Parcel ID 09010201) located at 0 Production Lane., for the Regional Forensics Center (Parcel ID 108BD004) located at 2761 Sullins Street
- ACTION VI. Review and Consideration of a resolution of the Board of Directors of the Industrial Development Board of the County of Knox approving the lease between Knox County and the Industrial Development Board of the County of Knox for Fairview Technology Center located at 11020 Solway School Road
  - VII. Old Business

1

- a) Introduction of new board member, Bill Fox
- VIII. New Business
- IX. Adjourn

# MINUTES OF THE REGULAR MEETING OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

December 12, 2023, 4:00 p.m.

The regular meeting of the Board of Directors of The Industrial Development Board of the County of Knox (the "Industrial Development Board" or "Board") was held on Tuesday, December 12, 2023, at 4:00 p.m., pursuant to notice duly provided to the Directors and the public. The meeting was held at the offices of the Knoxville Chamber and The Development Corporation of Knox County located at 17 Market Square, #201, Knoxville, Tennessee, 37902.

The following Directors were present at the meeting, Paul Fortunato (Chair), Dr. Anthony Wise, Alvin Nance, Terry Henley, Mike George, Lisa Rottmann, Lou Moran, III, Charley Bible, and J. Ford Little.

Also, in attendance were Mike Odom (Knoxville Chamber), Mac McWhorter (Knoxville Chamber), Karen Kakanis (Knoxville Chamber), Caroline Bailey (Knoxville Chamber), R. Christopher Trump (Legal Counsel – Egerton, McAfee, Armistead & Davis, P.C.), Katrina Vargas (Paralegal – Egerton, McAfee, Armistead & Davis, P.C.), James P. Moneyhun, Jr. (Bass Berry & Sims), Mark Mamantov (Bass Berry & Sims), Steve Maddox (Developer/Prosperity Crossing), Mike Cohen (Consultant), Rick Dover (Dover Development), HD Patel (Ephant Group-Knox High, LLC), David Long (Long Ragsdale & Waters, P.C.), Chandra Myrick (UTK Assistant Vice Chancellor for Student Life/Executive Director of University Housing), Catherine Lane (UTK Deputy General Counsel), and Jaimee Boyd (General Counsel Provident Resources Group, Inc.).

I. Paul Fortunato, the Board's Chair, called the Industrial Development Board meeting to order. The Agenda of the Industrial Development Board meeting is attached hereto as <u>Exhibit A</u>.

The Industrial Development Board then discussed the following matters and took the following actions as noted:

II. Review/Approve Minutes from Previous Meeting. The Chair of the meeting asked if there were any changes to the Minutes of the regular meeting held on November 14, 2023.

Upon a motion by Lou Moran, and a second by Anthony Wise, the Minutes of the November 14, 2023, meeting was unanimously approved. A copy of the Minutes is attached hereto as <u>Exhibit B</u>.

I. <u>Review and Consideration of a resolution of the Board of Directors of The</u> <u>Industrial Development Board of the County of Knox approving Tax Increment Financing of I-</u> <u>40/75 Business Park, LLC concerning the financing of public infrastructure for the proposed</u> <u>"Prosperity Crossing" project to be located at 13115 El Camino Lane, 0 El Camino Lane, 0 Everett</u> <u>Road, 0 Buttermilk Road</u>. Lisa Rottmann recused herself from the discussion and the vote on this matter. The Chair recognized Mac McWhorter who provided an overview of the proposed project and the public infrastructure improvements, the tax increment financing ("TIF") which the Applicant was requesting pursuant to its application ("Application"), and the Economic Impact Plan presented to the Board at the meeting. Mr. Trump gave background on the project and its history with the Knox County Commission, stating that the Commission approved the Application and directed the Board submit an Economic Impact Plan, provided that such approval and direction was subject to the receipt by the Board of a third-party evaluation stating that the public assistance was necessary for the applicant developer to receive customary returns on their investment. Mr. Trump stated that MuniCap provided a report but that it was inconclusive on whether the public assistance was necessary. Instead, the report provided three potential financing structures, and the County Mayor's office was supportive of the \$8,900,000 TIF financing option embodied on the Economic Impact Plan that is before the Board at this meeting ("Plan"). Mr. Trump stated that since the Municap report was inconclusive, the Board did not have authority to approve the Economic Impact Plan, but instead recommended that the Board submit to Plan to County Commission without recommendation for its consideration. Mr. Trump stated that, if the Plan is approved by County Commission, the Plan will be submitted to this Board for approval, together with the financing documents.

Mr. Maddox provided a description of the project, stating that it will include 169 acres, housing, a sports complex, retail, hotels, etc. Several handouts and materials were distributed to the committee. Mr. Maddox clarified the 60 acres in Loudon County will be several years behind the Knox County phase and that this Board is not being asked to allocate TIF revenues for this part of the Project. This portion of the property is projected to be parking until the project is ready for the Loudon County development. Mr. Maddox stated that the development is a family-oriented project. A parcel of property adjacent to the development had an adult bookstore business. The owner would not sell the land, but the developer was able to purchase the business, in order to shut it down to maintain the family-oriented nature of the development. Mr. Maddox stated that the TIF will be used to fund road and traffic improvements, drainage and stormwater, wastewater collection, gas, electric, and other utility improvements and represents only a portion of the nearly \$ 17 million of infrastructure improvements that he believes will be made. Mr. Maddox stated that Utility lines were run for 1.1 miles up Hickory Creek Road opening up Hardin Valley for development and allowing West Knox Utility to run lines for fire suppression and hydrants. The Developer is the largest contributor to the pump and treatment center in the area. Mr. Maddox stated a start date of around May/June 2024 and they have already started moving 4.3 million pounds of cubic dirt. Mr. Maddox then described the projected uses of the parcels in the development.

## Discussion was had.

Upon a motion by Lou Moran and a second by Alvin Nance, the Resolution regarding Tax Increment Financing of I-40/75 Business Park, LLC concerning the financing of public infrastructure for the proposed "Prosperity Crossing" project was unanimously approved, except Lisa Rottmann who recused herself from the vote. A copy of the Resolution is attached hereto as <u>Exhibit C</u>.

The Chair of the Board called to order the public hearing concerning the project and asked for public comment. Hearing no public comment, the public hearing was then closed.

III. <u>Review and consideration of a resolution of the Board of Directors of The Industrial</u>

Development Board of the County of Knox approving PILOT leases with Custom Foods of America, Inc. pertaining to the expansion of its existing facilities located at 3600 Pleasant Ridge Road, Knoxville, Tennessee 37921. The Chair recognized Chris Trump who addressed the Board regarding the proposed Resolution which is to enter into a PILOT Lease for real property and a PILOT Lease personal property. Mr. McWhorter and Mr. Trump gave the project background and parameters.

Upon a motion by Charley Bible and a second by Lisa Rottmann, the Resolution regarding the approval of PILOT leases with Custom Foods of America, Inc. and related transactions was unanimously approved. A copy of the Resolution is attached hereto as <u>Exhibit D</u>.

IV. <u>Review and Consideration of a Resolution approving extension of the PILOT</u> <u>transaction closing deadline for Averitt Express, LLC and, Inc. pertaining to real property located</u> <u>at 5105 South National Drive, Knoxville, Tennessee, 37914</u>. The Chair recognized Mr. Trump who addressed the Board regarding the proposed resolution and the necessity for extending the closing deadline to March 31, 2024.

Upon a motion by Charley Bible and a second by Lou Moran, the Resolution regarding the approval of an extension of the PILOT closing deadline for Averitt Express, LLC was unanimously approved. A copy of the Resolution is attached hereto as <u>Exhibit E</u>.

V. <u>Review and Consideration of a Resolution approving the extension of the PILOT</u> <u>transaction closing deadline for Axle Logistics, LLC. pertaining to real property located at 849</u> <u>North Central Street, Knoxville, Tennessee, 37917</u>. The Chair recognized Mr. Trump who addressed the Board regarding the proposed resolution and the necessity for extending the closing deadline to March 31, 2024. He stated that Axle ran into issues when the new bank for financing required a new Phase I, which then found issues that showed levels above industrial limits. Axle removed the problem and is waiting for a clean Phase II or other report to make it clear remediation was not required.

Upon a motion by Charley Bible and a second by Lou Moran, the Resolution regarding the approval of an extension of the PILOT closing deadline for Axle Logistics, LLC was unanimously approved. A copy of the Resolution is attached hereto as <u>Exhibit F</u>.

VI. <u>Review and Consideration of a Resolution Authorizing the Assignment of a PILOT</u> lease with Dover Development Corporation pertaining to real property known as Historic <u>Knoxville High and located at 101 E. 5th Avenue, Knoxville, Tennessee 37917</u>. The Chair recognized Chris Trump who addressed the Board regarding the proposed Resolution. David Long described the project and assignment of the PILOT lease currently in place for the project This is a transaction where Mr. Patel will be acquiring the property from Dover Development.

Mr. Trump explained that the PILOT and PILOT Lease remain intact however, the documents require that the Board approves the assignment to the proposed purchaser, as a condition of the transaction. This is one of the last items required for the transaction to be finalized. Financing and all other items are already in place. Earlier this year, the Board approved language

to be removed from senior living to no age parameters. Mr. Patel is not requesting any other changes.

Ms. Rottmann asked if this modification changes rent, etc. Mr. Trump explained the terms of the PILOT will remain the same and stated that all current requirements remain in place. He also stated that previously the Board voted to assign this PILOT and PILOT Lease but ultimately the assignment did not come to fruition.

Upon a motion by Anthony Wise and a second by Terry Henley, the Resolution regarding the Assignment of a PILOT lease with Dover Development Corporation pertaining to the real property known as Historic Knoxville High to HD Patel was unanimously approved. A copy of the Resolution is attached hereto as <u>Exhibit G</u>.

VII. <u>Report of Nominating Committee and Approval of Nominations to Knox County</u> <u>Commission for Vacant Board Seat</u>. The Chair recognized Chris Trump who addressed the Board regarding the proposed nomination of Bill Fox to fill Mike George's remaining term, as set forth in the report of the Nominating Committee. A copy of the Report is attached hereto as <u>Exhibit H</u>. Mr. Nance explained that the County Commission can still appoint someone different. Mr. McWhorter explained Mr. Fox's unique qualifications and prior affiliation with The Development Corporation of Knox County.

Upon a motion by Alvin Nance and a second by Lisa Rottmann, the nomination of Bill Fox to County Commission to fill the remainder of the term of Mike George committee was unanimously approved

VIII. <u>Old Business</u>.

(a) Update on The Development Corporation. The transition is officially closed and the affidavit confirming the transfer is in the process of being submitted to the Attorney General.

IX. <u>New Business</u>.

(a) Approval of 2024 Meeting Schedule.

Upon a motion by Alvin Nance and a second by Charley Bible, the 2024 meeting schedule was unanimously approved and is attached hereto as <u>Exhibit I</u>.

X. <u>Next Meeting</u>. The next regular meeting of The Industrial Development Board of the County of Knox is scheduled for January 9, 2024, at 4:00 p.m. at the offices of The Development Corporation of Knox County located at 17 Market Square, #201, Knoxville, Tennessee.

XI. <u>Adjournment</u>. No further business having come before the Board and upon motion duly made and seconded, the Board voted unanimously to adjourn the meeting at 4:43 p.m.

Dated

Shannon Coleman Egle, Secretary

## EXHIBITS

- Exhibit A Agenda December 12, 2023
- Exhibit B Minutes November 14, 2023
- Exhibit CResolution of the Board of Directors of The Industrial<br/>Development Board of the County of Knox approving Tax<br/>Increment Financing of I-40/75 Business Park, LLC<br/>concerning the financing of public infrastructure for the<br/>proposed "Prosperity Crossing" project to be located at<br/>13115 El Camino Lane, 0 El Camino Lane, 0 Everett Road,<br/>0 Buttermilk Road
- Exhibit D Resolution of the Board of Directors of The Industrial Development Board of the County of Knox approving PILOT leases with Custom Foods of America, Inc. pertaining to the expansion of its existing facilities located at 3600 Pleasant Ridge Road, Knoxville, Tennessee 37921
  - <u>Exhibit E</u> Resolution approving extension of PILOT transaction closing deadline for Averitt Express, LLC and, Inc. pertaining to real property located at 5105 South National Drive, Knoxville, Tennessee, 37914
  - Exhibit F Resolution approving extension of PILOT transaction closing deadline for Axle Logistics, LLC. pertaining to real property located at 849 North Central Street, Knoxville, Tennessee, 37917
  - Exhibit GResolution Authorizing the Assignment of a PILOT lease<br/>with Dover Development Corporation pertaining to real<br/>property known as Historic Knoxville High and located at<br/>101 E. 5th Avenue, Knoxville, Tennessee 37917
- Exhibit H Nominating Committee Report
- Exhibit I 2024 Meeting Schedule

# The Industrial Development Board of the County of Knox Balance Sheet

As of December 31, 2023

	As of	As of Dec 31, 2023 As of Dec 37		Dec 31, 2022	Dec 31, 2022 Change		% Change
ASSETS							
Current Assets							
Bank Accounts							
100-000 Cash - Regions Bank		386,644.41		120,638.98		266,005.43	220.50%
100-700 CGI Grant Pass-through		-		43,000.00		(43,000.00)	-100.00%
100-800 Workforce Training Funds		-		75,000.00		(75,000.00)	-100.00%
Total 100-000 Cash - Regions Bank	\$	386,644.41	\$	238,638.98	\$	148,005.43	62.02%
101-000 First Horizon Checking		42,384.90		-		42,384.90	
100-700 CGI Grant Pass-through		43,000.00		-		43,000.00	
100-800 Workforce Training Funds		47,500.00		-		47,500.00	
101-200 Fairview Reserve		115,920.31		-		115,920.31	
101-300 Innovation Funds		141,694.79		-		141,694.79	
Total 101-000 First Horizon Checking	\$	390,500.00	\$	-	\$	390,500.00	
112-000 Grassy Creek - TIF Fund		384.64		409.65		(25.01)	-6.11%
114-000 Northshore TC TIF Fund - County		10,112.61		77,077.06		(66,964.45)	-86.88%
117-000 ICS Account		2,738,728.74		-		2,738,728.74	
Total Bank Accounts	\$	3,526,370.40	\$	316,125.69	\$	3,210,244.71	1015.50%
Accounts Receivable							
125-000 Accounts Receivable (A/R)		444,340.58		445,198.00		(857.42)	-0.19%
Total Accounts Receivable	\$	444,340.58	\$	445,198.00	\$	(857.42)	-0.19%
Other Current Assets							
127-000 Prepaid Insurance		34,025.14		715.30		33,309.84	4656.76%
Total Other Current Assets	\$	34,025.14	\$	715.30	\$	33,309.84	4656.76%
Total Current Assets	\$	4,004,736.12	\$	762,038.99	\$	3,242,697.13	425.53%
Fixed Assets	, in the second s						
Land							
151-000 Land - Eastbridge Business Park		2,684,541.28		-		2,684,541.28	
152-000 Land - Centerpoint Business Park		397,061.50		-		397,061.50	
155-000 Land - Hardin Business Park		1,051,045.29		-		1,051,045.29	
157-000 Land - Pellissippi Corporate Center		4,472,421.57		-		4,472,421.57	
160-000 Land - Karns Valley Business Park		6,941,167.05		-		6,941,167.05	
161-000 Land - Midway Business Park		23,542,163.15		-		23,542,163.15	
Total Land	\$	39,088,399.84	\$	-	\$	39,088,399.84	
Total Fixed Assets	\$	39,088,399.84	\$	-	\$	39,088,399.84	
Other Assets							
170-000 Loan to TDC		-		450,000.00		(450,000.00)	-100.00%
Total Other Assets	\$	-	\$	450,000.00	\$	(450,000.00)	-100.00%
TOTAL ASSETS	\$	43,093,135.96	\$	1,212,038.99	\$	41,881,096.97	3455.42%

#### LIABILITIES AND EQUITY

#### Liabilities

**Current Liabilities** 

Accounts Payable

200-000 Accounts Payable	386,637.64	438,825.49	(52,187.85)	-11.89%
Total Accounts Payable	\$ 386,637.64	\$ 438,825.49	\$ (52,187.85)	-11.89%
Other Current Liabilities				
220-000 Fairview Refundable Deposits	4,228.53	-	4,228.53	
245-000 Deferred Revenue	44,838.32	-	44,838.32	
246-000 Northshore TC TIF - Liability	10,112.61	77,077.06	(66,964.45)	-86.88%
247-000 Grassy Creek TIF - Liability	384.64	409.65	(25.01)	-6.11%
251-000 CGI Reimbursement Liability	43,000.00	43,000.00	-	0.00%
252-000 Workforce Training Liability	47,500.00	75,000.00	(27,500.00)	-36.67%
255-000 Innovation Funds	141,694.79	-	141,694.79	
Total Other Current Liabilities	\$ 291,758.89	\$ 195,486.71	\$ 96,272.18	49.25%
Total Current Liabilities	\$ 678,396.53	\$ 634,312.20	\$ 44,084.33	6.95%
Total Liabilities	\$ 678,396.53	\$ 634,312.20	\$ 44,084.33	6.95%
Equity				
300-000 Opening Balance Equity	18,400.68	18,400.68	-	0.00%
320-000 Retained Earnings	537,875.85	591,668.41	(53,792.56)	-9.09%
Net Income	41,858,462.90	(32,342.30)	41,890,805.20	129523.27%
Total Equity	\$ 42,414,739.43	\$ 577,726.79	\$ 41,837,012.64	7241.66%
TOTAL LIABILITIES AND EQUITY	\$ 43,093,135.96	\$ 1,212,038.99	\$ 41,881,096.97	3455.42%

# The Industrial Development Board of the County of Knox Income Statement with Prior Year Comparison

For the 9 Periods Ended December 31, 2023

	Apr	- Dec, 2023	pr - Dec, 022 (PY)	 Change	% Change
Income					
410-000 Interest Revenue		18.74	30.53	(11.79)	-38.62%
415-000 Chamber Funding		60,183.86	-	60,183.86	
416-000 Business Park CAM Fee Revenue		14,862.88	-	14,862.88	
420-000 Base Rent Revenue		8,600.00	10,700.00	(2,100.00)	-19.63%
421-000 Rent Revenue		1,030.22	-	1,030.22	
435-000 Application Revenue		-	10,000.00	(10,000.00)	-100.00%
446-000 Assignment Fee		-	12,771.02	(12,771.02)	-100.00%
448-000 Fairview Rent Revenue		5,215.43	-	5,215.43	
Total Income	\$	89,911.13	\$ 33,501.55	\$ 56,409.58	168.38%
Gross Profit	\$	89,911.13	\$ 33,501.55	\$ 56,409.58	168.38%
Expenses					
502-001 Operating Expenses		816.30	1,475.41	(659.11)	-44.67%
503-001 Advertising Expense		617.74	1,026.94	(409.20)	-39.85%
507-001 Insurance Expense		9,908.94	3,219.03	6,689.91	207.82%
511-001 Accounting Expense		11,700.00	9,600.00	2,100.00	21.88%
512-001 Legal Expense		56,544.07	13,772.50	42,771.57	310.56%
519-001 Administrative Expense		12,249.99	36,749.97	(24,499.98)	-66.67%
Business Park Operating Expenses					
522-101 Centerpoint Maintenance & Utility		5,703.79	-	5,703.79	
522-102 Eastbridge Maintenance & Utility Expense		7,057.99	-	7,057.99	
522-103 FORIP Maintenance & Utility Expense		1,156.00	-	1,156.00	
522-104 WestBridge Maintenance & Utility Expense		2,916.00	-	2,916.00	
522-106 PCC Maintenance & Utility Expense		3,630.53	-	3,630.53	
522-107 Hardin Maintenance & Utility Expense		3,141.53	-	3,141.53	
522-108 Midway Maintenance & Utility Expense		13,095.25	-	13,095.25	
522-109 Karns Valley Maintenance & Utility Expense		10,558.70	-	10,558.70	
Total Business Park Operating Expenses	\$	47,259.79	\$ -	\$ 47,259.79	
Fairview Technology Center Operating Expenses					
523-100 Building & Grounds Maintenance		14,138.00	-	14,138.00	
523-101 Fairview Utilities		45.01	-	45.01	
Total Fairview Technology Center Operating Expenses	\$	14,183.01	\$ -	\$ 14,183.01	
Total Expenses	\$	153,279.84	\$ 65,843.85	\$ 87,435.99	132.79%
Net Operating Income	\$	(63,368.71)	\$ (32,342.30)	\$ (31,026.41)	-95.93%

Other Income				
400-100 Interest Revenue - ICS	11,259.89	-	11,259.89	
430-000 PILOT Revenue	404,304.25	426,993.25	(22,689.00)	-5.31%
449-000 Oakwood Rent- Restricted	-	77,000.00	(77,000.00)	-100.00%
450-000 Grant Revenue	-	500,000.00	(500,000.00)	-100.00%
460-000 Grassy Creek Construction Revenue	-	8,111.55	(8,111.55)	-100.00%
470-000 Workforce Training Funds	-	75,000.00	(75,000.00)	-100.00%
480-000 TDC Land Transfer Revenue	39,088,305.54	-	39,088,305.54	
485-000 TDC Funds Transfer Revenue	3,222,828.88	-	3,222,828.88	
487-000 TDC Accounts Receivable	49,687.30	-	49,687.30	
Total Other Income	\$ 42,776,385.86	\$ 1,087,104.80	\$ 41,689,281.06	3834.89%
Other Expenses				
550-000 Grant Expense	-	500,000.00	(500,000.00)	-100.00%
560-000 Grassy Greek Construction Expense	-	8,111.55	(8,111.55)	-100.00%
561-000 Axle Logistics Parking	250.00	-	250.00	
570-000 Workforce Training Expense	-	75,000.00	(75,000.00)	-100.00%
587-001 PILOT Payment Expense	404,304.25	426,993.25	(22,689.00)	-5.31%
587-003 TDC Loan Forgiveness	450,000.00	-	450,000.00	
950-001 Transfer to TDC - Restricted Funds	-	77,000.00	(77,000.00)	-100.00%
Total Other Expenses	\$ 854,554.25	\$ 1,087,104.80	\$ (232,550.55)	-21.39%
Net Other Income	\$ 41,921,831.61	\$ -	\$ 41,921,831.61	
Net Income	\$ 41,858,462.90	\$ (32,342.30)	\$ 41,890,805.20	129523.27%



#### **Staff Summary**

The Prosperity Crossing Project is a proposed 169-acre sports and commercial development located on the north side of the I-40 and Watt Rd. interchange in Western Knox County. The project will provide developable land and infrastructure to build a 50+ acre regional sports complex including lighted multiuse turf fields and associated indoor sports, training, and medical facilities. In addition to the sports facilities, the site will include a 326-unit Class A apartment complex, 5 to 6 hotels, restaurants, and associated retail and support businesses upon completion.

The Project will require significant investment in public infrastructure to support these facilities in what is considered a blighted and under-utilized portion of Knox County. The public infrastructure improvements include new water, sewer, electric, and gas lines, as well as roads improving the general accessibility in the area. To offset the expense of the public improvements and make the Project financially viable, the applicant submitted an application for Tax Increment Financing (TIF) to the Industrial Development Board (IDB). Per the TIF Policies and Procedures, the IDB submitted the application to Knox County Commission who in turn instructed the Finance Director of the County to obtain a third-party review from Municap, Inc. (Municap Report) to determine the amount of public support, if any, necessary for the developer to achieve a reasonable return on investment related to the development of the Project. The Municap Report provided 3 scenarios estimating the annual rate of return using different TIF Grant amounts shown below.

# Summary of Estimated Financial Returns

	TIF Grant of	TIF Grant of	TIF Grant of
	\$2,900,000	\$8,900,000	\$13,000,000
	(Appendix B-1)	(Appendix B-2)	(Appendix B-3)
Estimated annual internal rate of return	12.0%	14.8%	16.9%

Based on the results of the Municap Report and conversations with Knox County administration, the applicant has requested that the IDB prepare and approve the submittal of an Economic Impact Plan to County Commission using a TIF Grant in the amount of \$8.9 million for an estimated annual rate of return of 14.8%.

As always, if you have any questions or concerns, I would be happy to arrange a time to discuss prior to the meeting.

Sincerely,

Mac McWhorter.

Mac McWhorter

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX APPROVING AN APPLICATION AND AN ECONOMIC IMPACT PLAN, AND AUTHORIZING THE EXECUTION OF DOCUMENTS, RELATING TO TAX INCREMENT FINANCING OF COSTS RELATING TO THE PROSPERITY CROSSING PROJECT

WHEREAS, The Industrial Development Board of the County of Knox (the "Board") is the industrial development authority created by Knox County, Tennessee (the "County") and is duly incorporated pursuant to Sections 7-53-301, *et seq.*, Tennessee Code Annotated; and

WHEREAS, the Board has previously approved that certain Application ("Application") for tax increment financing ("Tax Increment Financing") from I40/75 Business Park, LLC (together with any and all affiliates thereof, "Applicant") in connection with Applicant's infrastructure improvements and construction of a mixed-use development to be known as "Prosperity Crossing" located off El Camino Lane in Knox County, Tennessee near the Watt Road interchange on I-40/75 (the "Project"); and

WHEREAS, the Applicant has also submitted to the Application Review Committee and the Board an Economic Impact Plan (the "Economic Impact Plan") for the development of the Project, and

WHEREAS, the Application and the Economic Impact Plan identifies the parcels of real property for which tax increment are proposed to be made available for the payment of debt service on the Tax Increment Financing (the "Plan Area"); and

WHEREAS, the Economic Impact Plan proposes certain Tax Increment Financing for eligible costs of the development of the Project in the Plan Area, which will consist of a maximum contribution of \$8,900,000, plus interest thereon, in incremental taxes, all in the form of payments or reimbursements to the Board over a maximum term of twenty (20) years per tract; and

WHEREAS, on December 18, 2023, the Commission of Knox County approved the Economic Impact Plan; and

WHEREAS, the Board desires to approve the Application and Economic Impact Plan; and

WHEREAS, the Board has provided timely public notice of this regular meeting and the public hearing on the Economic Impact Plan has already been conducted; and

WHEREAS, the development of the Plan Area would include the Project to be developed by one or more developers as described in the Economic Impact Plan (collectively, the "Developer"); and

WHEREAS, the Economic Impact Plan would permit the Tax Increment Financing for infrastructure improvements to the Project in the Plan Area to be provided through the issuance of the Board's bonds, notes; and other obligations in the total principal amount not to exceed \$8,900,000; and

WHEREAS, the Board desires to authorize the execution of the documents necessary to implement such Tax Increment Financing pursuant to Section 7-53-312, Tenn. Code Ann., in the maximum principal amount not to exceed \$8,900,000; and

WHEREAS, there have been submitted to the Board the forms of the following instruments (collectively, the "Documents") which the Board proposes to execute to carry out the transactions described

above, copies of which Documents shall be filed with the records of the Board:

(a) Loan Agreement (the "Loan Agreement") between the Board and SouthEast Bank (the "Lender"), providing for a loan not to exceed \$8,900,000 (the "Loan") to the Board;

(b) The form of the Board's \$8,900,000 Tax Increment Revenue Note (Prosperity Crossing Project) (the "Tax Increment Note") that will evidence the Board's obligation to repay the Loan on the terms set forth therein;

(c) Assignment of Tax Increment Revenues (the "Assignment") from the Board for the benefit of the Lender, assigning tax increment revenues to secure the Tax Increment Note;

(d) Development and Financing Agreement (the "Development Agreement") between the Board and the Developer relating to the development of the Project; and

WHEREAS, such Tax Increment Financing will further the public purposes of the Board by promoting development in the Plan Area; and

**WHEREAS**, three parcels of real property identified in the Application and the Economic Impact Plan and included within the Plan Area are not owned by the Applicant (the "Additional Parcels"); and

WHEREAS, the Board's policies and procedures require the Board to obtain the consent of the property owners of such parcels included within any plan area that are not owned by the applicant for such for tax increment financing prior to their inclusion in the plan area (the "Third Party Consent Requirement"); and

**WHEREAS,** the Board has received the consent of two of the property owners of such Additional Parcels to their inclusion in the Plan Area, and the Board desires to waive the requirement to obtain the consent of the property owner of the third parcel of the Additional Parcels, which is owned by the Hays Family Trust (the "Hays Parcel").

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of The Industrial Development Board of the County of Knox, as follows:

1. It is hereby found and determined that the financing of the Project will promote the economy and development in the State of Tennessee, Knox County, Tennessee, and the welfare of the citizens thereof.

2. The Board hereby ratifies its prior approval of the Application and approves and adopts the Economic Impact Plan as presented to this regular meeting of the Board. The Economic Impact Plan shall be in substantially the form now before this meeting of the Board, or with such changes therein as shall be approved by legal counsel to the Board.

3. The Chair or Vice Chair of the Board is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the following documents, all as are in substantially the form filed of record with the Board and with such changes as are approved by counsel to the Board:

- (a) The Loan Agreement to the Lender;
- (b) the Tax Increment Note;

- (c) the Assignment to the Lender;
- (d) the Development Agreement to the Developer; and

(e) any and all other instruments, documents and agreements deemed necessary or desirable by the Lender in order to evidence and secure the Tax Increment Financing properly in accordance with the requirements of the Lender, including without limitation, security agreements, certificates, affidavits, and any other instruments of any kind or nature whatsoever, all in the form required by the Lender.

4. Any authorization herein to execute any document shall include authorization to record such document where appropriate and to make any changes and completions to any such document as may be required by the Lender that do not materially change the obligations of the Board under such document, with such changes and completions approved by the authorized officers executing same in consultation with counsel to the Board, the execution of same by such authorized officers to constitute conclusive evidence of the approval of same.

5. The Board hereby waives the Third Party Consent Requirement with respect to the Hays Parcel.

6. Each of the officers of the Board and the members of the Board's staff is, furthermore, hereby authorized to do all acts and things and execute all documents, from time to time, as may be necessary or convenient to carry out and comply with the provisions of this Resolution.

7. All other acts of the officers of the Board which are in conformity with the purposes and intent of this resolution and in furtherance of the financing of the Project are hereby approved and confirmed.

Presented at this meeting of the Board, held on February 13, 2024, and passed and approved on the same date.

## THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

Chair

Dated: February 13, 2024

## CERTIFICATE

As Secretary of The Industrial Development Board of the County of Knox, I hereby certify that the above Resolution was presented at the meeting of the Board of Directors of said corporation on the 13<sup>th</sup> day of February, 2024; that a quorum was present; that the vote on the adoption of the Resolution was taken openly and the Board of Directors duly approved the resolution; that said meeting was held at a specified time and place; that notice was duly given, and that the meeting was called and held in strict accordance with the provisions of the charter and bylaws of said corporation and in accordance with applicable law.

**IN WITNESS WHEREOF**, I have executed this Certificate, this \_\_\_\_\_ day of February, 2024.

Tiffany E. Gardner, Secretary

#### RESOLUTION

A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE, APPROVING AN ECONOMIC IMPACT PLAN FOR TAX INCREMENT FINANCING, SUBMITTED BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX IN CONNECTION WITH A MULTI-USE DEVELOPMENT KNOWN AS "PROSPERITY CROSSING" LOCATED OFF EL CAMINO LANE IN KNOX COUNTY, TENNESSEE NEAR THE WATT ROAD INTERCHANGE ON I-40/75.

**RESOLUTION:** 

R-23-12-901

**REQUESTED BY:** 

THE INDUSTRIAL **DEVELOPMENT BOARD** OF THE COUNTY OF KNOX

**PREPARED BY:** 

EGERTON, MCAFEE, **ARMISTEAD & DAVIS,** P.C.

APPROVED AS TO FORM AND CORRECTNESS:

**DIRECTOR OF LAW** 

APPROVED: December 18,2023

VETOED:

DATE

VETO OVERRIDE:

DATE

MINUTE BOOK PAGE WHEREAS, the Commission (the "Commission") of Knox County, Tennessee (the "County") has met pursuant to proper notice; and

WHEREAS, The Industrial Development Board of the County of Knox (the "IDB") is a nonprofit public corporation organized by Knox County as an industrial development board pursuant to Tenn. Code Ann. §7-53-301 <u>et seq</u>. (the "Act") and as such is a public instrumentality of Knox County, Tennessee performing a public function; and

WHEREAS, the IDB previously adopted certain Policies and Procedures pursuant to which it would consider requests for tax increment financing and the preparation and submission of economic impact plans (the "TIF Policies") to the Commission to authorize tax increment financing; and

WHEREAS, Tenn. Code Ann. §7-53-312 provides that the IDB has the discretion and authority to prepare and submit economic impact plans to the Commission; and

WHEREAS, Tenn. Code Ann., §7-53-312 also provides that the Commission has the sole authority to grant tax increment financing for a project after its consideration of an economic impact plan provided by the IDB; and

WHEREAS, the Commission has been informed that I40/75 Business Park or an affiliate thereof (the "Developer"), desires to develop a mixed-use development to be known as "Prosperity Crossing" located off El Camino Lane in Knox County, Tennessee near the Watt Road interchange on I-40/75 (the "Project"); and

WHEREAS, the IDB has received an application for tax increment financing from Developer and submitted the application to the Commission, together with certain other information of the Applicant submitted in connection therewith (collectively, the "Application"), such application respecting the development of the Project; and

WHEREAS, the IDB has since received an amended Application from Developer, which the IDB has provided to the Commission; and

WHEREAS, the IDB previously obtained a report from MuniCap, Inc., dated August 30, 2023, to evaluate whether the amount and terms of the tax increment financing for which the Applicant has applied is necessary so that the Developer can achieve a reasonable return on investment relating to the development of the Project (the "Third-Party Report"); and

WHEREAS, the IDB found that the results of the Third-Party Report were inconclusive; and

WHEREAS, the IDB has prepared and submitted to the Commission for its consideration an economic impact plan (the "Economic Impact Plan") regarding the development of the Project; and

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WHEREAS, the Economic Impact Plan would permit certain tax increment financing ("Tax Increment Financing") to be provided through the issuance of the IDB's bonds, notes or other obligations in the total amount not to exceed \$8,900,000 pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated; and

WHEREAS, a portion of the proceeds of the Tax Increment Financing would be used to pay the costs of public improvements (the "TIF Eligible Costs") relating to the development of the Project; and

WHEREAS, a portion of the incremental property tax revenues (the "TIF Revenues") that result from the development of the Project under the Economic Impact Plan will be allocated to the IDB to be used to pay debt service of the Tax Increment Financing; and

WHEREAS, in accordance with the Economic Impact Plan, the IDB would issue the Tax Increment Financing to a lender or lenders to finance the TIF Eligible Costs and would pledge the TIF Revenues to such lender or lenders to apply to the debt service on the Tax Increment Financing; and

WHEREAS, the Tax Increment Financing shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the IDB or Knox County, Tennessee; and

WHEREAS, the Board of Directors of the IDB has submitted the Economic Impact Plan to the Commission for approval in accordance with Tennessee Code Annotated § 7-53-312.

NOW THEREFORE BE IT RESOLVED BY THE COMMISSION OF KNOX COUNTY AS FOLLOWS:

<u>Section 1.</u> The Economic Impact Plan, in the form attached hereto as <u>Exhibit A</u>, being in the interests of the citizens of Knox County, Tennessee, is hereby approved by the Commission and the officers of the County are authorized to take all appropriate action to carry out the terms of the Economic Impact Plan.

<u>Section 2.</u> To the extent necessary for the Project, the Commission hereby amends the TIF Policies. The County Mayor is hereby authorized and directed to take such actions, from time to time, as he considers necessary or appropriate to carry out the purposes and intentions of this Resolution.

<u>Section 3.</u> If any notifications are to be made to effectuate this Resolution, then the County Clerk is hereby requested to forward a copy of this Resolution to the proper authority.

<u>Section 4.</u> This Resolution is to take effect from and after its passage, as provided by the Charter of Knox County, Tennessee, the public welfare requiring it.

<u>Jarry C Hill 12/18/2023</u> Presiding Officer of the Commission Date 12/19 a h. Jur County Clerk Date 12/20/2023 Date Approved: **County** Mayor

Vetoed:\_\_\_\_\_ Date

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## INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, TENNESSEE

#### ECONOMIC IMPACT PLAN

#### FOR

#### PROSPERITY CROSSING PROJECT

#### I. Authority for Economic Impact Plan

Industrial development corporations ("IDBs") are authorized under Tenn. Code Ann. § 7-53-312 to prepare and submit to cities and counties an economic impact plan with respect to an area that includes a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved or benefited due to the undertaking of a project. Tenn. Code Ann. § 7-53-312 also authorizes cities and counties to allocate new incremental tax revenues, which arise from the area subject to this Plan, to the IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds or other obligations issued by the IDB to pay the costs of projects.

#### II. Overview and Project Identity

I-40/75 Business Park, LLC, a Tennessee limited liability company (the "Developer"), owns approximately 169 acres of undeveloped real property consisting of multiple parcels, generally located near the Watt Road interchange on I-40/75 (Exit 369), in Knox County, Tennessee.

This property is bounded to the north by Buttermilk Road, to the east by Everett Road, to the south by El Camino Lane, and by mostly undeveloped property to the west. This property has been identified for property tax purposes as tax parcels 141 028, 141 02802, 141 02806, 141 033, and 141 03304, and are referenced in this Plan collectively as the "Developer Parcel".

The Developer desires to undertake a significant multi-use development on the Developer Parcel. This development will be undertaken in phases and is expected to include a multiuse regional sports venue and sports training facilities with medical components, a 326-unit Class A apartment complex, hotels, retail establishments, and restaurants. The sports venue portion of the development will include at a minimum a multifield soccer facility, consisting of no less than seven (7) soccer fields across at least twenty-six (26) acres and associated amenities, including parking, concessions, and restrooms (collectively, the "Soccer Complex"). The Developer has designated the overall development as Prosperity Crossing. The current projected site development plan for the Prosperity Crossing development is attached hereto as Exhibit A, which exhibit also shows the boundaries of the Developer Parcel.

Each component of the development described above is expected to be an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(13). The overall development is therefore referenced in this Plan as the "Project", and such Project shall constitute the Project within the Plan Area described below.

In order to make the undertaking of the Project financially feasible, the Developer has requested Knox County, Tennessee (the "County") to approve, as part of this Plan, a plan for a tax increment incentive through The Industrial Development Board of the County of Knox, Tennessee (the "Board") pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the costs of the Project. The tax increment incentive would be used to pay all or a portion of the cost of the public improvements required to serve the Project, including, but not limited to, road and traffic improvements



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(including related signage, signalization, fencing and public parking), wastewater collection systems, storm water and drainage improvements and other utility improvements that are necessary for the development of the Project.

#### III. Boundaries of Plan Area

The area that will be subject to this Plan (the "Plan Area") is the Developer Parcel and the Additional Parcels (defined below), and the boundaries of the Developer Parcel and the Additional Parcels shall be the boundaries of the Plan Area, as further depicted in the map attached hereto as <u>Exhibit B</u>. The Plan Area is hereby declared to be subject to this Economic Impact Plan, and the Project is hereby identified as the project that will be located within the Plan Area.

The Developer has requested that such tax parcels identified by the Knox County Property Assessor's office as 141 03301 (owned by Hays Family Trust), 141 03302 (owned by Scott Mieloch), and 141 03306 (owned by Jemini LLC) (collectively, the "Additional Parcels"), be included within the Plan Area to be affected by the proposed tax increment financing, and such owners of the Additional Parcels have consented to the inclusion of such Additional Parcels into the Plan Area.

#### **IV.** Financial Assistance to Project

The Board will provide financial assistance to the Project by applying the tax increment incentive in the manner described below to pay or reimburse the Developer for the payment of all or a portion of certain costs that will be incurred in connection with the development of the Project. These costs relate to the cost of property for and the construction and installation of public infrastructure to be made in or adjacent to the Plan Area that is necessary to serve the Project. For these purposes, public infrastructure shall have the meaning given to such term in Tenn. Code Ann. § 9-23-102(16), which includes roads, streets, publicly-owned or privately-owned parking lots, facilities or garages, traffic signals, sidewalks or other public improvements that are available for public use, utility improvements and storm water and drainage improvements, whether or not located on public property or a publicly-dedicated easement.

The Board, subject to the terms of one or more development agreements to be negotiated with the Developer, will pay and/or reimburse the Developer for all or a portion of the cost of such public infrastructure upon receipt of adequate documentation of such costs. The Board and the Developer will enter into a development agreement with respect to each component of the Project specifying the scope of the public improvements and the cost of the public improvements to be paid or reimbursed in connection with that component.

The financial assistance to the Project will be contingent upon the Developer commencing construction of the Soccer Complex within two (2) years of the date of approval of this Plan. Furthermore, TIF Revenues will not be made available for the payment of debt service respecting the indebtedness evidencing the tax increment financing until the Soccer Complex has been completed.

Tenn. Code Ann. § 9-23-108 does not permit the application of incremental tax revenues to pay costs other than the costs of public infrastructure without first receiving a written determination from the Comptroller of the State of Tennessee (the "State") and the Commissioner of Economic and Community Development of the State that the use of tax increment revenues for such purposes is in the best interest of the State. It is not expected that the tax increment incentive authorized by this Plan would be used to pay for any costs other than public infrastructure, but the Board is authorized to pay for costs that do not constitute public infrastructure if the Board determines that the payment of such costs is necessary for the Project to be financially feasible. In such case, the Board will cooperate with the Developer to seek a written determination from the State as to the eligibility of costs other than the costs of public infrastructure.

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#### V. Expected Benefits to County

The Project will be a transformational development for a currently underutilized area in the western part of the County. The Plan Area is an old dirt "borrow pit" with high visibility from Interstate 40. The Plan Area consists of rugged terrain and regularly entertains trespassers who enter the property for unauthorized off-roading. The Project will provide a new multi-sport complex, including multi-use turf fields, indoor sports, and training and medical complexes for use by local schools and league teams. The Project will also offer shopping alternatives, restaurant alternatives and residential alternatives to the area that will draw residents and tourists to the County. These activities will be a major catalyst in making the Plan Area a prominent feature of the civic, economic, and cultural life of the County, providing a gathering place for people to play sports, live, shop and dine. The Project will include significant capital investment in the Plan Area and will create a significant number of construction jobs during construction of the Project. Since the Project will consist primarily of sports facilities, residential, hotel, retail, and restaurant uses, this will also result in significant long-term job creation. Once completed, the Project will benefit the County by affording residents and tourists alike the opportunity to visit and spend extended time in the County.

By providing these amenities, the Project will provide a significant stimulus to the development of the area. The development of sports facilities and commercial and residential establishments, such as the Project, will assist the County and the Board in promoting economic development. When companies select locations for manufacturing, distribution and office facilities, a significant factor that is considered by site selection firms is the quality of life for the companies' employees in each community being considered as a possible location. By providing a wider array of athletic, residential and retail alternatives in the western portion of County, the Project will assist the Board with economic development recruiting and help expand the economic base of the County.

The land within the Plan Area is presently underutilized and is thus providing significantly less property tax revenue than is possible due to the Plan Area currently being underdeveloped. The ad valorem real property taxes for the Plan Area for the year 2022 were only \$35,719.01 for the County, which are the base taxes relating to the Plan Area. The County is expected to receive substantial additional taxes as a result of the development of the Plan Area, and those properties surrounding the Plan Area should further see an increase in property values, resulting in additional taxes to the County as well.

## VI. Distribution of Property Taxes and Tax Increment Financing

a. <u>Distribution of Taxes</u>. Property taxes imposed on the property located within the Plan Area shall be allocated and distributed as provided in this subsection. The taxes assessed by the County on the real property within the Plan Area will be divided and distributed as follows in accordance with Tenn. Code Ann. § 7-53-312(c) and Title 9, Chapter 23 of the Tennessee Code Annotated, being the Uniformity in Tax Increment Financing Act of 2012 (the "Tax Increment Act"):

i. The portion of the real property taxes payable with respect to the Plan Area equal to the year prior to the date of approval of this Economic Impact Plan (being the base taxes referred to above and referenced herein as the "Base Tax Amount") shall be allocated to and, as collected, paid to the County as all other taxes levied by the County on all other properties; <u>provided</u>, <u>however</u>, that in any year in which the taxes on the property within the Plan Area are less than the Base Tax Amount, there shall be allocated and paid to the County only the taxes actually imposed.

ii. Subject to the limitations contained in the immediately following paragraph, One Hundred Percent (100%) of the excess of real property taxes over the Base Tax Amount (the "TIF Revenues") shall be allocated and, as collected, paid into a separate fund of the Board, created to hold TIF Revenues until such TIF Revenues are applied to pay debt service on the obligations expected to be issued

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by the Board to finance the costs of the public improvements described above or otherwise applied to pay eligible costs relating to the Plan Area.

This allocation is subject to the provisions of Tenn. Code Ann. §7-53-312(j) and the Tax Increment Act, which requires that taxes levied upon property within the Plan Area for the payment of debt service of the County shall not be allocated to the Board, and is further subject to the retention or payment of any applicable administrative expenses and fees of the Board or the County consistent with the current policies of any of such entities and/or to be paid under the development agreement to be entered into between the Developer and the Board.

The Developer expects to re-subdivide the Developer Parcel into different parcels in order to facilitate the phased development of the Plan Area. The base taxes with respect to the Developer Parcel shall be allocated to each parcel created by the Developer on a pro-rated basis using the acreage of each subdivided parcel as a percentage of the total acreage of the original Developer Parcel.

The Board is authorized to make all calculations of TIF Revenues on the basis of each parcel within the Plan Area instead of on an aggregate basis as permitted by the Tax Increment Act. If the Board opts to have such calculations made based upon each parcel, the Board shall give notice to the County that such methodology will be used prior to the first allocation date of any TIF Revenues.

As permitted by the Tax Increment Act, the Board is hereby authorized to separately group one or more parcels with the Plan Area for purposes of calculating and allocating the TIF Revenues, and in such case, the allocation of TIF Revenues shall be calculated and made based upon each such parcel or group of parcels, and not the entire Plan Area. The Board is specifically authorized to undertake such grouping of parcels at any time that this Plan is effective as of the beginning of any year (but not later than the eighth full year commencing after the execution of the initial development agreement with the Developer), and the Board may reserve the right in any development agreement with the Developer to regroup one or more parcels for purposes of making the calculations of TIF Revenues hereunder. The Board shall give notice of any such grouping of parcels to the County.

The Board is also authorized to designate, at the direction of the Developer, by notice to the County, that the allocation of TIF Revenues from any parcel or group of parcels shall begin in different years in order to match TIF Revenues with the application of TIF Revenues for the purposes provided herein, subject to the maximum allocation period as to any parcel provided below, provided that allocation of TIF Revenues as to any parcel in the Plan Area must commence no later than the eighth (8<sup>th</sup>) full year after the execution of the initial development agreement with the Developer.

Allocations of TIF Revenues collected by the County that are not delinquent shall be made as to each tax year no later than sixty (60) days after the date such taxes would be delinquent in payment, allocations of TIF Revenues relating to delinquent taxes shall be made not later than sixty (60) days from when such TIF Revenues are collected by the County.

b. <u>Tax Increment Incentive</u>. In order to pay for the costs of the Project described above, the Board expects to use the incremental tax revenues that it would receive as a result of the adoption of this Plan to pay debt service on obligations incurred to finance such costs. This tax increment financing would be structured as follows:

i. The Board will borrow an amount not to exceed \$8,900,000.00 (not including refinancings) through the issuance and sale of notes, bonds or other obligations of the Board in one or more series to be issued from time to time as each component of the Project is undertaken. The Board shall pledge any and all TIF Revenues allocated to the Board pursuant to this Economic Impact Plan to the

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payment of such notes, bonds or other obligations. In no event will the obligations issued by the Board be considered a debt or obligation of the County in any manner whatsoever, and the source of the funds to satisfy the Board's payment obligations thereunder shall be limited solely to the TIF Revenues allocable to the Board hereunder. As each series of the notes, bonds or other obligations are issued, the Developer shall apply to the Board, under the applicable policies of the Board, for the issuance of the applicable series of notes, bonds or other obligations and demonstrate, at such time, that the TIF Revenues to be realized from such component of the Project will be sufficient to pay debt service on the notes, bonds or other obligations requested to be issued by the Developer.

ii. The proceeds of the notes, bonds or obligations shall be used to pay the costs of the Project described above together with expenses of the Board in connection with the Project and the tax increment financing and capitalized interest on the notes, bonds or other obligations for a period of two (2) years from the date of completion of construction of the Project, but no more than three (3) years from the date of approval of this Plan.

Any tax increment financing referenced in this Plan shall include any refinancing of a tax increment financing undertaken pursuant to the Act and approved by the Board.

Any development agreement with the Developer shall provide for such portion of the tax increment revenues as the Board and/or the County require under any applicable policies to be withheld for administrative expenses to be so withheld, which amount shall not exceed the amount permitted by the Tax Increment Act, and for such withheld amounts to be applied as required by such policies.

c. <u>Time Period</u>. Taxes on the real property within the Plan Area will be divided and distributed as provided in this Plan for a period, as to each parcel of property in the Plan Area, not in excess of twenty (20) years as to any parcel but, in any event, such allocations shall cease when there are not eligible costs, including debt service, to be paid from TIF Revenues.

d. <u>Finding of Economic Benefit</u>. The Board and the County, by the adoption of this Plan, find that the use of the TIF Revenues as described herein, is in furtherance of promoting economic development in the County and that costs to be financed as described herein are costs of the Project.

## VII. Approval Process

Pursuant to Tenn. Code Ann. § 7-53-312, the process for the approval of this Economic Impact Plan is as follows:

a. The Board holds a public hearing relating to this Plan after publishing notice of such hearing in a newspaper of general circulation in the County at least two (2) weeks prior to the date of the public hearing. The notice must include the time, place and purpose of the hearing as well as notice of how a map of the subject area may be viewed by the public. Following such public hearing, the Board may submit this Plan to the County for its approval.

b. The governing bodies of the County and the Board must approve this Plan for this Plan to be effective. This Plan may be approved by resolution of the County Commission, whether or not the local charter provisions of the governing bodies provide otherwise. If the County makes any changes to this Economic Impact Plan in connection with their approval hereof after such has been approved by the Board, such changes must be approved by the Board for this Plan to be effective. c. Once this Plan has been approved by the governing body of the County, the Plan and related documentation shall be filed with the local taxing officials and the Comptroller of the State as required by the Tax Increment Act and annual statements of incremental tax revenues allocated to the Board shall be filed with the State Board of Equalization as required by the Tax Increment Act. The Board will also comply with all other procedural requirements of the Tax Increment Act and other applicable laws.

[End of Economic Impact Plan for Prosperity Crossing Project, exhibits follow]

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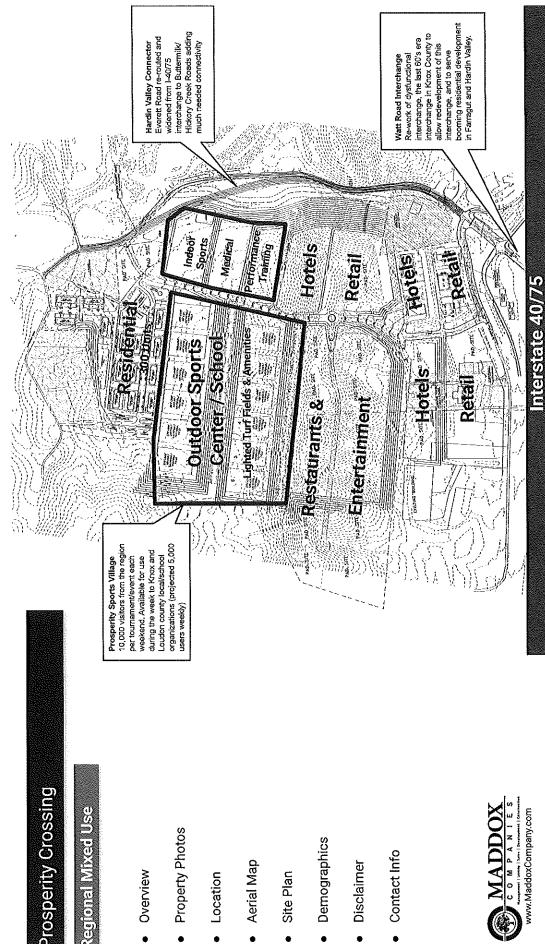
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# <u>Exhibit A</u> (to Economic Impact Plan)

# Site Development Plan

(See attached)

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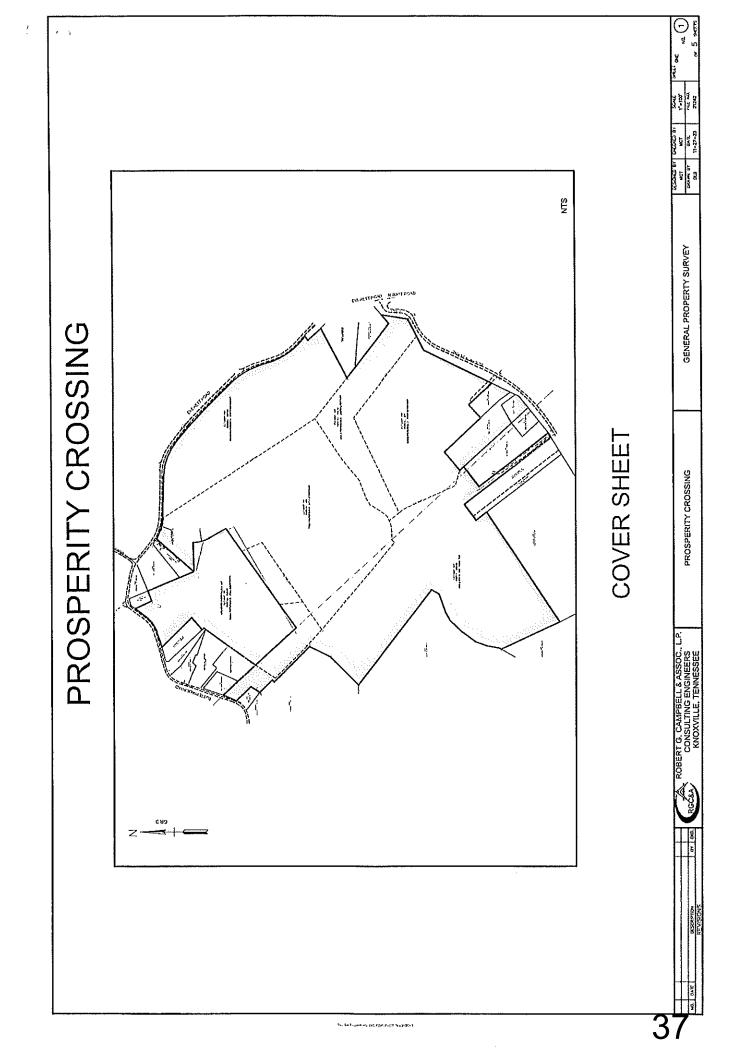
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# <u>Exhibit B</u>

(to Economic Impact Plan)

# <u>Plan Area</u>

Tax parcels 141 028, 141 02802, 141 02806, 141 033, 141 03304, 141 03301, 141 03302, and 141 03306, as outlined (highlighted) in pink (see attached).



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# SOUTHEAST BANK

and

# THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

# LOAN AGREEMENT

# RELATING TO PROSPERITY CROSSING PROJECT

\$8,900,000 Tax Increment Revenue Note, Series A (Prosperity Crossing Project)

Dated as of [\_\_\_\_\_], 2024

ARTICLE I DEFINITIONS	. 1
ARTICLE II THE LOAN AND TIF NOTE	. 3
Section 2.1 Designation. Section 2.2 Loan. Section 2.3 Interest Rate. Section 2.4 Maturity. Section 2.5 Interest Payments. Section 2.6 Principal Payments. Section 2.7 Optional Prepayments. Section 2.8 Conditions Precedent to Agreement and the Loan. Section 2.9 Execution, Limited Obligations. Section 2.10 Form of TIF Note. Section 2.11 Origination Fee.	.3 .4 .4 .4 .4 .5 .5 .6 .6
ARTICLE III COLLATERAL SECURING THE TIF NOTE	
Section 3.1 Assignment of Tax Increment Revenues. Section 3.2 Pledge of Tax Increment Fund. Section 3.3 Right of the Lender to Receive Collateral and Proceeds. Section 3.4 Waiver of Other Rights.	.6 .6
ARTICLE IV EXTRAORDINARY PREPAYMENT OF THE TIF NOTE	. 7
Section 4.1 Extraordinary Prepayment Section 4.2 Payment Due.	
ARTICLE V REPRESENTATIONS, WARRANTIES AND COVENANTS	.7
Section 5.1 Representations and Warranties of the Board Section 5.2 Covenants of the Board	. 7 . 8
ARTICLE VI DISBURSEMENTS OF PROCEEDS	. 9
ARTICLE VII PROJECT FUND AND TAX INCREMENT FUND	.9
Section 7.1 Establishment of Funds Section 7.2 Disbursements from Project Fund1 Section 7.3 Disbursements from Tax Increment Fund1	10
ARTICLE VIII DEFAULTS AND REMEDIES	10
Section 8.1 Defaults	12 12 12 12
ARTICLE IX MISCELLANEOUS	13
Section 9.1 Term of Loan Agreement	13 14

# LOAN AGREEMENT

Section 9.5 Amendments, Changes and Modifications.	14
Section 9.6 Execution in Counterparts	
Section 9.7 Applicable Law.	
Section 9.8 Captions	
Section 9.9 Payment or Performance on Business Days.	
Section 9.10 No Liability of Officers.	
Section 9.11 No Liability of County	15
Section 9.12 Interest and Charges.	
Section 9.13 Limitation of Board Liability - No Personal Liability.	

#### LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Loan Agreement") is made and entered into as of [\_\_\_\_\_], 2024, between SOUTHEAST BANK, a state banking corporation (the "Lender"), and THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, <u>et seq</u>. (the "Board").

### **RECITALS**:

WHEREAS, the Board has previously prepared and approved an Economic Impact Plan for Prosperity Crossing Project (the "Economic Impact Plan"); and

WHEREAS, the Economic Impact Plan was approved by the County Commission of the County of Knox (the "Commission"), on [December \_\_\_\_, 2023], on behalf of Knox County (the "County"); and

WHEREAS, the Board and I40/75 Business Park, LLC, a Tennessee limited liability company (the "Developer"), have entered into a Development and Financing Agreement, dated as of the date hereof (the "Development Agreement"), regarding the development of a mixed-use development, expected to include a multiuse regional sports venue and sports training facilities with medical components, a 326-unit Class A apartment complex, hotels, retail establishments, and restaurants, on certain parcels of real property generally located off El Camino Lane in Knox County, Tennessee near the Watt Road interchange on I-40/75 in Knox County, Tennessee, as further described in the Economic Impact Plan as the "Plan Area"; and

WHEREAS, under Tenn. Code Ann. §§ 7-53-301, <u>et seq.</u>, and the Economic Impact Plan, the Board is authorized to issue and secure the TIF Note (as herein defined) to finance certain Costs (as herein defined); and

WHEREAS, the Board will establish a special fund (the "Prosperity Crossing Project Tax Increment Fund") into which Tax Increment Revenues (as herein defined) will be deposited, and from which debt service on the TIF Note will be paid in accordance with Tenn. Code Ann. § 7-53-312.

#### TERMS:

**NOW, THEREFORE**, in consideration of the Recitals above, the premises and the mutual covenants and undertakings below, the parties hereto covenant, agree and bind themselves as follows:

#### ARTICLE I DEFINITIONS

DEFINITIONS

In addition to the terms defined above, the following words and phrases shall have the following meanings:

"Administrative Fee" shall mean the fee to the Board for each Tax Year equal to  $\frac{25 \text{ basis points}}{(0.25\%)}$  of the outstanding amount of the Loan that is payable in accordance with <u>Section 7.3(a)</u> hereof.

"Allocation Period" shall mean, with respect to each Parcel, the twenty (20) Tax Years designated in a notice from the Board to the County in accordance with the Development Agreement hereof. The Allocation Period shall be, with respect to each Parcel, the twenty (20) year period of time permitted under the Economic Impact Plan and under applicable law that the Tax Increment Revenues from such Parcel in the Plan Area will be allocated to the Board to be applied to the payment of debt service on the TIF Note. Any Tax Increment Revenues collected with respect to the Allocation Period for a Parcel shall be available to pay debt service on the TIF Note even if such Tax Increment Revenues are collected after the end of the Allocation Period as long as such Tax Increment Revenues relate to taxes imposed during the Allocation Period for such Parcel.

"Applicable Interest Rate" means the greater of (a) the SOFR Rate (as hereinafter defined), plus two and 50/100 percent (2.50%) or (b) four and 50/100 percent (4.50%) per annum.

"Assignment" means the Assignment of Tax Increment Revenues executed by the Board and delivered in accordance with Article III hereof and any amendments thereto from time to time.

"Base Taxes" means the amount of ad valorem taxes that were payable with respect to a Parcel to the County for the year prior to the date the Economic Impact Plan was approved by the County, which is the 2022 Tax Year.

"Business Day" means any day other than a Saturday, Sunday or federal holiday.

"Closing Date" means the date on which the TIF Note is issued by the Board to the Lender.

"Costs" means the Eligible Development Costs and Transaction Costs.

"Deed of Trust" means that certain Second Deed of Trust, Assignment of Rents and Security Agreement dated as of the date hereof from Developer for the benefit of Lender.

"Default" means any Default under this Loan Agreement as specified in and defined in Article VIII hereof.

"Development Agreement" shall have the meaning given to such term in the Recitals of this Agreement.

"Economic Impact Plan" shall have the meaning given to such term in the Recitals of this Agreement.

"Eligible Development Costs" means costs incurred to pay for the Public Infrastructure, including capitalized interest on the Note until the completion of the Public Infrastructure, that are permitted to be financed under the Economic Impact Plan.

"Guarantors" means, collectively, the Developer, Steven Maddox, and Joseph Hollingsworth, Jr., as joint and several guarantors.

"Guaranty" means, collectively, the Guaranty Agreements, each of even date herewith, from each of the Guarantors, as referred to in <u>Section 2.8(e)</u> hereof.

"Interest-only Period" shall mean the three-year period commencing on [\_\_\_\_\_\_, 2024 and continuing through \_\_\_\_\_\_, 2027].

"Loan" means the loan made under this Loan Agreement and evidenced by the TIF Note.

"Loan Documents" mean, collectively, the TIF Note, this Loan Agreement, the Assignment, and the other documents required by or delivered in connection with any of the foregoing.

"Maturity Date" means [\_\_\_\_\_, 2044].

"Note Payment Date" shall have the meaning given to such term in Section 2.5.

"Parcel" means a tax parcel in the Plan Area.

"Plan Area" shall have the meaning given to such term in the Recitals of this Agreement and shall include those parcels of property within the Plan Area listed or show on Exhibit B attached hereto.

"Project Fund" shall mean Prosperity Crossing Project Fund created under Section 7.1 of this Loan Agreement.

"Public Infrastructure" shall have the meaning given to such term in Tenn. Code Ann. § 9-23-102.

"SOFR Rate" means the thirty-day average Secured Overnight Financing Rate of interest (rounded upward to the next whole multiple of one-sixteenth of one percent (1/16 of 1%)) published daily by the Federal Reserve Bank of New York at 8:00 am EST.

"State" means the State of Tennessee.

"Tax Increment Fund" shall mean Prosperity Crossing Project Tax Increment Fund created under <u>Section 7.1</u> of this Loan Agreement.

"Tax Increment Revenues" means, with respect to each Parcel, 100% of all ad valorem property taxes assessed annually in respect of such Parcel by the County which are payable to the County with respect to any Tax Year during the Allocation Period for such Parcel, <u>less</u> (a) Base Taxes and (b) any portion of such incremental tax revenues designated by the County to pay debt service on the County's obligations that is required to be excluded from the Tax Increment Revenues pursuant to Tenn. Code Ann. § 7-53-312 and the Economic Impact Plan.

"Tax Year" shall mean each calendar year as to which property taxes are payable with respect to the Plan Area.

"TIF Note" or "Note" means the Tax Increment Revenue Note issued pursuant to Article II hereof.

"Transaction Costs" mean all legal fees, recording fees, appraisal fees, engineering fees, environmental fees, survey fees, fees of the Board and other similar fees and expenses incurred by the Board, the Lender or the Developer in connection with and attributable to the issuance of the TIF Note and the transactions directly related thereto.

#### ARTICLE II THE LOAN AND TIF NOTE

Section 2.1 <u>Designation</u>. The TIF Note shall be designated "The Industrial Development Board of the County of Knox \$8,900,000.00 Tax Increment Revenue Note, Series A (Prosperity Crossing Project)."

Section 2.2 Loan. Subject to completion of the conditions precedent set forth in <u>Sections 2.8(a)</u> and <u>2.8(b)</u> hereof, Lender agrees to make a term loan to the Board in an amount equal to Eight Million Nine Hundred Thousand and No/100 Dollars (\$8,900,000.00) (the "Loan"). The proceeds of the Loan may not be repaid and reborrowed.

Section 2.3 <u>Interest Rate</u>. Outstanding principal under the TIF Note shall bear interest at the Applicable Interest Rate; provided, however, that the Lender may determine to adjust the Applicable Interest Rate by written notice to the Board and the Developer given not later than thirty (30) days prior to the date of adjustment, upon Lender's review of current credit market conditions on [\_\_\_\_\_\_\_, 20\_\_\_], and thereafter on each sixty-month anniversary thereafter during the term of the TIF Note.

Section 2.4 <u>Maturity</u>. The TIF Note shall mature on the Maturity Date, unless prepaid earlier as provided herein and in the TIF Note; provided, however, that the TIF Note shall become immediately due and payable if the Lender determines to demand prepayment of all principal and interest under the TIF Note by the Board on [\_\_\_\_\_\_\_, 20\_\_\_\_], and thereafter on each sixty-month anniversary thereafter during the term of the TIF Note. Notwithstanding the Maturity Date of the Note, any Tax Increment Revenues with respect to taxes imposed during an Allocation Period for a Parcel but received after the Maturity Date of the TIF Note shall be applied to the payment of the TIF Note if the TIF Note has not been paid in full upon the receipt by the Board of any such amount.

Section 2.5 Interest Payments. During the Interest-Only Period, annual payments of accrued interest on the outstanding principal of the TIF Note shall be made on June 1 of each year. Thereafter, annual payments of accrued interest shall be made on each June 1, commencing [June 1, 2027]. Each date that accrued interest is to be paid on the TIF Note is referred to herein as "Note Payment Date." The sources for the payment of accrued interest, and the order in which amounts shall be paid therefrom, shall be as follows: first, from Tax Increment Revenues available therefor (if any) deposited in the Tax Increment Fund; second, from amounts payable by the Developer under the Development Agreement; and third, from amounts payable under the Guaranty Agreements. Interest shall be calculated based on a 365/366-day year at the interest rate specified above based on the actual number of days elapsed since the last interest payment. Upon request, the Lender shall provide to the Board and the Developer a current statement of payments of interest and any principal reductions as provided in <u>Section 2.6</u> hereof. In the event adequate funds, from the sources described above, are not available on any Note Payment Date or the Maturity Date during the term of the TIF Note to pay the interest accrued thereon and such amount is not paid from the Developer's funds pursuant to the Development Agreement, the amount of unpaid interest may be repaid as provided in the Development Agreement.

Section 2.6 <u>Principal Payments</u>. Beginning on [June 1, 2027], principal on the TIF Note shall be payable on each Note Payment Date, with all unpaid principal coming due on the Maturity Date or such earlier date on which the TIF Note shall become due and payable. The principal amount to be paid on each such Note Payment Date shall be in amount such that the outstanding principal amount of the TIF Note after such payment will not exceed the amount shown for such May 1<sup>st</sup> on <u>Exhibit D</u> attached hereto. All Tax Increment Revenues that are on deposit in the Tax Increment Fund on each Note Payment Date, commencing [\_\_\_\_\_\_\_\_, 20\_\_\_], after the payment of accrued interest on the TIF Note and the Administrative Fee payable to the Board pursuant to <u>Section 7.3 (a)</u>, shall be applied to the payment of the principal on the TIF Note as a payment thereof, but if such application of Tax Increment Revenues is not sufficient to reduce the principal amount of the TIF Note to what is required by this Section, the Board (subject to the limitations herein as to sources of payment) shall be required to make an additional payment of principal sufficient to reduce the principal amount of the TIF Note as required by this Section. All of the sources of payment as described in <u>Section 2.5</u> as to interest payments shall also be available to make each such principal payment, including payment under the Development Agreement or the Guaranty Agreements.

Section 2.7 <u>Optional Prepayments</u>. In addition to the principal payments required by <u>Section 2.6</u> hereof, the Board shall have the right to prepay the TIF Note, at the direction of the Developer, with available amounts in the Tax Increment Fund or from such other amounts as otherwise are available to the

Board, without premium or penalty, at any time upon three (3) days' notice to the Lender, provided that amounts on deposit in the Tax Increment Fund may only be used to prepay the TIF Note prior to [\_\_\_\_\_\_, 20\_\_\_] without the consent of the Lender. The amount of any such prepayment shall be applied to the principal amount to be prepaid plus accrued interest thereon.

Section 2.8 <u>Conditions Precedent to Agreement and the Loan</u>. In connection with the delivery of the TIF Note, and as conditions to the first advance thereunder, there shall be delivered to or deposited with the Lender, in form and substance satisfactory to the Lender:

(a) to the extent not paid with the proceeds of the TIF Note, the amount of any reasonable costs related to the documentation and closing of the Loan, including, but not limited to, title insurance premiums and costs, Lender's legal fees, appraisal and appraisal review fees, environmental inspection fees, survey fees and recording fees;

(b) copies, certified by the Secretary of the Board, of the Charter and Bylaws of the Board and the resolutions authorizing the issuance of the TIF Note and the execution, delivery and performance of this Loan Agreement and the TIF Note;

(c) copies, certified by an authorized officer of Developer, of the organizational documents of Developer and any resolutions authorizing the execution, delivery, and performance of the Development Agreement, its Guaranty, and the Deed of Trust by the Developer;

(d) copies of closing certificates and documentation required in connection with the execution and delivery of this Agreement and the Development Agreement, all in form and substance satisfactory to Lender's counsel;

(e) the executed Guaranty of each of the Guarantors regarding the repayment of the TIF Note, in form and substance satisfactory to Lender;

(f) a Tennessee certificate of existence for the each of the Board and the Developer indicating that each is in good standing;

(g) originally executed complete counterparts of this Loan Agreement, the Assignment, the Development Agreement, the Deed of Trust, and all other documents that may be required by Lender;

(h) an opinion of counsel to the Board in form and substance satisfactory to the Lender;

(i) an opinion of bond counsel acceptable to the Lender as to the enforceability of the TIF Note and the pledge of the Tax Increment Revenues; and

(j) the TIF Note, duly executed and issued by the Board, in an aggregate principal amount not to exceed \$8,900,000.00.

By its execution and delivery of this Loan Agreement, the Lender hereby acknowledges that each of the deliveries in this <u>Section 2.8</u> has been satisfied.

Section 2.9 <u>Execution, Limited Obligations</u>. The TIF Note shall be executed on behalf of the Board with the manual signature of the Chair and attested by the Secretary or other duly authorized officer of the Board. The TIF Note, and the obligations of the Board under this Loan Agreement and the other Loan Documents, shall not constitute an indebtedness of the County within the meaning of the Constitution

and statutes of the State or the charter or ordinances of the County. The obligations of the Board under this Agreement, the TIF Note or any other Loan Documents are not general obligations of the Board but are limited obligations payable solely out of the Tax Increment Revenues pledged to and designated for the payment of such obligations and made available to the Board. In the event that a Default occurs under this Loan Agreement, no judgment for any deficiency for the obligations of the Board under the TIF Note, this Loan Agreement or any other Loan Documents shall be sought or obtained against the Board, except to the extent payable solely from the Tax Increment Revenues pledged to and designated for the payment of such obligations. Nothing contained in this Section 2.9 shall (x) be deemed to be a release or impairment of the indebtedness evidenced by the TIF Note or the lien of this Loan Agreement or any of the other Loan Documents except for the nonrecourse provisions of the immediately preceding sentence, or impair the indebtedness recoverable under the Guaranty, or (y) preclude the Lender from realizing on the collateral described in the Loan Documents in the event of a Default. Amounts deposited in the Tax Increment Fund and the Tax Increment Revenues shall be used for no purpose other than to pay the principal of, interest on and any other amounts due under the TIF Note and this Agreement, including Administrative Fees, until they are paid in full. For the avoidance of doubt, and notwithstanding the foregoing or anything to the contrary in this Loan Agreement or in any of the other Loan Documents, the Board is not personally liable for the repayment of the Loan outside of the Tax Increment Revenues pledged to and designated for the payment of such obligations and is not obligated to make up any shortfall in Tax Increment Revenues to pay debt service on the TIF Note.

Section 2.10 Form of TIF Note. The TIF Note is to be in substantially the form set forth in Exhibit  $\underline{A}$  attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Loan Agreement, with such changes being conclusively approved by execution of the TIF Note by the Board and acceptance of the TIF Note by the Lender.

Section 2.11 <u>Origination Fee</u>. Developer shall pay to Lender on the Closing Date an origination fee equal to Forty-Four Thousand Five Hundred and 00/100 Dollars (\$44,500.00) (the "Origination Fee"). Developer expressly acknowledges that such fee is fair and reasonable compensation for Lender's commitment hereto.

### ARTICLE III COLLATERAL SECURING THE TIF NOTE

Section 3.1 <u>Assignment of Tax Increment Revenues</u>. As a source of and security for the payment of the TIF Note and all amounts due hereunder, the Board has assigned and pledged to the Lender, pursuant to the Assignment, all Tax Increment Revenues, except the Administrative Fees payable to the Board pursuant to <u>Section 7.3</u>.

Section 3.2 <u>Pledge of Tax Increment Fund</u>. To the extent of any interest of the Board therein, all moneys in the Tax Increment Fund, including, without limitation, any earnings thereon and proceeds thereof, except the Administrative Fee payable to the Board pursuant to <u>Section 7.3</u>, are hereby pledged to the payment of the principal of and interest on the TIF Note, and the Board hereby grants to the Lender a security interest therein. The Tax Increment Fund shall be maintained with the Lender, at the expense of the Developer, in an account designated by the Lender, with interest earnings thereon being deposited into such Tax Increment Fund.

Section 3.3 <u>Right of the Lender to Receive Collateral and Proceeds</u>. The Lender is hereby authorized to receive and hold all the collateral described in this Article III as security for the TIF Note and all amounts due hereunder.

Section 3.4 <u>Waiver of Other Rights</u>. Other than as provided in this Loan Agreement or as subsequently provided in a separate written instrument and other than a right of set-off against the Tax Increment Fund, the Lender shall not have any right of set-off against any funds of the Board maintained in an account with the Lender and the Lender expressly waives all such rights.

#### ARTICLE IV

## EXTRAORDINARY PREPAYMENT OF THE TIF NOTE

Section 4.1 <u>Extraordinary Prepayment</u>. The TIF Note is subject to prepayment upon the demand of the Lender, in whole, at a redemption price equal to 100% of the principal amount outstanding thereof plus accrued interest to the redemption date, but only from any Tax Increment Revenues available therefor or amounts payable by the Developer or by the Guarantors pursuant to any Guaranty, in the event that:

(a) The Developer fails to pay when due (or within any grace period therein provided) any amount required it under the terms of the Development Agreement;

(b) Any Guarantor fails to pay when due (or within any grace period therein provided) any amount required of any Guarantor under the terms of any Guaranty as it relates to the TIF Note;

(c) Tax Increment Revenues cease to be legally available for principal or interest payments on the TIF Notes; or

(d) This Loan Agreement or any of the Loan Documents becomes void, unenforceable, or impossible of performance as a result of any changes in law or administrative, legislative or judicial action.

Section 4.2 <u>Payment Due</u>. The payment due to the Lender as a result of any prepayment of the TIF Note pursuant to this Article IV shall be paid in full within ten (10) days after the occurrence of the event pursuant to which the TIF Note must be prepaid hereunder.

### ARTICLE V

## REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.1 <u>Representations and Warranties of the Board</u>. The Board represents and warrants that:

(a) The Board is a duly established, organized and existing public corporation under the laws of the State of Tennessee.

(b) The Board has all requisite power, authority and legal right to execute and deliver the Loan Documents and all other instruments and documents to be executed and delivered by the Board pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All corporate action on the part of the Board which is required for the execution, delivery, performance and observance by the Board of the Loan Documents has been duly authorized and effectively taken, and such execution, delivery, performance, and observation by the Board do not contravene applicable law or any contractual restriction binding on or affecting the Board.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by the Board of, and performance by the Board of its obligations under, the Loan Documents other than the notices and filings required to be made upon closing and annually with the Comptroller of the State of Tennessee and as required under the Act and Tenn. Code Ann. § 9-23-101, et seq.

(d) The Loan Documents, when delivered, will be legal, valid, and binding special obligations of the Board enforceable against the Board in accordance with their respective terms.

(e) There is no default of the Board in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Loan Documents or the ability of the Board to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of the Board, threatened, action or proceeding before any court, governmental agency or arbitrator (i) to restrain or enjoin the issuance or delivery of the TIF Note or the collection of any revenues pledged under this Loan Agreement or the Assignment, (ii) in any way contesting or affecting the validity, authorization or enforceability of this Loan Agreement, the TIF Note or Assignment, the availability of Tax Increment Revenues to pay and secure this Loan Agreement, the TIF Note, or the Assignment, or (iii) in any way contesting the existence or powers of the Board which could have an adverse effect on the validity, authorization, or enforceability of this Loan Agreement, the TIF Note, or the Assignment with respect to the Board or on the ability of the Board to carry out its obligations hereunder or thereunder.

(g) In connection with the authorization, issuance and sale of the TIF Note, the Board has complied with all provisions of the Act and Sections 8-44-104, <u>et seq.</u>, of Tenn. Code Ann.

(h) The Board has not assigned or pledged and will not assign or pledge its interest in the Tax Increment Revenues with respect to the period prior to payment in full of the indebtedness evidenced by the TIF Note for any purpose other than to secure the TIF Note under this Loan Agreement.

(i) Other than as expressly provided in this Loan Agreement, the Tax Increment Fund is not subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board.

(j) The Board is not in default under any provision of its Charter or Bylaws and is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in <u>Section 5.1(b)</u> hereof.

Section 5.2 Covenants of the Board. The Board covenants with the Lender as follows:

(a) The Board will not allow the Tax Increment Fund to become subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board, other than the Lender pursuant to this Loan Agreement and the Assignment.

(b) The Board will not enter into any agreement or instrument which might in any way prevent or materially impair its ability to perform its obligations hereunder or under the Loan Documents.

(c) So long as the TIF Note shall remain outstanding, the Board will, upon the reasonable request of the Lender:

(i) take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Loan Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary or desirable to carry out the intent and purpose of the Loan Documents, but at all times, the Loan shall remain non-recourse to the Board, except to the extent payable solely from the Tax Increment Revenues as described herein.

(d) So long as the TIF Note shall remain outstanding, the Board will not, without the prior written consent of the Lender:

(i) take any action, or fail to take any required action, that, directly or indirectly, adversely affects its existence or status as a public corporation under the laws of the State;

(ii) take any action, or fail to take any required action, that would cause or permit the County not to collect and pay to the Board (or deposit into the Tax Increment Fund) the Tax Increment Revenues; or

(iii) take any action, or fail to take any required action, that would have the effect of materially reducing the expected Tax Increment Revenues, including, without limitation, entering into a payment in lieu of tax transaction in accordance with Tenn. Code. Ann. § 7-53-305 with respect to any parcel in the Plan Area.

## ARTICLE VI

## DISBURSEMENTS OF PROCEEDS

On the Closing Date, at the direction of the Developer and with approval of the Lender, the Lender shall deposit all proceeds of the Loan into the Project Fund, as defined herein. The proceeds of the Loan shall be used solely to pay or to reimburse the Developer for Eligible Development Costs and Transaction Costs, all are as detailed on a Borrowing Certificate delivered to the Board and the Lender, the form of which is attached hereto as <u>Exhibit C</u> and incorporated herein by reference ("Borrowing Certificate"). The proceeds of the Loan may not be repaid and reborrowed. The following shall be additional conditions precedent to each disbursement of proceeds from the Project Fund:

(i) no breach of this Agreement or the Development Agreement by Developer has occurred and is continuing; and

(ii) all representations and warranties of the Developer in this Agreement and the Development Agreement are true and correct as of the date thereof.

### ARTICLE VII PROJECT FUND AND TAX INCREMENT FUND

Section 7.1 <u>Establishment of Funds</u>. There are hereby established by the Board (a) a special fund to be held in a segregated account with the Lender called the "Prosperity Crossing Project Fund," that is not commingled with funds and loan proceeds not related to the construction of the Public Infrastructure, into which shall be deposited all proceeds of the TIF Note prior to their disbursement to pay Transaction

Costs and Eligible Development Costs and any interest earnings thereon and (b) a special fund to be held in a segregated account with Lender called the "Prosperity Crossing Project Tax Increment Fund," into which shall be deposited all Tax Increment Revenues and any interest earnings thereon.

Section 7.2 <u>Disbursements from Project Fund</u>. All proceeds of the TIF Note shall be deposited in the Project Fund. Amounts deposited in the Project Fund shall be disbursed in accordance with Article VI hereof.

## Section 7.3 Disbursements from Tax Increment Fund.

(a) On each Note Payment Date, commencing on the May 1<sup>st</sup> following the first Allocation Period, the Board shall disburse to itself its Administrative Fee from the Tax Increment Revenues deposited in the Tax Increment Fund on such date, but only to the extent available therefrom and only to the extent the Administrative Fee has not already been received by the Board for the Tax Year during which such date occurs. After such disbursement, all remaining Tax Increment Revenues on deposit in the Tax Increment Fund shall be applied to the payment of the interest and principal due under the TIF Note as provided in <u>Sections 2.5</u> and <u>2.6</u> hereof and in the Tax Increment Fund after the May 1<sup>st</sup> following the Tax Year as to which such tax payments relate, such amounts shall be applied, at the direction of the Developer, to prepay the TIF Note as provided in <u>Section 2.7</u> hereof. Amounts deposited in the Tax Increment Fund shall not be invested.

(b) In the event of prepayment in whole of the TIF Note under <u>Article IV</u> hereof, the entire amount of the Tax Increment Fund (less any outstanding Administrative Fee payable to the Board pursuant to <u>Section 7.3(a)</u>) shall be disbursed to prepay the TIF Note.

# ARTICLE VIII DEFAULTS AND REMEDIES

Section 8.1 <u>Defaults</u>. Each of the following events shall constitute a "Default" hereunder:

(a) default in the due and punctual payment of interest on or principal of the TIF Note on any Note Payment Date to the extent required by <u>Sections 2.5</u> and <u>2.6</u> hereof after ten (10) days' written notice thereof to the Board and the Developer;

(b) the occurrence of a breach under or failure to comply with terms of the Development Agreement, the Assignment, the Deed of Trust, any Guaranty, or any of the other Loan Documents, and the passage of the period, if any, allowed thereunder for the remedying or curing of such breach or failure of compliance;

(c) the occurrence of a breach under or failure to comply with terms of any other of the covenants, agreements or conditions on the part of the Board, the Developer, or any Guarantors contained in this Loan Agreement or any of the other Loan Documents (except as described in Sections 8.1(a) - (b) hereof) and the failure to remedy the same within thirty (30) days after written notice thereof to the Board, the Developer, and the Guarantors; provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty (30) day period, (ii) does not involve the payment of any monetary sum, and (iii) does not place any rights or interest in collateral of the Lender in immediate jeopardy, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by the Board, the Developer, or the Guarantors to the reasonable satisfaction of the Lender within such thirty (30) day period and diligently pursued until such breach or failure to comply is corrected; provided, further,

however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of the Lender, which shall not be unreasonably withheld, conditioned or delayed. If the Board, the Developer, or the Guarantors shall fail to correct or cure such breach or failure to comply within such ninety (90) day period (as the same may be extended pursuant to the foregoing sentence), a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required;

(d) Tax Increment Revenues cease to be legally available for principal and interest payments on the TIF Note;

(e) the Developer fails to pay when due (or within any grace period therein provided) any amount required of it under the terms of the Development Agreement;

(f) any Guarantor fails to pay when due (or within any grace period therein provided) any amount required of Guarantor under the terms of any Guaranty as it relates to the TIF Note;

(g) this Loan Agreement or any of the other Loan Documents becomes void, unenforceable, or impossible of performance as a result of any changes in law or administrative, legislative or judicial action;

(h) the filing by or against the Developer or any Guarantor of a voluntary or involuntary petition in bankruptcy or the filing against the Developer or any Guarantor of a complaint or petition seeking the appointment of a trustee, receiver, liquidator, or examiner of the Developer or any Guarantor, or any of their assets; or the Developer or any Guarantor's adjudication as a bankrupt or insolvent; or the filing by the Developer or any Guarantor of any petition or answer seeking or acquiescing in any reorganization, receivership, arrangement, composition, readjustment, liquidation, dissolution, or similar relief for the Developer or any Guarantor, or any of their assets under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency, receivership or other relief for debtors; or the Developer or any Guarantor's seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator or examiner of the Developer or any Guarantor, including, but not limited to, rents, issues, profits or revenues thereof; or the making by the Developer or any Guarantor, of any general assignment for the benefit of creditors; or the admission in writing by the Developer or any Guarantor, of its inability to pay its debts generally as they become due; or the commission by the Developer or any Guarantor, of an act of bankruptcy; or an execution, levy, garnishment, or the commencement of attachment, seizure, foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, administrative proceeding or any other method against any collateral securing the Loan;

(i) should a material adverse change occur in the financial condition of any Guarantor or the value of any Loan Document is impaired or is limited including, without limitation, the assertion of any offset, cancellation, termination, limitation, revocation, dispute, claim, unenforceability, invalidity, or loss of priority of the Note or any Loan Document or the commencement of any legal or equitable proceeding challenging the execution, liability, enforceability, validity, perfection and priority of the Note or any Loan Document given with respect to or in connection with the Loan; or

(j) any consolidation, reorganization, restructure or dissolution of the Developer or any Guarantor which is an entity, or the liquidation or any revocation or any termination of existence of the Developer or any Guarantor which is not cured within sixty (60) days after such event (regardless of whether election to continue is made); or any expiration, revocation or other termination of the Developer's or any Guarantor's charter, bylaws, organizational agreement, certificate of authority, good standing, or authorization to do business which is not cured within sixty (60) days after such event; or merger with another entity when the Developer or any Guarantor is not the surviving entity.

Section 8.2 <u>Acceleration</u>. Upon the occurrence of any Default hereunder and the expiration of any applicable cure period without cure, the Lender may declare the principal of the TIF Note and all accrued and unpaid interest thereunder to be immediately due and payable.

Section 8.3 Other Remedies.

(a) Upon the occurrence of a Default, and subject to the provisions of <u>Section 2.9</u> hereof, the Lender may pursue any available remedy at law or in equity to enforce the payment of the principal of and interest on the outstanding TIF Note and to enforce the Deed of Trust, Assignment, the Guaranty Agreements and all rights derived therefrom.

(b) No remedy conferred upon or reserved to the Lender by the terms of this Loan Agreement, the Deed of Trust, the Guaranty Agreements, or the Assignment is intended to be exclusive of any other remedy, but subject to the provisions of <u>Section 2.9</u> each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Lender hereunder or now or hereafter existing at law or in equity.

(c) No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

(d) No waiver of any Default hereunder, whether by the Lender or by any holder of the TIF Note, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 8.4 <u>Waiver</u>. Upon the occurrence of a Default, to the extent that such rights may then lawfully be waived, neither the Board nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay or extension laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the collection of the TIF Note or the enforcement of this Loan Agreement, the Development Agreement, the Assignment, the Deed of Trust, or any of the other Loan Documents, and the Board, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

By written notice to the Board provided in accordance with <u>Section 9.2</u> hereof, the Lender shall have the right to waive any breach of any promise made in the TIF Note, or any Default under <u>Section 8.1</u> hereof, or any default under the Assignment or other documents relating to, securing or otherwise executed in connection with the TIF Note, and its consequences. In case of any such waiver or rescission, then and in every such case the Board and the Lender shall be restored to their former positions and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other breach, Default or default or impair any right consequent thereon.

Section 8.5 <u>Application of Moneys</u>. All moneys received by the Lender pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and

advances incurred or made by, the Lender, be allocated to and applied first to accrued interest and then to principal due on the TIF Note.

Section 8.6 <u>Board Obligations</u>. Upon the occurrence and continuance of a Default, the Board hereby grants to the Lender the full authority for the account of the Board to perform any covenant or obligation of the Board under this Loan Agreement, in the name and stead of the Board, with full power to do any and all things and acts to the same extent that the Board could do and perform any such things and acts and with power of substitution.

#### ARTICLE IX MISCELLANEOUS

Section 9.1 <u>Term of Loan Agreement</u>. This Loan Agreement shall remain in full force and effect from the date hereof to and including such time as all of the TIF Note and the fees and expenses of the Lender relating to this Loan Agreement, the TIF Note and the Assignment shall have been fully paid.

Section 9.2 <u>Notices</u>. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand-delivered or mailed by registered or certified mail, postage prepaid, or delivered by courier (such as Federal Express), all charges prepaid, addressed as follows:

If to the Board:

The Industrial Development Board of the County of Knox 17 Market Square, Suite 201 Knoxville, Tennessee 37902 Attention: Chair

With a copy to:

Egerton, McAfee, Armistead & Davis, P.C. 1400 Riverview Tower 900 S. Gay Street Knoxville, Tennessee 37902 Attention: R. Christopher Trump

With a copy to:

I40/75 Business Park, LLC 100 Dalton Place Way, Suite 105 Knoxville, Tennessee 37911 Attention: Steven Maddox

If to the Lender:

SouthEast Bank 12700 Kingston Pike Knoxville, Tennessee 37934 Attention: Brandon Hopkins With a copy to:

Attention:

The Board and the Lender may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.3 <u>Binding Effect</u>. This Loan Agreement shall inure to the benefit of and shall be binding upon the Board and the Lender and their respective successors and assigns.

Section 9.4 <u>Severability</u>. In any event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 9.5 <u>Amendments, Changes and Modifications</u>. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Lender, the Board and the Developer.

Section 9.6 <u>Execution in Counterparts</u>. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.7 <u>Applicable Law</u>. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, and the venue of any litigation with respect hereto shall be exclusively in state court in Knox County, Tennessee or federal court in the U.S. District Court for the Eastern District of Tennessee.

Section 9.8 <u>Captions</u>. The captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Loan Agreement.

Section 9.9 <u>Payment or Performance on Business Days</u>. If the date for any payment hereunder, or the last date for performance of any act or the exercising of any right as provided in this Loan Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 9.10 <u>No Liability of Officers</u>. No recourse under or upon any obligation, covenant, or agreement herein, in the TIF Note or in the Assignment, or under any judgment obtained against the Board or the Developer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any incorporator, member, employee, director or officer, as such, past, present, or future, of the Board or the Developer, as applicable, either directly or through the Board or the Developer, as applicable, or otherwise, for the payment for or to the Board or the Developer, as applicable, or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may be due and unpaid by the Board or the Developer, as applicable, upon the TIF Note or the Assignment to which any such party is a party. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, employee, director or officer, as such, to respond by reason of any act or omission

on his part or otherwise, for the payment for or to the Board or the Developer, as applicable, or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may remain due and unpaid upon the TIF Note or the Assignment, is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement and the issuance of the TIF Note.

Section 9.11 <u>No Liability of County</u>. The County shall not, in any event, be liable for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever herein or indebtedness by the Board, and neither the TIF Note nor any of the agreements or obligations of the Board contained in any other document relating thereto or otherwise shall be construed to constitute an indebtedness of the County within the meaning of any constitutional or statutory provision whatsoever, provided, however, that the terms of this <u>Section 9.11</u> shall in no way limit or affect the obligation of the County to remit the Tax Increment Revenues for the benefit of the Lender and the Board.

Section 9.12 Interest and Charges. Notwithstanding any provision herein to the contrary, it is the intent of the Lender and the Board that neither the Lender nor any subsequent holder of the indebtedness evidenced by this Loan Agreement or the TIF Note shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations. In the event this Loan Agreement or the TIF Note requires a payment of interest or other charges that exceeds the maximum amounts legally permitted to be charged under applicable law or regulations, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum amounts legally permitted to be charged under applicable law and regulations. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term hereof, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the Lender shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest. The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the maximum lawful rate of interest permitted to be charged under the applicable laws and regulations of the State of Tennessee.

Section 9.13 Limitation of Board Liability - No Personal Liability. Anything in this Agreement to the contrary notwithstanding, Lender agrees it shall look solely to the Tax Increment Fund for the collection of any judgment (or other judicial process) requiring the payment of money by the Board or the County in the event of any default or breach by the Board or the County with respect to any of the terms, covenants and conditions of this Agreement to be observed and/or performed by the Board or the County. No recourse shall be had for any claim based upon any obligation, covenant or agreement in this Agreement against any past, present or future director, officer, member, employee, counsel, or agent of the Board, whether directly or indirectly, and all such liability of any such individual as such is expressly waived and released as a condition of and in consideration for the Board entering into this Loan Agreement. Under no circumstances shall the Board be liable for any special or consequential damages, all of which are hereby waived by the Developer. No other property or assets of the Board or the County other than the Tax Increment Revenues shall be subject to levy, execution or other procedures for the satisfaction of remedies of the Lender hereunder.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the Board has caused this Loan Agreement to be executed in its name and the Lender has caused this Loan Agreement to be executed in its name, all as of the date first above written.

## BOARD:

THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

By:\_\_\_\_

Chair

ATTEST:

Secretary

LENDER:

SOUTHEAST BANK

# EXHIBIT A

**TIF Note Form** 

# EXHIBIT B

### Parcels within the Plan Area

Tax Parcel	2022 Knox County Base Taxes
141 033	\$7,840.00
141 03304	\$4,216.00
141 02806*	\$4,751.00
141 028	\$471.00
141 02802	\$4,662.00
141 03306**	\$4,590.52
141 03302***	\$7,350.42
141 03301****	\$1,838.07

Base Tax Year: 2022

\*Parcel 141 02806 was recently combined from parcels 141 02806 and 141 02805, so the 2022 Knox County Base Taxes for both parcels 141 02806 and 141 02805 is totaled here.

\*\*Owned by Jemini LLC

\*\*\*Owned by Scott Mieloch

\*\*\*\*Owned by Hays Family Trust

## EXHIBIT C

### Form of Disbursement Request

To: SouthEast Bank

12700 Kingston Pike Knoxville, Tennessee 37934 Attention: Brandon Hopkins

The Industrial Development Board of the County of Knox 17 Market Square, Suite 201 Knoxville, Tennessee 37902 Attention: Chair

Re: Loan evidenced by \$8,900,000.00 Tax Increment Revenue Note, Series A (Prosperity Crossing Project) dated [\_\_\_\_\_\_, 2024] (the "Loan"), made pursuant to a Loan Agreement, dated [\_\_\_\_\_\_, 2024] (the "Loan Agreement"), between The Industrial Development Board of the County of Knox (the "Board") and SouthEast Bank (the "Lender")

Dated: [\_\_\_\_\_], 2024

You are hereby authorized and requested to disburse pursuant to <u>Article VI</u> of the Loan Agreement the sum of § \_\_\_\_\_\_ (the "Requested Amount") from the Project Fund created pursuant to the Loan Agreement or, if the initial disbursement, directly to the parties listed on <u>Exhibit A</u> hereto. In connection with such disbursement, I40/75 Business Park, LLC, a Tennessee limited liability company, the Developer referenced in the Loan Agreement (the "Developer"), hereby certifies as follows:

(a) All amounts disbursed shall be applied to the payment of or the reimbursement to the Developer for the payment of costs relating to Eligible Development Costs and/or Transaction Costs. With respect to amounts disbursed to pay Eligible Development Costs, the Developer hereby represents and warrants that (i) the Developer is familiar with the definition of Public Infrastructure within the meaning of the Loan Agreement; (ii) all Eligible Development Costs for which payment is requested were incurred to pay for Public Infrastructure and (iii) the Developer has confirmed with its design professionals, including its architect or engineer, and its site development contractor that the allocation of costs incurred with respect to the Project as shown on Exhibit A reflect a fair allocation of costs to Public Infrastructure.

(b) With the delivery of this Certificate, and upon approval of the Board below, all requirements and conditions for disbursement of amounts pursuant to this request under <u>Article VI</u> of the Loan Agreement have been satisfied.

Please disburse all such amounts to the parties in the manner described on Exhibit A attached hereto.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Initial Disbursement Request to be executed in their names as of the date first above written.

**DEVELOPER:** 

I40/75 Business Park, LLC

By: \_\_\_\_\_\_ Its: \_\_\_\_\_

APPROVED BY:

LENDER:

SouthEast Bank

By: \_\_\_\_\_\_ Its: \_\_\_\_\_

APPROVED BY:

**BOARD**:

The Industrial Development Board of the County of Knox

By:\_\_\_\_\_ Paul Fortunato, Chairman

# EXHIBIT A

## Disbursements

<u>Payee</u>

**Description** 

<u>Amount</u>

# EXHIBIT D

Maximum Principal Amount Outstanding on TIF Note on each May 1st

### DEVELOPMENT AND FINANCING AGREEMENT RELATING TO PROSPERITY CROSSING PROJECT

This DEVELOPMENT AND FINANCING AGREEMENT (this "Agreement") is entered into as of \_\_\_\_\_\_, 2024, by and between THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et seq. (the "Board"), and I40/75 BUSINESS PARK, LLC, a Tennessee limited liability company (the "Developer").

## WITNESSETH:

WHEREAS, the Board has prepared and approved an Economic Impact Plan for Prosperity Crossing Project (the "Economic Impact Plan") regarding the development of a mixed-use development, expected to include a multiuse regional sports venue and sports training facilities with medical components, a 326-unit Class A apartment complex, hotels, retail establishments, and restaurants (collectively, the "Project") on certain parcels of real property generally located off El Camino Lane in Knox County, Tennessee near the Watt Road interchange on I-40/75 in Knox County, Tennessee, as further described in the Economic Impact Plan; and

WHEREAS, the area that is subject to the Economic Impact Plan is shown on Exhibit A attached hereto (the "Plan Area"); and

WHEREAS, such tax parcels identified by the Knox County Property Assessor's office as 141 03301 (owned by Hays Family Trust), 141 03302 (owned by Scott Mieloch), and 141 03306 (owned by Jemini LLC) (collectively, the "Additional Parcels"), have been included within the Plan Area to be affected by the proposed tax increment financing, and such owners of the Additional Parcels have consented to the inclusion of such Additional Parcels into the Plan Area;

WHEREAS, except for the Additional Parcels, the Developer or its affiliated entities are the owners of substantially all of the property located within the Plan Area; and

**WHEREAS**, the Developer has prepared a master plan for the Project, which was attached as Exhibit A to the Economic Impact Plan (the "Master Plan"); and

WHEREAS, consistent with the Master Plan, the Developer has prepared a site plan for the Project, which is attached hereto as Exhibit B; and

**WHEREAS**, the Developer intends to develop the Project in substantially the manner shown on the Master Plan and the Site Plan; and

WHEREAS, the Economic Impact Plan authorizes tax increment financing ("Tax Increment Financing") to finance a portion of the cost of the Project as described in the Economic Impact Plan; and

WHEREAS, in order to accomplish such tax increment financing, SouthEast Bank, a Tennessee banking corporation (the "Lender"), has agreed to extend a loan to the Board in the principal amount not to exceed \$8,900,000.00 (the "TIF Loan"), evidenced by a tax increment revenue note issued by the Board (the "TIF Note"), with such TIF Note being issued pursuant to the terms of a Loan Agreement between the Lender and the Board (the "Loan Agreement"); and

**WHEREAS**, the TIF Loan and the TIF Note are guaranteed pursuant to the terms of Guaranty Agreements (the "Guaranty Agreements") executed by each of the Developer, Steven Maddox, and Joseph Hollingsworth, Jr., individually and as joint and several guarantors (collectively, the "Guarantors"); and

WHEREAS, the proceeds of the Tax Increment Financing would be used to pay a portion of the costs of Public Infrastructure, as defined in the Loan Agreement, related to the Project and costs related to the closing of the TIF Loan; and

WHEREAS, certain incremental property tax revenues (the "Tax Increment Revenues") that result from the development of the Plan Area under the Economic Impact Plan will be allocated to the Board by Knox County, Tennessee (the "County") to be used to pay debt service of the Tax Increment Financing; and

**WHEREAS**, for the purpose of establishing the rights and obligations of the parties with respect to the development of the the Plan Area and certain terms related to the Tax Increment Financing, the parties have entered into this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and mutual agreements by and between the parties, as hereafter set forth in detail, the parties do hereby mutually agree as follows:

1. <u>Designation as Developer</u>. The Board hereby designates the Developer as developer of the Project and, in furtherance thereof, grants to the Developer and its affiliated entities, during the term of this Agreement, the exclusive right to develop the Project substantially in accordance with this Agreement and the Economic Impact Plan.

2. <u>The TIF Loan</u>. On the date hereof, the Board and the Lender have closed the TIF Loan pursuant to the terms of the Loan Agreement and the following documents have been executed, accepted and/or delivered in connection therewith (collectively, with the Loan Agreement, the "Loan Documents"):

(a) the TIF Note;

(b) an Assignment of Tax Increment Revenues, dated as of the date hereof, between the Board and the Lender (the "TIF Assignment"), assigning the Tax Increment Revenues to the Lender to secure the TIF Note; and

(c) the Guaranty Agreements.

The Developer consents to the disbursement of the proceeds of the TIF Loan in accordance with the Loan Documents and this Agreement and acknowledges that it has approved the terms of the Loan Documents in all respects. The Board agrees to comply with the terms of the Loan Documents to which it is a party. The Board also agrees that it will not agree or consent to any amendment, modification or change in the Loan Documents without the prior written consent of Developer, provided the Developer is not in default in the performance of its obligations hereunder.

3. <u>Use of Proceeds of TIF Loan</u>. The Board hereby agrees to commit the proceeds of the TIF Loan, to the payment of Eligible Development Costs and Transaction Costs (each as defined in the Loan Agreement) with respect to the Project in the amount up to \$8,900,000.00 in accordance with the terms and conditions of the Loan Agreement and this Agreement. In the event the Eligible Development Costs and Transaction Costs exceed the proceeds of the TIF Loan, the Developer shall pay all such excess costs. The Developer agrees that the Board shall have no obligation to undertake any activities that would cause the Board to incur costs or expenses in excess of the proceeds of the TIF Loan available therefor. The

Developer acknowledges that the Developer shall have sole responsibility as to the tax consequences to the Developer and its members and affiliates relating to the application of the proceeds of the TIF Loan, including any federal income tax consequences, and the Developer acknowledges for itself and its members and affiliates that it has not and shall not rely on any representation of the Board, its legal counsel or bond counsel relating to such tax consequences.

4. <u>Developer Obligations</u>. The Developer has already undertaken or agrees to undertake the following development activities in connection with the Project (the "Development Activities"):

(a) Use its best efforts to develop the Project substantially as shown on the Site Plan;

(b) Make no Material Alterations to the Site Plan without the prior consent of the Board, which shall not be unreasonably withheld, conditioned or delayed. As used herein, a "Material Alteration" to the Site Plan shall mean any change that would materially decrease the Tax Increment Revenues or would alter or eliminate any portion of the public amenities or Public Infrastructure shown on the Site Plan.

(c) Diligently pursue the construction of the multiuse regional sports venue and sports training facilities with medical components, a 326-unit Class A apartment complex, hotels, retail establishments, and restaurants as shown on the Site Plan as part of the Project and all public amenities and Public Infrastructure shown on the Site Plan and complete said construction in accordance with the Site Plan on or before [December 31, 20\_\_\_] (the "Completion of Construction"). The sports venue portion of the development will include, at a minimum, a multifield soccer facility, consisting of no less than seven (7) soccer fields across at least twenty-six (26) acres and associated amenities, including parking, concessions, and restrooms (collectively, the "Soccer Complex"). The financial assistance to the Project is contingent upon the Developer commencing construction of the Soccer Complex by [\_\_\_\_\_\_, 20\_\_\_]. Furthermore, Developer agrees that no Tax Increment Revenues will be used to pay debt service on the Tax Increment Financing until the Soccer Complex has been completed.

(d) Cause the construction of the Project to be performed in a good and workmanlike manner by licensed contractors. Subject to <u>Section 3</u> above, as between the Developer and the Board, the Developer shall be solely responsible for the amount of any costs, fees and expenses incurred in connection with the construction of the Project and in performance of the terms of all construction contracts relating to the Project (collectively, the "Construction Contracts").

(e) Cause the construction of the Project to be in accordance with good construction industry practice and cause the Project to be safe for the general public and to have amenities consistent with the Site Plan, including, without limitation, the public amenities set forth in the Site Plan.

(f) Cause the Project and the design and construction of the Project and all public amenities and Public Infrastructure as shown on the Master Plan to comply with all applicable permits, laws, regulations, codes and periodic inspections of all governmental and quasi-governmental local, state and federal agencies and authorities having jurisdiction over the Project. The Developer will also arrange for the appropriate municipal and public utility bodies to provide utility and related services, as needed, for the operation of the Project.

(g) Secure or cause to be secured all structural, mechanical, environmental, soils and other tests that are normally and customarily performed in accordance with good construction industry practice in the state of Tennessee, and/or to comply with the Construction Contracts,

and/or which are necessary to comply with applicable law. The costs of such tests shall be the responsibility of the Developer.

(h) Pay all amounts due under the Construction Contracts and use commercially reasonable efforts to cause any general contractor to pay each subcontractor, laborer and materialman the amount due under its subcontract on account of its service or work. The Developer shall keep, and cause to be kept, the Project free from liens, claims and encumbrances of the contractors, subcontractors, materialmen, laborers and others, other than liens, claims or encumbrances that may arise in the ordinary course of construction and which do not materially adverse impact the ability of the Developer to perform its obligations hereunder; provided, however, the Developer shall not be in default under this subsection to the extent that Developer in good faith is disputing any such lien, claim or encumbrance.

(i) Cause all legally or contractually required permits, licenses and certificates of occupancy to be obtained and paid for and cause all laws, rules, regulations and codes of federal, state and local governments to be observed with respect to all work and operations performed pursuant to this Agreement.

(j) Provide updates to the Board on the status of the Development Activities and the Project as is reasonably requested by the Board.

(k) Acquire and maintain during the term of this Agreement commercial general liability insurance covering claims for bodily injury, death and property damage in the amount not less than Two Million Dollars (\$2,000,000.00) per occurrence and an umbrella policy in an amount not less than Five Million Dollars (\$5,000,000.00). All required policies of insurance and any endorsements, renewals or replacements thereof shall be in form and substance satisfactory to the Board, and shall be issued by a company licensed in the State of Tennessee and acceptable to the Board. The Board shall be named as an additional insured with respect to such liability policies. All policies shall contain a written obligation on the part of the insurance carrier to notify the Board in writing not less than thirty (30) days prior to the effective date of any cancellation or material modification of any such insurance coverage. At least thirty (30) days prior to the expiration date of any of the policies, the Developer shall deliver to the Board renewal policies, binders or certificates establishing coverage in form satisfactory to the Board.

5. <u>Obligations of the Developer with Respect to the TIF Loan</u>. The Developer agrees to the following obligations with respect to the TIF Loan:

(a) The Developer shall pay on behalf of the Board, directly to the Lender, in connection with the annual payments of debt service on the TIF Note as specified therein (irrespective of the limitation in the TIF Note that such payments are limited to Tax Increment Revenues) and that are due on each Note Payment Date through and including the maturity of the TIF Note, an amount equal to the difference, if any, between the amount of interest and principal then due with respect to the TIF Note and the Tax Increment Revenues then available therefor, if any.

(b) In the event the Developer is required to make any payment pursuant to subsection (a) of this <u>Section 5</u>, the Developer shall be deemed to have made a loan to the Board on a nonrecourse basis to enable the Board to meet its obligations with respect to the TIF Loan. Any such loan shall not bear interest and shall have a maturity date on May 1<sup>st</sup> following the date of expiration of the latest occurring Allocation Period. Any such loans from the Developer to the Board pursuant to this subsection shall be paid solely from the Tax Increment Revenues, provided, however, that no portion of any such loan from the Developer to the Board shall be repaid, and no interest thereon or other amounts due with respect thereto shall be paid, so long as any amounts are owed to the Lender under the TIF Note, the TIF Loan or otherwise with respect to the TIF Note or the TIF Loan, regardless of whether such amounts owed to the Lender under the TIF Note, the TIF Loan or otherwise with respect to the TIF Note or the TIF Loan are due and payable. The repayment of any loans from the Developer by the Board is expressly junior and subordinate in all respects to the full and complete payment to the Lender of the TIF Note, the TIF Loan and any other amounts otherwise due with respect to the TIF Note or the TIF Loan, and the Board shall not be required to make any payments pursuant to this subsection sixty (60) days after the last date than an allocation of Tax Increment Revenues is payable to the Board under the Economic Impact Plan from the Plan Area. The Developer shall give the Board written notice of any loans made by the Developer pursuant to this Section 5 within thirty (30) days of such loan, and the Board shall, based upon such notices, keep a record of all amounts due to the Developer hereunder. At the request of the Board or the Developer, any such loan from the Developer shall be evidenced by a non-recourse promissory note payable solely from Tax Increment Revenues. The Board shall not be required to repay any amounts loaned by the Developer hereunder of which the Board has not received notice pursuant to this Section.

(c) The TIF Note and any interest accruing thereon and any loan from the Developer described above are to be repaid solely out of the Tax Increment Revenues except as to the TIF Note, such TIF Note shall be additionally payable from amounts payable hereunder or under any Guaranty.

(d) Notwithstanding the subsequent sale of all or any portion of the property on which the Project is to be located, absent an express and explicit release agreement in favor of the Developer and/or Guarantors executed and delivered by the Lender (which release shall be binding upon the Lender and the Board), the Developer and Guarantors shall remain fully liable for their respective obligations under the Loan Documents, notwithstanding the assumption of any or all obligations by any buyer of such property.

(e) On or prior to March 15 of each year, commencing [March 15, 2024], the Developer shall provide to the Lender and the Board a list of all properties located in the Plan Area and the status of the payment of the property taxes with respect to each such property. The Developer shall also notify the Lender and the Board of any subdivision of any parcel within the Plan Area, together with a proposed allocation of Base Taxes (as defined in the Loan Agreement) as between the subdivided parcels. Such allocation shall be subject to the approval of the Board, which approval shall not be unreasonably withheld or delayed.

(f) To the extent not financed as Transaction Costs, the Developer shall pay the Board's Administrative Fee and all other fees and expenses of the Board incurred in connection with the issuance of the TIF Note.

(g) On or before May 1<sup>st</sup> of each Tax Year, the Developer shall notify the Board of the Parcels in the Plan Area as to which the Allocation Period for such Parcels shall commence as of that Tax Year, and the Board shall provide notice of such commencement to the County and the Lender. As provided in the Economic Impact Plan, the Allocation Period for each Parcel within the Plan Area must commence not later than the eighth full Tax Year commencing with the 2024 Tax Year.

6. <u>Disbursement of Loan Proceeds</u>. All proceeds of the TIF Loan shall be disbursed by the Lender in accordance with the provisions of the Loan Agreement and such other terms as may be agreed upon by the Lender and the Developer.

7. <u>Future Pledges</u>. The Board covenants and agrees not to pledge the Tax Increment Revenues (other than the Administrative Fee payable to the Board pursuant to <u>Section 7.3(a)</u> of the Loan Agreement) to the payment of any indebtedness other than the TIF Note or to apply the Tax Increment Revenues (other than the Administrative Fee payable to the Board pursuant to <u>Section 7.3(a)</u> of the Loan Agreement) for any purpose other than the payment of the principal and interest on the TIF Note or the repayment to the Developer of any loans hereunder prior to the date on which the TIF Note and any indebtedness from the Board to the Developer hereunder has been repaid in full.

8. <u>Other Tax Increment Financing</u>. The Board represents, warrants and certifies to the Developer that the Board currently does not have outstanding any bonds, notes or other obligations payable from or secured by Tax Increment Revenues derived from the Plan Area other than the TIF Note.

9. <u>Maintenance of Special Fund</u>. The Board covenants and agrees to establish and, as long as the indebtedness evidenced by the TIF Note remains outstanding and unpaid, maintain a separate and special fund of the Board to be known as Prosperity Crossing Project Tax Increment Fund, as more fully described in the Loan Agreement, to be kept separate and apart from all other funds of the Board into which will be deposited all Tax Increment Revenues. The fund shall consist of a separate account into which all Tax Increment Revenues shall be deposited as received. The Developer shall pay all costs and expenses of establishing and maintaining such account.

# 10. <u>Breach.</u>

# (a) <u>Breach by the Developer</u>.

If the Developer fails to perform any of its covenants and obligations (i) contained in this Agreement, or upon the breach of any representation or warranty of the Developer provided herein, the Board shall give written notice of such breach to the Developer. The Developer shall have a period thereafter of thirty (30) days in which to cure such breach. If the breach concerns a covenant that cannot reasonably be cured within the thirty (30)-day period and the Developer commences the cure and continues to diligently and timely cure such breach, then no breach shall be deemed to occur so long as the breach is cured within a one hundred twenty (120)-day period after the Board's notice. If the Developer does not cure the breach as required, the Board may do any one or more of the following: (a) if the breach relates to the Developer's obligations under Section 4 hereof, terminate this Agreement without further notice to Developer, at which time all of the rights and privileges of the Developer hereunder shall cease and be of no further force or effect, (b) if the breach relates to the Developer's obligations under Section 4 hereof, repay any balance in the Tax Increment Fund to the County, and (c) pursue whatever other remedies are available at law or in equity which are necessary or desirable to effect the purposes of this Agreement. The Board's termination of the rights of the Developer shall not terminate or otherwise adversely affect the rights of the Board to pursue and exercise other remedies against the Developer.

(ii) No failure by the Board to exercise any right, remedy, or option under this Agreement or any present or future supplement hereto, or delay by the Board in exercising the same, will operate as a waiver thereof. No waiver by the Board will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by the Board on

any occasion shall affect or diminish the Board's rights thereafter to require strict performance by the Developer of any provision of this Agreement. The Board's rights under this Agreement will be cumulative and not exclusive of any other right or remedy which the Board may have.

## (b) Breach by Board.

(i) If the Board fails to perform any of its covenants and obligations contained in this Agreement, the Developer shall give written notice of such breach to the Board. The Board shall have a period thereafter of sixty (60) days within which to cure such breach. If the breach concerns a covenant that cannot reasonably be cured within the sixty (60)-day period and the Board commences the cure and continues to diligently and timely cure such breach, then no breach shall be deemed to occur so long as the breach is cured within a one hundred twenty (120)-day period after the Developer's notice. If the Board does not cure the breach as required, the Developer may seek specific enforcement of this Agreement or other equitable remedies, subject to the provisions of <u>Section 11</u> of this Agreement.

(ii) No failure by the Developer to exercise any right, remedy, or option under this Agreement or any present or future supplement hereto, or delay by the Developer in exercising the same, will operate as a waiver thereof. No waiver by the Developer will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by the Developer on any occasion shall affect or diminish the Developer's rights thereafter to require strict performance by the Board of any provision of this Agreement. The Developer's rights under this Agreement will be cumulative and not exclusive of any other right or remedy which the Developer may have.

11. Limitation of Board Liability - No Personal Liability. Anything in this Agreement to the contrary notwithstanding, the Developer agrees it shall look solely to the Tax Increment Fund for the collection of any judgment (or other judicial process) requiring the payment of money by the Board or the County in the event of any default or breach by the Board with respect to any of the terms, covenants and conditions of this Agreement to be observed and/or performed by the Board. No recourse shall be had for any claim based upon any obligation, covenant or agreement in this Agreement against any past, present or future director, officer, member, employee, counsel, or agent of the Board, whether directly or indirectly, and all such liability of any such individual as such is expressly waived and released as a condition of and in consideration for the Board entering into this Agreement. Under no circumstances shall the Board be liable for any special or consequential damages, all of which are hereby waived by the Developer. No other property or assets of the Board shall be subject to levy, execution or other procedures for the satisfaction of remedies of the Developer hereunder. The Developer acknowledges and agrees that the County has no obligation to perform any obligation of the Board under this Agreement and that the County shall have no liability to the Developer related to this Agreement or any of the Loan Documents.

12. Force Majeure. Any delay by the Developer in completing any of the Development Activities caused by Force Majeure (as defined below) shall result in any required completion date hereunder to be extended for a number of days equal to the continuation of the Force Majeure event. For purposes of this Agreement, "Force Majeure" shall mean any of the following causes, circumstances or events: acts of God, strikes, lockouts or other industrial disturbances; acts of public enemies, including acts of terrorism; orders or restraints of any kind of the government of the United States of America, the State of Tennessee or any local government or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; war; insurrections; civil disturbances; riots; epidemics; earthquakes; and tornados; provided, however, that in any event, (i) normal and foreseeable weather-related

conditions shall not be deemed to be a Force Majeure event hereunder and (ii) the current pandemic caused by the COVID-19 coronavirus shall not be deemed to be a Force Majeure event hereunder unless governmental mandates not now in effect directly affect the undertaking of the Development Activities.

13. Indemnity. The Developer shall indemnify the Board, its successors and assigns, and every director, officer, employee of the Board (individually, an "Indemnitee") with respect to, and hold each Indemnitee harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, the fees and disbursements of counsel for any Indemnitee in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitee shall be designated a party thereto) which may be imposed on, incurred by, or asserted against such Indemnitee, in any way relating to or arising out of this Agreement, the TIF Note, the Economic Impact Plan or the development of the Plan Area ("Indemnification Liabilities"); provided that no Indemnitee shall have the right to be indemnified hereunder for its own willful misconduct or gross negligence. The Developer shall reimburse each Indemnitee on demand from time to time for all Indemnification Liabilities incurred by such Indemnitee. Each Indemnitee will promptly notify the Developer of the commencement of any proceeding involving it in respect of which indemnification may be sought pursuant to this Section. Provided that no breach or default has occurred under this Agreement and is continuing, the Developer shall have the right at their expense to select counsel to defend the Indemnification Liabilities. If a breach or default has occurred, the Board in its discretion may employ such counsel at the expense of the Developer. The obligations of the Developer under this Section shall survive the termination of this Agreement.

14. <u>Further Assurances</u>. The Developer agrees to execute and deliver, or cause to be executed and delivered, and to do or make, or cause to be done or made, upon the reasonable request of the Board or any Lender, all things, supplemental, confirmatory or otherwise, as may be reasonably required by the Board or any Lender for the purpose of effecting this Agreement and confirming the obligations contained herein. The Board agrees to execute and deliver, or cause to be executed and delivered, and to do or make, or cause to be done or made, upon the reasonable request of the Developer or any Lender, all things, supplemental, confirmatory or otherwise, as may be reasonably required by the Developer or such Lender for the purpose of effecting this Agreement and confirming the obligations contained herein.

15. <u>Assignment</u>. The Developer may not assign or transfer this Agreement, or any interest of the Developer hereunder, without the consent of the Lender and the Board. Any such assignment shall not relieve the Developer of the Developer's liability for the performance of its duties and obligations hereunder unless the Lender and the Board consent in writing to such release. Except for the Board's assignment of this Agreement to the Lenders pursuant to the TIF Assignment, the Board may not assign or transfer this Agreement or any interest of the Board hereunder without the consent of the Developer.

16. <u>Successors and Assigns</u>. This Agreement shall inure to the benefit of and be binding upon the parties hereto and the permitted successors and assigns of the parties.

17. <u>Notices</u>. Any notice, request, demand, tender or other communication under this Agreement shall be in writing, and shall be deemed to have been duly given at the time and on the date when personally delivered, or upon the Business Day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third Business Day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, to the address for each party set forth below.

If to the Developer to:

I40/75 Business Park, LLC 100 Dalton Place Way, Suite 105 Knoxville, Tennessee 37911 Attention: Steven Maddox

If to the Lender to:

SouthEast Bank 12700 Kingston Pike Knoxville, TN 37934 Attn: Brandon Hopkins

With copy to:

Attention:	

If to the Board to:

The Industrial Development Board of the County of Knox 17 Market Square, Suite 201 Knoxville, Tennessee 37902 Attention: Chair

With copy to:

Egerton, McAfee, Armistead & Davis, P.C. 1400 Riverview Tower 900 S. Gay Street Knoxville, Tennessee 37902 Attention: R. Christopher Trump

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of such communication. By giving prior notice to all other parties, any party may designate a different address for receiving notices. No such notice, demand, tender or other communication under this Agreement shall be valid unless the Lender receives a copy thereof as provided above.

18. <u>Applicable Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. Venue for any action arising out of this Agreement shall be exclusively in Knox County, Tennessee.

19. <u>Entire Agreement</u>. This Agreement supersedes all prior discussions and agreements between the Board and the Developer with respect to the transactions contemplated herein. This Agreement contains the sole and entire understanding between the Board and the Developer with respect to the

transactions contemplated by this Agreement, and all promises, inducements, offers, solicitations, agreements, representations and warranties heretofore made between the parties.

20. <u>Amendment</u>. This Agreement shall not be modified or amended in any respect except by written agreement executed by or on behalf of the parties to this Agreement in the same manner as this Agreement is executed; provided, however, that no modification or amendment of this Agreement shall be effective unless the Lender shall have provided its prior written consent to such modification or amendment.

21. <u>Severability</u>. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

22. <u>Captions</u>. All captions, headings and section and paragraph numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit or otherwise vary in any respect the text of this Agreement. All references to particular sections, paragraphs or subparagraphs by number refer to the particular section, paragraph or subparagraphs or numbered in this Agreement unless reference to another document or instrument is specifically made.

23. <u>Counterparts</u>. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same Agreement.

24. <u>Definitions</u>. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

25. <u>Expenses; Inspection Rights</u>. The Developer shall pay promptly all costs of closing and administering the TIF Loan and all expenses of the Lender and the Board with respect thereto, including, without limitation, fees of the Board and the Lender, bond counsel fees for consultants and attorneys of the Lender and the Board incurred in connection with the closing of the TIF Loan and the Loan Documents on or about the date hereof and legal fees incurred by the Lender and the Board subsequent to the closing of the TIF Loan in connection with the administration and enforcement of this Agreement, the TIF Loan or any modification of the terms of the Loan Documents. Upon reasonable notice, the Board or its designated representatives may inspect the Improvements to assure that the terms of this Development Agreement are being satisfied by the Developer.

26. <u>Reliance By the Lender</u>. The Board and the Developer acknowledge and agree that the Lender may rely on all of the representations, warranties and covenants set forth in this Agreement, that the Lender is an intended third-party beneficiary of such representations, warranties and covenants and that the Lender shall have all rights and remedies available at law or in equity as a result of a breach of such representations, warranties and covenants, including to the extent applicable, the right of subrogation. Notwithstanding any other terms of this Agreement, the Board shall not, without the prior written consent of the Lender, while the Lender is the holder of the TIF Note, consent or agree to any modification of, or grant any consent or approval under, this Agreement, or waive compliance with any of the terms hereof. While the Lender is the holder of the TIF Note, any attempt by the Board to grant any such consent, approval or waiver without the prior written consent of the Lender shall be void and of no force and effect.

27. <u>Term</u>. Unless terminated earlier as provided herein, this Agreement shall be effective as of the date hereof and shall remain in effect until the date that is six (6) months after the expiration of the latest occurring Allocation Period or until terminated upon default or by mutual agreement of the parties and the Lender or their successors and assigns. The expiration date of this Agreement may be extended by written mutual consent of the parties hereto.

28. <u>No Government Limitation</u>. This Agreement between the Developer and the Board shall not be construed to bind any other agency or instrumentality of federal, state or local government in the enforcement of any regulation, code or law under its jurisdiction.

29. <u>Time of the Essence</u>. Time shall be of the essence in the performance of the terms and conditions of this Agreement.

30. <u>Business Days</u>. For purposes of this Agreement, "Business Day" shall have the same meaning herein as in the Loan Agreement. If any date on which performance or notice is due under this Agreement is not a Business Day, performance or notice shall not be due until the next Business Day.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the Board and the Developer have caused this Agreement to be duly executed as of the date first above written.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

By:\_\_\_\_\_ Chairman

ATTEST:

Secretary

I40/75 BUSINESS PARK, LLC

By:		
Name:		
Title:		

#### EXHIBIT A

#### Plan Area

[See Attached]

#### EXHIBIT B

#### Master Plan

[See Attached]

# Prosperity Crossing Project Knox County, Tennessee

# Limited "But For" Analysis of Applicant's Proposal for Public Assistance

August 30, 2023

MuniCap, Inc.

# PROSPERITY CROSSING PROJECT KNOX COUNTY TENNESSEE

#### TABLE OF CONTENTS

#### Executive Summary

- I. Introduction and Scope of Work
- II. Summary of Applicant's Development Plan
- III. Assumptions Provided to MuniCap, Inc.
- IV. Estimated Financial Returns
- V. Additional Information and Other Considerations

Exhibit A

Appendix A

Appendix B-1, Appendix B-2 and Appendix B-3

#### EXECUTIVE SUMMARY

Utilizing assumptions provided by Bass Berry and Sims, PLC (the "Client"), which assumptions were based on information provided by I-40/75 Business Park, LLC. (the "Applicant"), MuniCap, Inc. ("MuniCap") has calculated the estimated financial returns for a proposed development to be called Prosperity Crossing located alongside Everett Road, near the Watt Road interchange on Interstate 40/75 (the "Project"), as further described below. The Project is primarily located in Knox County, TN (approximately 190 acres out of the entire 235-acre Project is located in Knox County). In particular, MuniCap has calculated the estimated financial returns under distinct public assistance scenarios, as further described below. Utilizing the given assumptions for the development efforts of the Project, the estimated financial performance of the Project without public assistance indicates an estimated financial return of 10.8%, which is lower than the standard targets of real property developers. Separately, but utilizing the same given assumptions for the development efforts of the Project, financial returns have been estimated for three additional scenarios, each with an assumed public assistance contribution by the County with the proceeds of tax increment financing. The three distinct scenarios and the estimated annual internal rate of return for each are summarized in the following table and further explained below.

	TIF Grant of <b>\$2,900,000</b>	TIF Grant of <b>\$8,900,000</b>	TIF Grant of <b>\$13,000,000</b>
	(Appendix B-1)	(Appendix B-2)	(Appendix B-3)
Description of Scenario	Standard target IRR level for TIFs	IRR target indicated by Applicant in March 31, 2023 submission	TIF Grant requested by Applicant
Estimated annual internal rate of return (levered)	12.0%	14.8%	16.9%

#### **Summary of Estimated Financial Returns**

Please see MuniCap's full report below for an explanation of the indications stated above, other relevant information and the limitations of MuniCap's analysis.

## I. INTRODUCTION AND SCOPE OF WORK

MuniCap has executed a consulting agreement with Bass Berry and Sims, PLC to provide consulting services to support Client's representation of local governments, including Knox County (the "County").

MuniCap has worked directly with Client and representatives of the Applicant to review and analyze Applicant's public assistance request for the Project. The Applicant has indicated that it intends to create a mixed-use project, including apartments, hotels, retail, restaurants and a regional, multi-use sports complex (the sports complex is expected to be located on approximately 48 acres), located alongside Everett Road, near the Watt Road interchange on Interstate 40/75. The Applicant has indicated that it intends to sell finished land parcels, on which vertical development will be possible and expected, to subdevelopers, which will be expected build the vertical development uses. The Applicant has indicated that the full build-out of the Project is expected to take approximately ten years, with initial development uses starting to be built in 2026. Additional information on the development plan can be found in the following sections of this report and the applicant has requested public assistance from a tax increment finance grant (a "TIF Grant"), with the stated goal of reducing the effective capital cost of the Project in order to make the Project viable.

To provide its **limited analysis** of the Applicant's request for public assistance, MuniCap has prepared this report (see below for a description of the scope of work). MuniCap understands that this report will be utilized by the County in its evaluation of the requested public assistance.

This report is based in large part on a financial pro forma for the Project provided by Applicant. This report also utilizes additional information provided by Applicant, including information provided subsequent to the delivery of the Project's financial pro forma. Key aspects of the Project and the expected financial results are described in more detail in Section II and Section III of this report.

At the direction of Client, MuniCap's scope of work for its analysis of the Project is limited to the following tasks:

- Utilizing assumptions provided by Client (generally based on information provided by the Applicant) and the Applicant, calculate an estimate of the financial return of the Project which assumes that the requested public assistance is **not** provided;
- Utilizing assumptions provided by Client (generally based on information provided by Applicant) and the Applicant, calculate distinct estimates of the Applicant's financial return from the Project, assuming TIF Grants in the following three different amounts: \$2,900,000, \$8,900,000 and \$13,000,000.

MuniCap's scope of work for its analysis of the request for public assistance **excludes** the following tasks and topics, amongst others, which MuniCap understands have been or will be provided by others, to the extent that any are deemed necessary:

• Analysis of the sources of capital to be utilized, including but not limited to:

- Proposed borrowing arrangement with Applicant's lender(s) (including the amount of capital estimated to be provided, the percentage of the Project estimated to be funded by the borrowing, interest rate and payback terms);
- Availability and appropriateness of typical financing sources for similar developments;
- Potential for other financing plans that would not require public assistance or require less public assistance.
- Analysis of the fiscal impact of the Project and resulting net, effective real property tax revenues on participating taxing entities (with or without a TIF Grant).
- Independent analysis of the Project's real property taxes.
- Analysis of the Applicant's estimate of the Project's real property taxes and incremental real property tax revenues available to fund the proposed TIF grant.
- Analysis of the Project assumptions, including but not limited to:
  - Cost estimates to construct the Project, including the horizontal development / infrastructure costs;
  - Estimates of the assumed sales prices of the assumed land sales;
  - Estimates of the assumed timing of the assumed land sales;
  - Estimates of other revenues, if any;
- Analysis of any aspects of the proposed sports complex;
- Analysis of alternative scenarios in which the Project's outcomes vary (e.g., a different development use is built).
- Analysis of potential mechanisms to vary the terms of the TIF Grant in accordance with the execution and actual results of the Project.
- Analysis of qualitative considerations as to whether the Applicant would proceed with the Project without public assistance.
- Analysis of whether a different development project on this same site could be financially viable without public assistance.
- Analysis of (1) whether and when a TIF Grant can be provided, (2) how large a TIF Grant can be supported by the real property taxes from the Project or (3) the necessary term of a TIF Grant.
- Analysis of potential benefits from the Project to the surrounding area and the County in general.

As indicated above, the limited "but for" analysis provided in this report does not consider whether the development of the site into the proposed development use could be accomplished by an alternative development group without the requested public assistance (or at a lower amount of public assistance), potentially utilizing a more advantageous financial plan or development plan. Instead, the analysis within this report is limited to the specific consideration of whether the estimated financial return without any public assistance is above the standard return targets which are necessary for real property developers to proceed with development plans; and secondarily, to the calculation of estimated financial returns at three distinct TIF Grant levels (as directed by Client).

#### II. SUMMARY OF APPLICANT'S DEVELOPMENT PLAN

The Applicant has presented a development plan to build the Project alongside Everett Road, near the Watt Road interchange on Interstate 40/75, primarily in Knox County, TN (approximately 190 acres of the total 235 acres of the entire development site are in Knox County). The Applicant has indicated that the full build-out of the Project is expected to take approximately ten years. The Applicant has indicated that it intends to create a mixeduse development, including apartments, hotels, retail, restaurants and a multi-use sports complex (the sports complex is expected to be located on approximately 48 acres). The Applicant has indicated that it intends to perform the horizontal site development, including the construction of roads and utilities throughout the project site, and sell tracts of land to sub-developers which will construct the anticipated vertical development uses. The Applicant's submitted materials assume the sale or contribution of all of the land within the Project site, and furthermore assume no operations by the Applicant of any of the development uses in the Project (and thus no financial impact on the Applicant's financial return from any operations of the assumed development uses).

MuniCap understands that the Applicant's development team has experience with the development of similar projects. Additional information on the development plan can be found in the following Section III, in the Applicant's submitted application and from the Applicant.

#### **III. ASSUMPTIONS PROVIDED TO MUNICAP**

In performing its scope of work, MuniCap is utilizing assumptions provided by Client, most of which are either directly or generally based on information provided by the Applicant, as well as information provided directly by the Applicant. A summary of certain assumptions provided by Client and the Applicant are provided on the following page. As typical, through the period of MuniCap's analysis, the Applicant has provided additional information, including responses for requested information. Additionally, through the period of this analysis, the Applicant has provided updated and or corrected information on the Project's expected performance (relative to information provided within the original submitted application and materials). At the direction of Client, certain information provided by Applicant following its submittal of its application has been considered and utilized in the preparation of this report.

#### Summary of Assumptions Affecting Return Calculations - Provided to MuniCap

Capital Sources and Construction Expenditures

Value of land contributed	\$15,175,000
Construction costs, including contingencies	\$32,346,150 Includes soft and hard costs; excludes interest
	\$47,521,150
Capital contributions to be provided by Applicant, including land	\$30,521,150
Debt financing	\$17,000,000
Total capital provided	\$47,521,150
Interest rate on long term debt financing	7.5%

#### Land Sales

Lot #	Acres	Expected Use	Price per Acre (in current \$s)	Year of Land Sales
1	6.339	Restaurants, hotel	\$1,200,000	2026
2	6.328	Hotels	\$1,200,000	2027
3	5.718	Hotels	\$1,100,000	2028
4	6.236	Entertainment, retail	\$1,000,000	2026
5	6.552	Entertainment, retail	\$750,000	2027
6	7.162	Not specified	\$500,000	2030
7	5.786	Not specified	\$500,000	2032
8	6.203	Not specified	\$400,000	2030
9	2.555	Retail	\$500,000	2027
10	1.437	Convenience store	\$500,000	2027
12	26.738	Ball fields	\$0	No sale assumed
13	21.314	Ball fields	\$0	No sale assumed
14	8.497	Senior housing	\$450,000	2026
15	5.387	Not specified	\$700,000	2029
16	3.804	Not specified	\$750,000	2030
17	2.780	Not specified	\$1,000,000	2031
18	2.690	Not specified	\$1,000,000	2029
19	3.078	Not specified	\$800,000	2030
20	3.289	Restaurant	\$1,100,000	2028
21	3.410	Restaurant	\$1,200,000	2027
22	22.987	Apartments	\$250,000	2030
23	4.618	Not specified	\$150,000	2030
24	2.451	Sloped land	\$0	No sale assumed
25	0.653	Sloped land	\$0	No sale assumed
26	18.429	Not specified	\$200,000	2031
Assumed	annual increa	se in land sale prices	2.0%	
Addition	al expenditure	s in 2025 and 2026	\$1,250,000	

#### MuniCap has not attempted to determine the reasonableness of these assumptions; MuniCap is not expressing an opinion on the reasonableness of these assumptions.

#### Additional Information on the Assumptions Being Utilized

The assumed land prices per acre presented on the prior page and utilized in the financial projections (which have been provided by the Applicant to MuniCap between March 31, 2023 and July 2023) are in certain cases **below** the per acre prices for land sales for similar development uses located at or close to the nearby interstate interchanges on the Knoxville side of the Project (utilizing data provided by the Applicant or found by MuniCap in its effort to find the most comparable sales). A thorough, independent analysis and projection of land sales prices for the Project, which would logically assume the improved interstate interchange being built, the significant infrastructure that is being provided through the Project plans and other existing characteristics of the area around the Project has not been prepared. As such, this report is utilizing information provided by the Applicant.

The timing of the land sales presented on the prior page and utilized in the financial projections (which have been provided by the Applicant to MuniCap between March 31, 2023 and July 2023) are significantly later and slower than the indicated timing of land sales that the Applicant presented within its original application. Applicant's financial returns would be significantly better if the land is sold at a pace that is faster than is being assumed, such as the pace presented in the Applicant's original submittal. Upon request, Applicant submitted a written document to explain why Applicant adjusted the land sales dates in its land sale projections provided to MuniCap. In MuniCap's opinion, Applicant's written explanations do not adequately explain the significant changes (to delayed dates) in the assumed land sale dates.

In contrast to the assumed **contribution** of the land for a sports complex specified on the prior page and utilized in the financial projections, the Applicant's original submittal to the County and the Applicant's March 31, 2023 proforma financial plan presented to MuniCap both explicitly specified the **sale** of land to an operator of the proposed sports complex. The Applicant has requested the assumption be changed to a land contribution (not a sale). The Applicant may still sell the land to a sports complex owner / operator, but the Applicant has indicated that to date it has not been able to reach a land sale agreement with a sports complex owner / operator. A sale of the land for a sports complex, as opposed to the contribution of the land being assumed herein, would improve the Applicant's financial returns.

Additionally, Applicant has indicated that it has not been able to reach an agreement with a sports complex owner / operator that would entail the contribution of the land (no sale) to the sports complex owner / operator. As such, the Applicant may need to undertake the construction of the sports complex itself for the sports complex to be built (effectively a no land sale scenario).

Additionally, the Applicant has not provided information for the capital investment, operating revenues and operating costs of the contemplated sports complex (the Applicant has expressed a view that in the scenario that the Applicant builds and operates the sports complex, it does not expect the operations of the sports complex to generate positive net income). This report has not been prepared to provide any analysis for a development scenario in which the Applicant invests in and operates the proposed sports complex. A **distinct analysis** (not this one), which would include estimates for costs, revenues,

expenditure, and resulting profits or losses of a sport complex (which would be similar to prior analyses of operating real estate assets provided to the County by MuniCap), should be prepared for and utilized by the County **if the County is asked** to consider (factor in) the impact of building and operating a sports complex in its review of Applicant's submitted request for public assistance.

### IV. ESTIMATED FINANCIAL RETURNS

#### Assuming No Public Assistance is Provided

The preparation of an estimate of the financial return from the Project if a TIF Grant is **not** provided requires an assumption that the Project would proceed as planned even if the TIF Grant is not made available. As such, one should recognize that this scenario is only a conceptual approach, prepared solely to assist in the evaluation of the requested public assistance for the proposed Project. MuniCap is not suggesting that this deal structure is a realistic or an unrealistic possibility, or that it should be implemented; other alternatives may be more realistic or informative than this alternative (note that any such alternative without a TIF Grant will also be inconsistent with the Applicant's financial plan).

Utilizing **assumptions, including the ones specified on page 5**, the estimated financial return for the Project assuming that the requested public assistance is **not** provided is summarized in Table 1 below; a detailed calculation of the estimated cash flows from the Project and the estimated financial return is provided in the attached **Appendix A**. As indicated in Appendix A, the estimated financial return assumes the final sale of real property within the Project by the end of the 2032.

Table 1
Summary of Estimated Financial Return Assuming No Public Assistance

Estimated total equity investment	\$30,521,150
Estimated capital returned to investors	\$60,010,363
Assumed return period	Per 2032
Estimated annual internal rate of return (levered)	10.8%

As indicated in the Table 1 above, utilizing the assumptions specified above, the estimated internal rate of return (the "IRR"; please see **Exhibit A** for an explanation of the internal rate of return) for the Applicant is 10.8 percent, which is lower than the standard targets of real property developers, which typically range from 12 percent to 20 percent (on a levered basis)<sup>1</sup> and depend on many factors, including the length of the investment measurement.

<sup>1</sup>MuniCap provides this range of internal rate of return targets (assuming debt is used) for the purpose of comparing the estimated returns of the Project. The indicated range is based on a combination of sources, including but not limited to the following: MuniCap's analysis of hundreds of real estate development projects, including many other "but for" tests for public assistance; direct communications with real estate developers (both clients and others firms involved in projects on which MuniCap has worked); direct communications with investors in real estate development projects; direct communications with brokers of investment opportunities in real estate development projects; necessary of actual investments in real estate development opportunities; review of leading industry research papers, trade publications and surveys; direct inquiry with property developers; prior applicants for public assistance from the City of Knoxville and Knox County.

As such, it is reasonable to believe that the estimated financial return from the Project, assuming no public assistance is provided, may not be strong enough to justify a real property developer's investment in the Project.

Please note that the indications in the prior paragraph are based on the **assumptions** specified further above (among others) and therefore the indications in the prior paragraph do not rule out the possibility of the development of the site according to a development plan which does not require public assistance.

#### Assuming Public Assistance is Provided

For the County's consideration of the estimated financial returns to the Applicant if public assistance is provided, MuniCap has prepared three separate projections with varying public assistance levels, as described below.

The estimated financial returns for the Applicant, utilizing assumptions, including the ones provided on page 5 above, and further assuming three distinct TIF grants are provided, are summarized in Table 2 below; detailed calculations of the estimated cash flows from the Project and the estimated financial returns are provided for each of the three scenarios in the attached **Appendix B (including Appendix B-1, Appendix B-2 and Appendix B-3)**. As noted above, as assumed TIF Grant would reduce the effective cost of the Project, thus increasing the financial return of the Project. As indicated in Appendix B, the estimated financial returns assume the final sale of real property within the Project by the end of 2032.

As indicated in Table 2 below, a distinct TIF grant was assumed in each of the three scenarios. Appendix B-1 assumes a TIF Grant of \$2,900,000 in order to generate an estimated 12.0% IRR, which has been the standard IRR target for prior MuniCap analyses of requested public assistance from the City of Knoxville and the County. Appendix B-2 assumes a TIF Grant of \$8,900,000 in order to generate an estimated 14.8% IRR, which represents the estimated IRR within the Applicant's original financial pro forma provided to MuniCap (provided on March 31, 2023), inclusive of Applicant's then requested public assistance (please note that in multiple verbal communications between the Applicant and MuniCap, the Applicant indicated that it would accept an estimated IRR **lower than** 14.8% to proceed with a development project). Appendix B-3 assumes a TIF Grant of \$13,000,000, which represents the Applicant's latest request to the County for a TIF Grant for the Project.

Description of Scenario	TIF Grant of <b>\$2,900,000</b> (Appendix B-1) Standard target IRR level for TIFs	TIF Grant of \$8,900,000 (Appendix B-2) IRR target indicated by Applicant in March 31, 2023 submission	TIF Grant of <b>\$13,000,000</b> (Appendix B-3) TIF Grant requested by Applicant
Estimated total equity investment	\$27,621,150	\$21,621,150	\$17,521,150
Estimated capital returned to investors	\$59,201,226	\$57,292,423	\$55,495,548
Assumed return period	Per 2032	Per 2032	Per 2032
Estimated annual internal rate of return (levered)	12.0%	14.8%	16.9%

 Table 2

 Estimated Financial Return Assuming Public Assistance

In that the estimated financial return for the Project is calculated through the use of a great number of assumed outcomes, the actual financial return will differ from the estimated return. The critical outcomes in determining the actual financial return from the Project include the following:

- The actual construction costs of the Project and the resulting impact on the construction loan and equity contributions;
- The timing of when the proposed land sales occur;
- The actual land sale prices; and
- The actual outcome of the contemplated plan for the provision of a proposed sports complex, which could include a distinct land use for (and sale of) the same land.

To the extent that the Applicant's efforts to execute the Project produce better outcomes than the assumed outcomes (e.g., the actual sales prices per acre are higher than the assumed levels indicated in Section III), then the actual financial return will be stronger than the estimated returns specified above.

#### V. OTHER CONSIDERATIONS & ADDITIONAL INFORMATION

Through its analysis of the estimated financial return from the Project, MuniCap has become aware of the following, which the approving taxing authorities may wish to incorporate into their review of the requested public assistance:

• MuniCap understands that there is no large artificial turf sports complex in Knox County and that the Applicant is prepared to commit to construct at least a sevenfield complex within three years of entering into a development agreement to receive a TIF Grant. MuniCap furthermore understands that the County administration believes such a sports complex would result in additional sales and hotel tax revenues for the County and would benefit youth in the area;

- MuniCap understands that the County and the State of Tennessee are engaged in an ongoing effort to rebuild the nearby Watt Road interchange of Interstate 40/75 and that the undertaking the Development will evidence a need for such improvements;
- MuniCap understands that many of the proposed development uses, including hotel, retail and restaurants, would generate additional revenues to the County through sales taxes, food and beverage taxes and accommodations taxes;
- MuniCap understands that the Applicant and the County are engaged in an ongoing effort that contemplates the County's construction of an upgrade to Everett Road that will enhance traffic flow in the area;
- MuniCap understands that the Project would help promote the development of underutilized real property in this area; and
- MuniCap understand that the Applicant is requesting that the County include a nearby apartment development in the requested tax increment finance district.

As stated above, MuniCap's scope of work does not include an analysis of qualitative considerations as to whether the Project would proceed without public assistance. MuniCap believes that qualitative factors should be contemplated in a full "but for" analysis.

#### **Exhibit A** Internal Rate of Return Explanation

The **Internal Rate of Return** (often referred to as the "IRR") is a metric used to measure the attractiveness of potential investments and the performance of actual investments. The internal rate of return metric is used regularly by real estate developers. The internal rate of return can be defined as the discount rate at which the net present value of a set of cash flows (i.e., the initial investment, expressed negatively, and the returns, expressed positively) equals zero.

In more simple terms, it is the annual rate at which a real estate investment grows.

Among many other sources, additional information on the internal rate of return can be found at the link below:

https://www.realtymogul.com/resource-center/articles/what-irr-can-tell-investors-about-real-estate-investments

# Appendix A

# Prosperity Crossing Knox County, TN

Estimated Applicant Returns Assuming No TIF is Provided

# Schedule I: Sources and Uses of Capital

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Sources:												
Borrowings <sup>1</sup>	\$0	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Tax increment finance loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Applicant equity investment (including land) <sup>2</sup>	\$15,175,000	\$15,346,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,521,150
Total sources	\$15,175,000	\$23,896,663	\$8,449,488	\$0	<b>\$0</b>	\$47,521,150						
<u>Uses<sup>3</sup></u>												
Real property												
Value of land contributed	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
Total real property	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
<b>Development costs</b> Hard costs:												
Mass Grading Unclassified, Roads	\$0	\$18,710,250	\$6,236,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,947,000
Additional contingency on hard costs (5% of above)	\$0	\$935,513	\$311,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,247,350
Utilities	\$0	\$600,900	\$600,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,201,800
Offsite Utilties	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
Signage	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Landscaping	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Total hard costs	\$0	\$23,246,663	\$8,049,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,296,150
Soft costs:												
Legal/Loan/Professional	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Misc/Soft Costs	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Total soft costs	\$0	\$650,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,050,000
Total development costs	\$0	\$23,896,663	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,346,150
Total Uses	\$15,175,000	\$23,896,663	\$8,449,488	<b>\$0</b>	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>	\$0	<u>\$0</u>	\$47,521,150

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<sup>1</sup>Assumption provided by Applicant's indication of total borrowing and additional information provided by Applicant.

 $^2\mathrm{Equals}$  total uses for the year less debt obtained during the year.

<sup>3</sup>Provided by Client based on information provided by Applicant.

96

#### Schedule II: Estimated Draw Down and Repayment of Loans

Year Ending December 31	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Totals
Bank Loan												
Beginning balance	\$0	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
Draws <sup>1</sup>	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Repayments from land sales <sup>2</sup>	\$0	\$0	\$0	(\$13,000,000)	(\$4,000,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,000,000)
Ending balance	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual interest expense on bank loan <sup>3</sup>	\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	4,128,788
TIF Loan	¢0	¢0	¢o	¢o	¢o	¢o	¢0	¢o	<b>#</b> 0	<b>#</b> 0	<b>\$</b> 0	
Beginning balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Draws <sup>1</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal repayments <sup>4</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ending balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest exp. on TIF loan <sup>5</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt service on TIF loan paid by Applicant <sup>6</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt service on TIF loan paid by TIF revenues <sup>6</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Total debt service on TIF loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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<sup>1</sup>See Schedule I.

<sup>2</sup>Assumption provided by Applicant.

<sup>3</sup>Assumption provided by Applicant's indication that it expects to obtain a loan with an interest rate of 7.50 percent (originally indicated to be 6.5%), while paying interest only through the draw down of the full borrowing amount. Interest is estimated assuming the full draw amount occurs in the middle of the year.

<sup>4</sup>Assumed a 20 year amortization schedule starting in calendar year 2025, as assumed by Applicant.

<sup>5</sup>Indicated amounts provided by Client based on information (including an assumed interest rate of 6.5%) provided by Applicant.

<sup>6</sup>Based on information provided by the Applicant.

### Appendix A

Year Ending December 3	31		2023	2024	2025	2026	2027	2028	2029
Assumptions Land Sale Revenues									
Annual land price escalation <sup>1</sup>				2.0%	2.0%	2.0%	2.0%	2.0%	2.0
Resulting cumulative land price escalation				102.00%	104.04%	106.12%	108.24%	110.41%	112.62
	. 2	2 4 2							
<u>Tract / Lots to be Sold<sup>2</sup></u>	$\underline{Acres}^2$	<u>\$ per Acre<sup>2</sup></u>		<b>*</b> •	<b>\$</b> 0	<b>#0.052.205</b>	<b></b>	<b>\$</b> 0	ф.
Lot 1 - Restaurants/Hotels	6.339	\$1,200,000		\$0 ©	\$0 \$0	\$8,072,397	\$0 \$0.210.557	\$0 \$0	\$
Lot 2 - Hotels	6.328	\$1,200,000		\$0 \$0	\$0 ©0	\$0 \$0	\$8,219,557	\$0 \$6.044.447	\$
Lot 3 - Hotels Lot 4 - Dest / Ent / Retail	5.718	\$1,100,000		\$0 \$0	\$0 \$0	\$0 \$6 (17 (02	\$0 \$0	\$6,944,447 \$0	\$
Lot 5 - Dest / Ent / Retail	6.236 6.552	\$1,000,000 \$750,000		\$0 \$0	\$0 \$0	\$6,617,693 \$0	\$0 \$5,319,072	\$0 \$0	¢
Lot 6	0.332 7.162	\$500,000		\$0 \$0	\$0 \$0	\$0 \$0	\$3,319,072	\$0 \$0	ን ፍ
Lot 0 Lot 7	5.786	\$500,000		\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	د ۲
Lot 8	6.203	\$400,000		\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	φ 2
Lot 9 - Retail	2.555	\$500,000		\$0 \$0	\$0 \$0	\$0 \$0	\$1,382,807	\$0 \$0	Ψ \$
Lot 10 - C Store	1.437	\$500,000		\$0 \$0	\$0 \$0	\$0	\$777,728	\$0 \$0	\$
Lot 12 - Fields <sup>4</sup>	26.738	\$60,000	Г	\$0	\$0	\$0	\$0	\$0	\$
Lot 13 - Fields	21.314	\$60,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 14 - Senior	8.497	\$450,000		\$0	\$0	\$4,057,688	\$0	\$0	\$
Lot 15	5.387	\$700,000		\$0	\$0	\$0	\$0	\$0	\$4,246,64
Lot 16	3.804	\$750,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 17	2.780	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 18	2.690	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$3,029,37
Lot 19	3.078	\$800,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 20 - Restaurant	3.289	\$1,100,000		\$0	\$0	\$0	\$0	\$3,994,454	\$
Lot 21 - Restaurant	3.410	\$1,200,000		\$0	\$0	\$0	\$4,429,312	\$0	\$
Lot 22 - Apartments	22.987	\$250,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 23	4.618	\$150,000		\$0	\$0	\$0	\$0	\$0	\$
Lot 24 - Slope	2.451	\$0		\$0	\$0	\$0	\$0	\$0	\$
Lot 25 - Slope	0.653	\$0		\$0	\$0	\$0	\$0	\$0	\$
Lot 26	18.429	\$200,000		\$0	\$0	\$0	\$0	\$0	\$
Subtotal				\$0	\$0	\$18,747,778	\$20,128,475	\$10,938,901	\$7,276,02
Brokerage and transaction costs <sup>2</sup>				7.0%	7.0%	7.0%	7.0%	7.0%	7.0
Estimated Results									
Projected revenues									
Land sale revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,70
Other revenue <sup>1</sup>			\$0	\$0	\$0	\$0	\$0	\$0	\$
Total operating revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,70
Projected operating expenditures <sup>2</sup>									
Landscaping			\$0 \$0	\$0	\$150,000	\$300,000	\$0	\$0 \$0	\$
Operating costs / soft costs Net operating expenditures			<u>\$0</u> \$0	\$0 \$0	\$400,000 \$550,000	\$400,000 \$700,000	\$0 \$0	<u>\$0</u> \$0	<u>\$</u> \$
Projected net cashflow before interest			\$0 \$0	\$0 \$0	(\$550,000)	\$16,735,434	\$18,719,482	\$10,173,178	\$6,766,70
									\$0,700,70
Estimated interest expense on bank loan <sup>3</sup>			\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$
Debt service expense on TIF Loan <sup>3</sup>			\$0	\$0	\$0	\$0	\$0	\$0	\$
Cashflow after interest			(\$320,644)	(\$958,144)	(\$1,825,000)	\$15,460,434	\$18,419,482	\$10,173,178	\$6,766,70
Estimated principal repayment <sup>3</sup>			\$0	\$0	\$0	\$13,000,000	\$4,000,000	\$0	\$
Net proceeds for equity distributions			(\$320,644)	(\$958,144)	(\$1,825,000)	\$2,460,434	\$14,419,482	\$10,173,178	\$6,766,70
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<sup>1</sup>Assumption provided by Client.

<sup>2</sup>Provided by Client based on information provided by Applicant.

<sup>3</sup>See Schedule II.

<sup>4</sup>Assumption provided by Client based on Applicant's secondary indication that the land for the ball fields may need to be donated (thus no sales revenue for this acreage).

#### 2030 2031 2032 2033 2.0% 2.0% 2.0% 2.0% 2.0% 62% 114.87% 117.17% 119.51% 121.90% \$0 \$0 **\$**0 \$0 \$0 **\$**0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 \$0 \$4,113,443 \$0 \$0 \$0 \$0 \$3,457,403 \$0 \$0 \$0 \$0 \$2,850,119 **\$**0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 **\$**0 \$0 \$0 \$0 \$0 **\$**0 \$0 \$0 \$0 \$0 **\$**0 **\$**0 \$0 \$0 646 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$3,277,200 \$0 \$0 \$0 \$3,257,213 \$0 \$0 377 \$0 \$0 \$0 \$0 \$0 \$2,828,524 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 **\$**0 \$0 \$0 \$0 \$0 \$0 \$6,601,209 \$0 \$795,695 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 \$0 **\$**0 \$0 \$4,318,502 \$0 \$0 \$0 023 \$20,466,190 \$7,575,715 \$3,457,403 \$0 7.0% 7.0% 7.0% 7.0% 7.0% 701 \$19,033,557 \$7,045,415 \$3,215,385 \$0 \$0 \$0 \$0 \$0 \$0 701 \$0 \$19,033,557 \$7,045,415 \$3,215,385 \$0 \$0 \$0 \$0 \$0 **\$**0 \$0 \$0 \$0 \$0 \$0 \$0 **\$**0 **\$**0 **\$**0 \$7,045,415 \$3,215,385 701 \$19,033,557 **\$0** \$0 \$0 \$0 \$0 \$0 **\$**0 **\$**0 \$0 \$0 **\$**0 701 \$19,033,557 \$7,045,415 \$3,215,385 \$0 \$0 \$0 \$0 \$0 \$0 \$19,033,557 \$7,045,415 \$3,215,385 701 \$0

30-Aug-23

# Appendix A

Schedule IV: Estimated Equity Returns

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Equity contributions <sup>1</sup>	(\$15,175,000)	(\$15,346,150)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$30,521,150)
Distributions / (contributions) from annual operations, after	\$0	(\$320,644)	(\$958,144)	(\$1,825,000)	\$2,460,434	\$14,419,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0	\$60,010,363
debt service payments <sup>2</sup>													\$0
Total annual cashflow	(\$15,175,000)	(\$15,666,794)	(\$958,144)	(\$1,825,000)	\$2,460,434	\$14,419,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0	\$29,489,213
Estimated internal rate of return (IRR)	10.8%												

*MuniCap, Inc.* <sup>1</sup>See Schedule I.

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<sup>2</sup>See Schedule III.

# Appendix A

**Appendix B-1** 

# Prosperity Crossing Knox County, TN

Estimated Applicant Returns Assuming a TIF Grant of \$2,900,000 is Provided

# Schedule I: Sources and Uses of Capital

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Sources:												
Borrowings <sup>1</sup>	\$0	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Tax increment finance loan	\$0	\$2,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,000
Applicant equity investment (including land) <sup>2</sup>	\$15,175,000	\$12,446,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,621,150
Total sources	\$15,175,000	\$23,896,663	\$8,449,488	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	\$47,521,150
<u>Uses<sup>3</sup></u>												
Real property	¢15 175 000	¢o	¢o	<b>¢</b> 0	¢o	¢o	¢0	<b>¢</b> 0	<b>¢</b> 0	¢ο	ΦQ	Ф1 <b>5 175</b> 000
Value of land contributed	\$15,175,000 \$15,175,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	<u>\$0</u> \$0	\$0 \$0	<u>\$0</u> \$0	\$0 \$0	\$15,175,000 \$15,175,000
Total fear property	\$15,175,000	φ0	<b>\$</b> 0	φυ	ψŪ	ψŪ	<b>\$</b> 0	<b>4</b> 0	ψŪ	<b>Φ0</b>	ψ0	\$13,173,000
<b>Development costs</b> Hard costs:												
Mass Grading Unclassified, Roads	\$0	\$18,710,250	\$6,236,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,947,000
Additional contingency on hard costs (5% of above)	\$0	\$935,513	\$311,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,247,350
Utilities	\$0	\$600,900	\$600,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,201,800
Offsite Utilties	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
Signage	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Landscaping	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Total hard costs	\$0	\$23,246,663	\$8,049,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,296,150
Soft costs:												
Legal/Loan/Professional	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Misc/Soft Costs	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Total soft costs	\$0	\$650,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,050,000
Total development costs	\$0	\$23,896,663	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,346,150
Total Uses	\$15,175,000	\$23,896,663	\$8,449,488	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>	\$0	<b>\$0</b>	\$0	\$47,521,150

MuniCap, Inc.

STAFF/CAROLINA/Thad Municap/MuniCap/Consulting/Knoxville CDC Bass Berry/Prosperity Crossing Knox County/[Prosperity Crossing Appendix B-1 with TIF August 30 2023.xlsx]1 30-Aug-23

<sup>1</sup>Assumption provided by Applicant's indication of total borrowing and additional information provided by Applicant.

 $^2\mathrm{Equals}$  total uses for the year less debt obtained during the year.

<sup>3</sup>Provided by Client based on information provided by Applicant.

101

#### Schedule II: Estimated Draw Down and Repayment of Loans

Year Ending December 31	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Totals
Bank Loan												
Beginning balance	\$0	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
Draws <sup>1</sup>	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Repayments from land sales <sup>2</sup>	\$0	\$0	\$0	(\$13,000,000)	(\$4,000,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,000,000)
Ending balance	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual interest expense on bank loan <sup>3</sup>	\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	4,128,788
TIF Loan	¢O	¢2,000,000	¢2 000 000	\$2,925,20C	¢2 745 759	¢2 ((1.020	¢2 570 912	¢0 474 700	¢0.070.005	¢2 2(2 207	¢0.147.004	
Beginning balance	\$0	\$2,900,000	\$2,900,000	\$2,825,306	\$2,745,758	\$2,661,039	\$2,570,812	\$2,474,722	\$2,372,385	\$2,263,397	\$2,147,324	
Draws <sup>1</sup>	\$2,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,000
Principal repayments <sup>4</sup>	\$0	\$0	(\$74,694)	(\$79,549)	(\$84,719)	(\$90,226)	(\$96,091)	(\$102,337)	(\$108,989)	(\$116,073)	(\$123,617)	(\$876,294)
Ending balance	\$2,900,000	\$2,900,000	\$2,825,306	\$2,745,758	\$2,661,039	\$2,570,812	\$2,474,722	\$2,372,385	\$2,263,397	\$2,147,324	\$2,023,706	
Interest exp. on TIF loan <sup>5</sup>	\$94,250	\$188,500	\$188,500	\$183,645	\$178,474	\$172,968	\$167,103	\$160,857	\$154,205	\$147,121	\$139,576	
Debt service on TIF loan paid by Applicant <sup>6</sup>	\$94,250	\$188,500	\$263,194	\$263,194	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$809,137
Debt service on TIF loan paid by TIF revenues <sup>6</sup>	\$0	\$0	\$0	\$0	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$1,842,355
Total debt service on TIF loan	\$0	\$0	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$263,194	\$2,368,742

MuniCap, Inc. https://municap.sharepoint.com/sites/ALLSTAFF/CAROLINA/Thad Municap/MuniCap/Consulting/Knoxville CDC Bass Berry/Prosperity Crossing Knox County/[Prosperity Crossing Appendix B-1 with TIF August 30 2023.xlsx]II <sup>1</sup>See Schedule I. 30-Aug-23

<sup>2</sup>Assumption provided by Applicant.

<sup>3</sup>Assumption provided by Applicant's indication that it expects to obtain a loan with an interest rate of 7.50 percent (originally indicated to be 6.5%), while paying interest only through the draw down of the full borrowing amount. Interest is estimated assuming the full draw amount occurs in the middle of the year.

<sup>4</sup>Assumed a 20 year amortization schedule starting in calendar year 2025, as assumed by Applicant.

<sup>5</sup>Indicated amounts provided by Client based on information (including an assumed interest rate of 6.5%) provided by Applicant.

<sup>6</sup>Based on information provided by the Applicant.

#### **Appendix B-1**

Schedule III: Pro	jected Operating	Revenues and	Expenditures
			-

Year Ending December	31		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Assumptions Land Sale Revenues													
Annual land price escalation <sup>1</sup>				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Resulting cumulative land price escalation				102.00%	104.04%	106.12%	108.24%	110.41%	112.62%	114.87%	117.17%	119.51%	121.90%
<u>Tract / Lots to be Sold<sup>2</sup></u>	<u>Acres<sup>2</sup></u>	<u>\$ per Acre<sup>2</sup></u>											
Lot 1 - Restaurants/Hotels	6.339	\$1,200,000		\$0	\$0	\$8,072,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 2 - Hotels	6.328	\$1,200,000		\$0	\$0	\$0	\$8,219,557	\$0	\$0	\$0	\$0	\$0	\$0
Lot 3 - Hotels	5.718	\$1,100,000		\$0	\$0	\$0	\$0	\$6,944,447	\$0	\$0	\$0	\$0	\$0
Lot 4 - Dest / Ent / Retail	6.236	\$1,000,000		\$0	\$0	\$6,617,693	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 5 - Dest / Ent / Retail	6.552	\$750,000		\$0	\$0	\$0	\$5,319,072	\$0	\$0	\$0	\$0	\$0	\$0
Lot 6	7.162	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$4,113,443	\$0	\$0	\$0
Lot 7	5.786	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,457,403	\$0
Lot 8	6.203	\$400,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,850,119	\$0	\$0	\$0
Lot 9 - Retail	2.555	\$500,000		\$0	\$0	\$0	\$1,382,807	\$0	\$0	\$0	\$0	\$0	\$0
Lot 10 - C Store	1.437	\$500,000	_	\$0	\$0	\$0	\$777,728	\$0	\$0	\$0	\$0	\$0	\$0
Lot 12 - $\text{Fields}^4$	26.738	\$60,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 13 - Fields <sup>*</sup>	21.314	\$60,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 14 - Senior	8.497	\$450,000		\$0	\$0	\$4,057,688	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 15	5.387	\$700,000		\$0	\$0	\$0	\$0	\$0	\$4,246,646	\$0	\$0	\$0	\$0
Lot 16	3.804	\$750,000		\$0	\$0	\$0	\$0	\$0	\$0	\$3,277,200	\$0	\$0	\$0
Lot 17	2.780	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,257,213	\$0	\$0
Lot 18	2.690	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$3,029,377	\$0	\$0	\$0	\$0
Lot 19	3.078	\$800,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,828,524	\$0	\$0	\$0
Lot 20 - Restaurant	3.289	\$1,100,000		\$0	\$0	\$0	\$0	\$3,994,454	\$0	\$0	\$0	\$0	\$0
Lot 21 - Restaurant	3.410	\$1,200,000		\$0	\$0	\$0	\$4,429,312	\$0	\$0	\$0	\$0	\$0	\$0
Lot 22 - Apartments	22.987	\$250,000		\$0	\$0	\$0	\$0	\$0	\$0	\$6,601,209	\$0	\$0	\$0
Lot 23	4.618	\$150,000		\$0	\$0	\$0	\$0	\$0	\$0	\$795,695	\$0	\$0	\$0
Lot 24 - Slope	2.451	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 25 - Slope	0.653	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 26	18.429	\$200,000	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,318,502	\$0	\$0
Subtotal				\$0	\$0	\$18,747,778	\$20,128,475	\$10,938,901	\$7,276,023	\$20,466,190	\$7,575,715	\$3,457,403	\$0
Brokerage and transaction costs <sup>2</sup>				7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Estimated Results													
<u>Projected revenues</u> Land sale revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Other revenue <sup>1</sup>			\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$10,719,402 \$0	\$10,173,170 \$0	\$0,700,701	\$17,055,557 \$0	\$7,045,415 \$0	\$0	\$0 \$0
Total operating revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Projected operating expenditures <sup>2</sup>													
Landscaping			\$0	\$0	\$150,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating costs / soft costs			\$0	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net operating expenditures	_		\$0	\$0	\$550,000	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected net cashflow before interest			\$0	\$0	(\$550,000)	\$16,735,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Estimated interest expense on bank loan <sup>3</sup>			\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Debt service expense on TIF Loan <sup>3</sup>			\$94,250	\$188,500	\$263,194	\$263,194	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cashflow after interest			(\$414,894)	(\$1,146,644)	(\$2,088,194)	\$15,197,240	\$18,419,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Estimated principal repayment <sup>3</sup>			\$0	\$0	\$0	\$13,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Net proceeds for equity distributions			(\$414,894)	(\$1,146,644)	(\$2,088,194)	\$2,197,240	\$14,419,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0

<sup>1</sup>Assumption provided by Client.

<sup>2</sup>Provided by Client based on information provided by Applicant.

<sup>3</sup>See Schedule II.

<sup>4</sup>Assumption provided by Client based on Applicant's secondary indication that the land for the ball fields may need to be donated (thus no sales revenue for this acreage).

# Appendix B-1

30-Aug-23

Schedule IV: Estimated Equity Returns

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
	(#15.175.000)	(\$10,446,150)	¢0.	¢0.	¢0.	¢0.	¢ο	¢0.	ф.)	ΦQ	¢ο	<b>\$</b> 0	(#25 (21 150)
Equity contributions <sup>1</sup> Distributions / (contributions) from annual operations, after		(\$12,446,150)	\$0 (\$1,146,644)	\$0 (\$2,088,194)	\$0 \$2,197,240	\$0 \$14,419,482	\$0 \$10,173,178	\$0 \$6,766,701	\$0 \$19,033,557	\$0 \$7,045,415	\$0 \$3,215,385	\$0 \$0	(\$27,621,150) \$59,201,226
debt service payments <sup>2</sup>	\$0	(\$414,094)	(\$1,140,044)	(\$2,088,194)	\$2,197,240	\$14,419,462	\$10,173,178	\$0,700,701	\$19,055,557	\$7,045,415	\$5,215,585	<b>\$</b> 0	\$33,201,220 \$0
Total annual cashflow	(\$15,175,000)	(\$12,861,044)	(\$1,146,644)	(\$2,088,194)	\$2,197,240	\$14,419,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0	\$31,580,076
Estimated internal rate of return (IRR)	12.0%												

*MuniCap, Inc.* <sup>1</sup>See Schedule I.

<sup>2</sup>See Schedule III.

# Appendix B-1

https://municap.sharepoint.com/sites/ALLSTAFF/CAROLINA/Thad Municap/MuniCap/Consulting/Knoxville CDC Bass Berry/Prosperity Crossing Knox County/[Prosperity Crossing Appendix B-1 with TIF August 30 2023.xlsx]IV

Appendix B-2

# Prosperity Crossing Knox County, TN

Estimated Applicant Returns Assuming a TIF Grant of \$8,900,000 is Provided

# Schedule I: Sources and Uses of Capital

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Sources:												
Borrowings <sup>1</sup>	\$0	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Tax increment finance loan	\$0	\$8,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,900,000
Applicant equity investment (including land) <sup>2</sup>	\$15,175,000	\$6,446,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,621,150
Total sources	\$15,175,000	\$23,896,663	\$8,449,488	\$0	<b>\$0</b>	\$47,521,150						
<u>Uses<sup>3</sup></u>												
Real property												
Value of land contributed	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
Total real property	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
<b>Development costs</b> Hard costs:												
Mass Grading Unclassified, Roads	\$0	\$18,710,250	\$6,236,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,947,000
Additional contingency on hard costs (5% of above)	\$0	\$935,513	\$311,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,247,350
Utilities	\$0	\$600,900	\$600,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,201,800
Offsite Utilties	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
Signage	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Landscaping	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Total hard costs	\$0	\$23,246,663	\$8,049,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,296,150
Soft costs:												
Legal/Loan/Professional	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Misc/Soft Costs	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Total soft costs	\$0	\$650,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,050,000
Total development costs	\$0	\$23,896,663	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,346,150
Total Uses	\$15,175,000	\$23,896,663	\$8,449,488	\$0	\$0	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	\$0	<b>\$0</b>	\$0	\$47,521,150

MuniCap, Inc.

STAFF/CAROLINA/Thad Municap/MuniCap/Consulting/Knoxville CDC Bass Berry/Prosperity Crossing Knox County/[Prosperity Crossing Appendix B-2 with TIF August 30 2023.xlsx]I 30-Aug-23

<sup>1</sup>Assumption provided by Applicant's indication of total borrowing and additional information provided by Applicant.

 $^2\mathrm{Equals}$  total uses for the year less debt obtained during the year.

<sup>3</sup>Provided by Client based on information provided by Applicant.



#### Schedule II: Estimated Draw Down and Repayment of Loans

Year Ending December 31	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Totals
Bank Loan	<b>.</b>	<b>\$6.550.510</b>	<b>*1=</b> 000 000	¢1 <b>=</b> 000 000	<b>*</b> 4 . 000 . 000	<b>*</b> •	<b>\$</b> 0	<b>\$</b> 0	<b>*</b> •	<b>.</b>	<b>\$</b> 0	
Beginning balance	\$0	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
Draws <sup>1</sup>	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Repayments from land sales <sup>2</sup>	\$0	\$0	\$0	(\$13,000,000)	(\$4,000,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,000,000)
Ending balance	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual interest expense on bank loan <sup>3</sup>	\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	4,128,788
TIF Loan Beginning balance	\$0	\$8,900,000	\$8,900,000	\$8,670,768	\$8,426,636	\$8,166,636	\$7,889,735	\$7,594,836	\$7,280,768	\$6,946,286	\$6,590,063	
Draws <sup>1</sup>	\$8,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,900,000
Principal repayments <sup>4</sup>	\$0	\$0	(\$229,232)	(\$244,132)	(\$260,001)	(\$276,901)	(\$294,899)	(\$314,068)	(\$334,482)	(\$356,223)	(\$379,378)	(\$2,689,315)
Ending balance	\$8,900,000	\$8,900,000	\$8,670,768	\$8,426,636	\$8,166,636	\$7,889,735	\$7,594,836	\$7,280,768	\$6,946,286	\$6,590,063	\$6,210,685	
Interest exp. on TIF loan <sup>5</sup>	\$289,250	\$578,500	\$578,500	\$563,600	\$547,731	\$530,831	\$512,833	\$493,664	\$473,250	\$451,509	\$428,354	
Debt service on TIF loan paid by Applicant <sup>6</sup>	\$289,250	\$578,500	\$807,732	\$807,732	\$234,726	\$0	\$0	\$0	\$0	\$0	\$0	\$2,717,940
Debt service on TIF loan paid by TIF revenues <sup>6</sup>	\$0	\$0	\$0	\$0	\$573,006	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$5,419,398
Total debt service on TIF loan	\$0	\$0	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$807,732	\$7,269,587

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<sup>2</sup>Assumption provided by Applicant.

<sup>3</sup>Assumption provided by Applicant's indication that it expects to obtain a loan with an interest rate of 7.50 percent (originally indicated to be 6.5%), while paying interest only through the draw down of the full borrowing amount. Interest is estimated assuming the full draw amount occurs in the middle of the year.

<sup>4</sup>Assumed a 20 year amortization schedule starting in calendar year 2025, as assumed by Applicant.

<sup>5</sup>Indicated amounts provided by Client based on information (including an assumed interest rate of 6.5%) provided by Applicant.

<sup>6</sup>Based on information provided by the Applicant.

#### Appendix B-2

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Year Ending December	31		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Assumptions													
Land Sale Revenues Annual land price escalation <sup>1</sup>				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Resulting cumulative land price escalation				102.00%	104.04%	106.12%	108.24%	110.41%	112.62%	114.87%	117.17%	119.51%	121.90%
<u>Tract / Lots to be Sold<sup>2</sup></u>	<u>Acres<sup>2</sup></u>	<u>\$ per Acre<sup>2</sup></u>											
Lot 1 - Restaurants/Hotels	6.339	\$1,200,000		\$0	\$0	\$8,072,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 2 - Hotels	6.328	\$1,200,000		\$0	\$0	\$0	\$8,219,557	\$0	\$0	\$0	\$0	\$0	\$0
Lot 3 - Hotels	5.718	\$1,100,000		\$0	\$0	\$0	\$0	\$6,944,447	\$0	\$0	\$0	\$0	\$0
Lot 4 - Dest / Ent / Retail	6.236	\$1,000,000		\$0	\$0	\$6,617,693	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 5 - Dest / Ent / Retail	6.552	\$750,000		\$0	\$0	\$0	\$5,319,072	\$0	\$0	\$0	\$0	\$0	\$0
Lot 6	7.162	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$4,113,443	\$0	\$0	\$0
Lot 7	5.786	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,457,403	\$0
Lot 8	6.203	\$400,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,850,119	\$0	\$0	\$0
Lot 9 - Retail	2.555	\$500,000		\$0	\$0	\$0	\$1,382,807	\$0	\$0	\$0	\$0	\$0	\$0
Lot 10 - C Store	1.437	\$500,000	_	\$0	\$0	\$0	\$777,728	\$0	\$0	\$0	\$0	\$0	\$0
Lot 12 - Fields <sup>4</sup>	26.738	\$60,000	ſ	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 13 - Fields <sup>*</sup>	21.314	\$60,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 14 - Senior	8.497	\$450,000		\$0	\$0	\$4,057,688	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 15	5.387	\$700,000		\$0	\$0	\$0	\$0	\$0	\$4,246,646	\$0	\$0	\$0	\$0
Lot 16	3.804	\$750,000		\$0	\$0	\$0	\$0	\$0	\$0	\$3,277,200	\$0	\$0	\$0
Lot 17	2.780	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,257,213	\$0	\$0
Lot 18	2.690	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$3,029,377	\$0	\$0	\$0	\$0
Lot 19	3.078	\$800,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,828,524	\$0	\$0	\$0
Lot 20 - Restaurant	3.289	\$1,100,000		\$0	\$0	\$0	\$0	\$3,994,454	\$0	\$0	\$0	\$0	\$0
Lot 21 - Restaurant	3.410	\$1,200,000		\$0	\$0	\$0	\$4,429,312	\$0	\$0	\$0	\$0	\$0	\$0
Lot 22 - Apartments	22.987	\$250,000		\$0	\$0	\$0	\$0	\$0	\$0	\$6,601,209	\$0	\$0	\$0
Lot 23	4.618	\$150,000		\$0	\$0	\$0	\$0	\$0	\$0	\$795,695	\$0	\$0	\$0
Lot 24 - Slope	2.451	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 25 - Slope	0.653	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 26	18.429	\$200,000	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,318,502	\$0	\$0
Subtotal				\$0	\$0	\$18,747,778	\$20,128,475	\$10,938,901	\$7,276,023	\$20,466,190	\$7,575,715	\$3,457,403	\$0
Brokerage and transaction costs <sup>2</sup>				7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Estimated Results													
<u>Projected revenues</u> Land sale revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Other revenue <sup>1</sup>			\$0 \$0	\$0 \$0	\$0 \$0	\$17,433,434 \$0	\$18,719,482 \$0	\$10,173,178 \$0	\$0,700,701 \$0	\$19,055,557 \$0	\$7,045,415 \$0	\$5,215,585	\$0 \$0
Total operating revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
<u>Projected operating expenditures<sup>2</sup></u>			·			. , ,	. , ,					. , ,	
Landscaping			\$0	\$0	\$150,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating costs / soft costs			\$0	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net operating expenditures			\$0	\$0	\$550,000	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected net cashflow before interest			\$0	\$0	(\$550,000)	\$16,735,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Estimated interest expense on bank loan <sup>3</sup>			\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Debt service expense on TIF Loan <sup>3</sup>			\$289,250	\$578,500	\$807,732	\$807,732	\$234,726	\$0	\$0	\$0	\$0	\$0	\$0
Cashflow after interest			(\$609,894)	(\$1,536,644)	(\$2,632,732)	\$14,652,702	\$18,184,756	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Estimated principal repayment <sup>3</sup>			\$0	\$0	\$0	\$13,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Net proceeds for equity distributions			(\$609,894)	(\$1,536,644)	(\$2,632,732)	\$1,652,702	\$14,184,756	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
MuniCap, Inc.	htt	ps://municap.sharep										B-2 with TIF August 3	

<sup>1</sup>Assumption provided by Client.

<sup>2</sup>Provided by Client based on information provided by Applicant.

<sup>3</sup>See Schedule II.

<sup>4</sup>Assumption provided by Client based on Applicant's secondary indication that the land for the ball fields may need to be donated (thus no sales revenue for this acreage).

Appendix B-2

30-Aug-23

Schedule IV: Estimated Equity Returns

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Equity contributions <sup>1</sup> Distributions / (contributions) from annual operations, after	(\$15,175,000) \$0	(\$6,446,150) (\$609,894)	\$0 (\$1,536,644)	<b>\$0</b> (\$2,632,732)	\$0 \$1,652,702	\$0 \$14,184,756	\$0 \$10,173,178	\$0 \$6,766,701	\$0 \$19,033,557	\$0 \$7,045,415	\$0 \$3,215,385	\$0 \$0	<mark>(\$21,621,150)</mark> \$57,292,423
debt service payments <sup>2</sup> Total annual cashflow	(\$15,175,000)	(\$7,056,044)	(\$1,536,644)	(\$2,632,732)	\$1,652,702	\$14,184,756	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0	\$0 \$35,671,273
Estimated internal rate of return (IRR)	14.8%												

*MuniCap, Inc.* <sup>1</sup>See Schedule I.

<sup>2</sup>See Schedule III.

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Appendix B-3

### Prosperity Crossing Knox County, TN

Estimated Applicant Returns Assuming a TIF Grant of \$13,000,000 is Provided

#### Schedule I: Sources and Uses of Capital

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Sources:												
Borrowings <sup>1</sup>	\$0	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Tax increment finance loan	\$0	\$13,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,000,000
Applicant equity investment (including land) <sup>2</sup>	\$15,175,000	\$2,346,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,521,150
Total sources	\$15,175,000	\$23,896,663	\$8,449,488	\$0	<b>\$0</b>	\$47,521,150						
<u>Uses<sup>3</sup></u>												
Real property												
Value of land contributed	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
Total real property	\$15,175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,175,000
<b>Development costs</b> Hard costs:												
Mass Grading Unclassified, Roads	\$0	\$18,710,250	\$6,236,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,947,000
Additional contingency on hard costs (5% of above)	\$0	\$935,513	\$311,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,247,350
Utilities	\$0	\$600,900	\$600,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,201,800
Offsite Utilties	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
Signage	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Landscaping	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Total hard costs	\$0	\$23,246,663	\$8,049,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,296,150
Soft costs:												
Legal/Loan/Professional	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Misc/Soft Costs	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Total soft costs	\$0	\$650,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,050,000
Total development costs	\$0	\$23,896,663	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,346,150
Total Uses	\$15,175,000	\$23,896,663	\$8,449,488	\$0	\$0	<b>\$0</b>	<b>\$0</b>	\$0	\$0	<b>\$0</b>	\$0	\$47,521,150

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<sup>1</sup>Assumption provided by Applicant's indication of total borrowing and additional information provided by Applicant.

 $^2\mathrm{Equals}$  total uses for the year less debt obtained during the year.

<sup>3</sup>Provided by Client based on information provided by Applicant.

#### Schedule II: Estimated Draw Down and Repayment of Loans

Year Ending December 31	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Totals
Bank Loan Beginning balance	\$0	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
Draws <sup>1</sup>	\$8,550,513	\$8,449,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000
Repayments from land sales <sup>2</sup>	\$0	\$0	\$0	(\$13,000,000)	(\$4,000,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,000,000)
Ending balance	\$8,550,513	\$17,000,000	\$17,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual interest expense on bank loan <sup>3</sup>	\$320,644	\$958,144	\$1,275,000	\$1,275,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	4,128,788
TIF Loan Beginning balance	\$0	\$13,000,000	\$13,000,000	\$12,665,167	\$12,308,570	\$11,928,793	\$11,524,332	\$11,093,580	\$10,634,830	\$10,146,261	\$9,625,935	
Draws <sup>1</sup>	\$13,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,000,000
Principal repayments <sup>4</sup>	\$0	\$0	(\$334,833)	(\$356,597)	(\$379,776)	(\$404,462)	(\$430,752)	(\$458,750)	(\$488,569)	(\$520,326)	(\$554,147)	(\$3,928,213)
Ending balance	\$13,000,000	\$13,000,000	\$12,665,167	\$12,308,570	\$11,928,793	\$11,524,332	\$11,093,580	\$10,634,830	\$10,146,261	\$9,625,935	\$9,071,787	
Interest exp. on TIF loan <sup>5</sup>	\$422,500	\$845,000	\$845,000	\$823,236	\$800,057	\$775,372	\$749,082	\$721,083	\$691,264	\$659,507	\$625,686	
Debt service on TIF loan paid by Applicant <sup>6</sup>	\$422,500	\$845,000	\$1,179,833	\$1,179,833	\$606,827	\$253,625	\$27,197	\$0	\$0	\$0	\$0	\$4,514,815
Debt service on TIF loan paid by TIF revenues <sup>6</sup>	\$0	\$0	\$0	\$0	\$573,006	\$926,208	\$1,152,637	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$7,371,183
Total debt service on TIF loan	\$0	\$0	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$1,179,833	\$10,618,498

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<sup>2</sup>Assumption provided by Applicant.

<sup>3</sup>Assumption provided by Applicant's indication that it expects to obtain a loan with an interest rate of 7.50 percent (originally indicated to be 6.5%), while paying interest only through the draw down of the full borrowing amount. Interest is estimated assuming the full draw amount occurs in the middle of the year.

<sup>4</sup>Assumed a 20 year amortization schedule starting in calendar year 2025, as assumed by Applicant.

<sup>5</sup>Indicated amounts provided by Client based on information (including an assumed interest rate of 6.5%) provided by Applicant.

<sup>6</sup>Based on information provided by the Applicant.

#### **Appendix B-3**

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Year Ending December	31		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Assumptions													
Land Sale Revenues Annual land price escalation <sup>1</sup>				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Resulting cumulative land price escalation				102.00%	104.04%	106.12%	108.24%	110.41%	112.62%	114.87%	117.17%	119.51%	121.90%
<u>Tract / Lots to be Sold<sup>2</sup></u>	$\underline{Acres}^2$	$\frac{\text{s per Acre}^2}{2}$											
Lot 1 - Restaurants/Hotels	6.339	\$1,200,000		\$0	\$0	\$8,072,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 2 - Hotels	6.328	\$1,200,000		\$0	\$0	\$0	\$8,219,557	\$0	\$0	\$0	\$0	\$0	\$0
Lot 3 - Hotels	5.718	\$1,100,000		\$0	\$0	\$0	\$0	\$6,944,447	\$0	\$0	\$0	\$0	\$0
Lot 4 - Dest / Ent / Retail	6.236	\$1,000,000		\$0	\$0	\$6,617,693	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 5 - Dest / Ent / Retail	6.552	\$750,000		\$0	\$0	\$0	\$5,319,072	\$0	\$0	\$0	\$0	\$0	\$0
Lot 6	7.162	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$4,113,443	\$0	\$0	\$0
Lot 7	5.786	\$500,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,457,403	\$0
Lot 8	6.203	\$400,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,850,119	\$0	\$0	\$0
Lot 9 - Retail	2.555	\$500,000		\$0	\$0	\$0	\$1,382,807	\$0	\$0	\$0	\$0	\$0	\$0
Lot 10 - C Store	1.437	\$500,000	_	\$0	\$0	\$0	\$777,728	\$0	\$0	\$0	\$0	\$0	\$0
Lot 12 - Fields <sup>4</sup>	26.738	\$60,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 13 - Fields	21.314	\$60,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 14 - Senior	8.497	\$450,000		\$0	\$0	\$4,057,688	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 15	5.387	\$700,000		\$0	\$0	\$0	\$0	\$0	\$4,246,646	\$0	\$0	\$0	\$0
Lot 16	3.804	\$750,000		\$0	\$0	\$0	\$0	\$0	\$0	\$3,277,200	\$0	\$0	\$0
Lot 17	2.780	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,257,213	\$0	\$0
Lot 18	2.690	\$1,000,000		\$0	\$0	\$0	\$0	\$0	\$3,029,377	\$0	\$0	\$0	\$0
Lot 19	3.078	\$800,000		\$0	\$0	\$0	\$0	\$0	\$0	\$2,828,524	\$0	\$0	\$0
Lot 20 - Restaurant	3.289	\$1,100,000		\$0	\$0	\$0	\$0	\$3,994,454	\$0	\$0	\$0	\$0	\$0
Lot 21 - Restaurant	3.410	\$1,200,000		\$0	\$0	\$0	\$4,429,312	\$0	\$0	\$0	\$0	\$0	\$0
Lot 22 - Apartments	22.987	\$250,000		\$0	\$0	\$0	\$0	\$0	\$0	\$6,601,209	\$0	\$0	\$0
Lot 23	4.618	\$150,000		\$0	\$0	\$0	\$0	\$0	\$0	\$795,695	\$0	\$0	\$0
Lot 24 - Slope	2.451	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 25 - Slope	0.653	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lot 26 Subtotal	18.429	\$200,000	-	\$0 \$0	\$0 \$0	\$0 \$18,747,778	\$0 \$20,128,475	\$0 \$10,938,901	\$0 \$7,276,023	\$0 \$20,466,190	\$4,318,502 \$7,575,715	\$0 \$3,457,403	\$0 \$0
Brokerage and transaction costs <sup>2</sup>				7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Estimated Results													
Projected revenues													
Land sale revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Other revenue <sup>1</sup>			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total operating revenue			\$0	\$0	\$0	\$17,435,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Projected operating expenditures <sup>2</sup>			<b>.</b>	<b>*</b> •		<b>**</b>	<b>.</b>	<b>.</b>	<b>\$ \$</b>	<b>\$</b> \$	<b>*</b> •	<b>*</b> •	<b>.</b>
Landscaping			\$0 \$0	\$0 \$0	\$150,000	\$300,000	\$0 \$0	\$0	\$0 \$0	\$0	\$0 \$0	\$0 \$0	\$0 \$0
Operating costs / soft costs Net operating expenditures			\$0 \$0	\$0 \$0	\$400,000 \$550,000	\$400,000 \$700,000	\$0 \$0	<u>\$0</u> \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Projected net cashflow before interest			\$0 \$0	\$0 <b>\$0</b>	(\$550,000)	\$16,735,434	\$18,719,482	\$10,173,178	\$6,766,701	\$19,033,557	\$7,045,415	\$3,215,385	\$0 \$0
Estimated interest expense on bank loan <sup>3</sup> Debt service expense on TIF Loan <sup>3</sup>			\$320,644 \$422,500	\$958,144 \$845,000	\$1,275,000 \$1,179,833	\$1,275,000 \$1,179,833	\$300,000 \$606,827	\$0 \$253,625	\$0 \$27,197	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
-			·				·						
Cashflow after interest			(\$743,144)	(\$1,803,144)	(\$3,004,833)	\$14,280,600	\$17,812,655	\$9,919,553	\$6,739,505	\$19,033,557	\$7,045,415	\$3,215,385	\$0
Estimated principal repayment <sup>3</sup>			\$0	\$0	\$0	\$13,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Net proceeds for equity distributions			(\$743,144)	(\$1,803,144)	(\$3,004,833)	\$1,280,600	\$13,812,655	\$9,919,553	\$6,739,505	\$19,033,557	\$7,045,415	\$3,215,385	\$0

<sup>1</sup>Assumption provided by Client.

<sup>2</sup>Provided by Client based on information provided by Applicant.

<sup>3</sup>See Schedule II.

<sup>4</sup>Assumption provided by Client based on Applicant's secondary indication that the land for the ball fields may need to be donated (thus no sales revenue for this acreage).

**Appendix B-3** 

30-Aug-23

Schedule IV: Estimated Equity Returns

Year Ending December 31	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Equity contributions <sup>1</sup>	(\$15,175,000)	(\$2,346,150)	\$0 (\$1.802.144)	\$0 (\$2,004,822)	\$0 \$1,280,600	\$0 \$12 \$12 655	\$0 \$0.010.553	\$0 \$6 730 505	\$0 \$10.022.557	\$0 \$7.045.415	\$0 \$2 215 285	\$0 \$0	(\$17,521,150) \$55,405,548
Distributions / (contributions) from annual operations, after debt service payments <sup>2</sup> Total annual cashflow	\$0 (\$15,175,000)	(\$743,144)	(\$1,803,144)	(\$3,004,833) (\$3,004,833)	\$1,280,600	\$13,812,655	\$9,919,553 \$9,919,553	\$6,739,505 \$6,739,505	\$19,033,557 \$19,033,557	\$7,045,415	\$3,215,385	\$0 	\$55,495,548 \$0 \$37,974,398
Estimated internal rate of return (IRR)	16.9%												

*MuniCap, Inc.* <sup>1</sup>See Schedule I.

<sup>2</sup>See Schedule III.

https://municap.sharepoint.com/sites/ALLSTAFF/CAROLINA/Thad Municap/MuniCap/Consulting/Knoxville CDC Bass Berry/Prosperity Crossing Knox County/[Prosperity Crossing Appendix B-3 with TIF August 30 2023.xlsx]IV

## Appendix B-3

#### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX APPROVING AN APPLICATION AND THE SUBMISSION OF AN ECONOMIC IMPACT PLAN RELATING TO TAX INCREMENT FINANCING OF DEVELOPMENT COSTS OF THE PROSPERITY CROSSING PROJECT

WHEREAS, The Industrial Development Board of the County of Knox, Tennessee (the "Board") is the industrial development authority of Knox County, Tennessee (the "County") and is duly incorporated pursuant to Sections 7-53-301 et seq., Tennessee Code Annotated; and

WHEREAS, the Board received an Application ("Application") for tax increment financing ("Tax Increment Financing") from 140/75 Business Park, LLC (together with any and all affiliates thereof, "Applicant") in connection with Applicant's infrastructure improvements and construction of a mixed-use development to be known as "Prosperity Crossing" located off El Camino Lane in Knox County, Tennessee near the Watt Road interchange on I-40/75 (the "Project"); and

WHEREAS, Applicant has requested that the Board grant and enter into a Tax Increment Financing with Applicant with respect to the Project having a term of twenty (20) years; and

WHEREAS, the Application Review Committee (the "Committee") of the Board of Directors of the Board has considered the Application under the Tax Increment Financing Program and recommended its approval; and

WHEREAS, the Applicant has also submitted to the Application Review Committee and the Board an Economic Impact Plan (the "Economic Impact Plan") for the development of the Project,

WHEREAS, the Application and the Economic Impact Plan identifies the parcels of real property for which tax increment are proposed to be made available for the payment of debt service on the tax increment financing (the "Plan Area"); and

WHEREAS, certain parcels of real property identified in the Application and the Economic Impact Plan and included within the Plan Area are not owned by the Applicant, and the Board has received the consent of the property owners of such parcels to their inclusion in the Plan Area;

WHEREAS, the Economic Impact Plan proposes certain tax increment financing for eligible costs of the development of the Project in the Plan Area, which will consist of a maximum contribution of \$8,900,000, plus interest thereon, in incremental taxes, all in the form of payments or reimbursements to the Board over a maximum term of twenty (20) years per tract; and

WHEREAS, the Board desires to approve the Application and to submit the Economic Impact Plan to the Commission of Knox County for its approval; and

WHEREAS, the Board has provided timely public notice of this regular meeting and the public hearing on the Economic Impact Plan to be conducted in connection herewith; and

WHEREAS, such Tax Increment Financing will further the public purposes of the Board by promoting development in the Plan Area.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of The Industrial Development Board of the County of Knox, as follows:

1. The Board finds and determines that the Project will promote the economy and development in the State of Tennessee and Knox County, Tennessee and the welfare of the citizens thereof.

2. Each of the officers of the Board and members of the Board's staff, or either one of them, is hereby directed to submit to the Commission (a) the Application and (b) the Economic Impact Plan for its consideration and approval in accordance with Tenn. Code Ann. §7-53-312, together with a summary of all comments made, if any, at the public hearing conducted in connection herewith.

3. Each of the officers of the Board and the members of the Board's staff is, furthermore, hereby authorized to do all acts and things and execute all documents, from time to time, as may be necessary or convenient to carry out and comply with the provisions of this Resolution.

# 117

#### CERTIFICATE

As Assistant Secretary of The Industrial Development Board of the County of Knox, I hereby certify that the above Resolution was presented at the meeting of the Board of Directors of said corporation on the 12<sup>th</sup> day of December, 2023; that a quorum was present; that the vote on the adoption of the Resolution was taken openly and the Board of Directors duly approved the resolution; that said meeting was held at a specified time and place; that notice was duly given, and that the meeting was called and held in strict accordance with the provisions of the charter and bylaws of said corporation and in accordance with applicable law.

IN WITNESS WHEREOF, I have executed this Certificate, this 12th day of December, 2023.

Lou Moran, III, Assistant Secretary

7423341.2

Presented at this meeting of the Board, held on December 12, 2023, and passed and approved on the same date.

## THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

By tame the -----0 Title: chair

## INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, TENNESSEE

#### **ECONOMIC IMPACT PLAN**

#### FOR

#### **PROSPERITY CROSSING PROJECT**

#### I. <u>Authority for Economic Impact Plan</u>

Industrial development corporations ("IDBs") are authorized under Tenn. Code Ann. § 7-53-312 to prepare and submit to cities and counties an economic impact plan with respect to an area that includes a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved or benefited due to the undertaking of a project. Tenn. Code Ann. § 7-53-312 also authorizes cities and counties to allocate new incremental tax revenues, which arise from the area subject to this Plan, to the IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds or other obligations issued by the IDB to pay the costs of projects.

#### II. Overview and Project Identity

I-40/75 Business Park, LLC, a Tennessee limited liability company (the "Developer"), owns approximately 169 acres of undeveloped real property consisting of multiple parcels, generally located near the Watt Road interchange on I-40/75 (Exit 369), in Knox County, Tennessee.

This property is bounded to the north by Buttermilk Road, to the east by Everett Road, to the south by El Camino Lane, and by mostly undeveloped property to the west. This property has been identified for property tax purposes as tax parcels 141 028, 141 02802, 141 02806, 141 033, and 141 03304, and are referenced in this Plan collectively as the "Developer Parcel".

The Developer desires to undertake a significant multi-use development on the Developer Parcel. This development will be undertaken in phases and is expected to include a multiuse regional sports venue and sports training facilities with medical components, a 326-unit Class A apartment complex, hotels, retail establishments, and restaurants. The sports venue portion of the development will include at a minimum a multifield soccer facility, consisting of no less than seven (7) soccer fields across at least twenty-six (26) acres and associated amenities, including parking, concessions, and restrooms (collectively, the "Soccer Complex"). The Developer has designated the overall development as Prosperity Crossing. The current projected site development plan for the Prosperity Crossing development is attached hereto as <u>Exhibit A</u>, which exhibit also shows the boundaries of the Developer Parcel.

Each component of the development described above is expected to be an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(13). The overall development is therefore referenced in this Plan as the "Project", and such Project shall constitute the Project within the Plan Area described below.

In order to make the undertaking of the Project financially feasible, the Developer has requested Knox County, Tennessee (the "County") to approve, as part of this Plan, a plan for a tax increment incentive through The Industrial Development Board of the County of Knox, Tennessee (the "Board") pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the costs of the Project. The tax increment incentive would be used to pay all or a portion of the cost of the public improvements required to serve the Project, including, but not limited to, road and traffic improvements

(including related signage, signalization, fencing and public parking), wastewater collection systems, storm water and drainage improvements and other utility improvements that are necessary for the development of the Project.

#### III. Boundaries of Plan Area

The area that will be subject to this Plan (the "Plan Area") is the Developer Parcel and the Additional Parcels (defined below), and the boundaries of the Developer Parcel and the Additional Parcels shall be the boundaries of the Plan Area, as further depicted in the map attached hereto as <u>Exhibit B</u>. The Plan Area is hereby declared to be subject to this Economic Impact Plan, and the Project is hereby identified as the project that will be located within the Plan Area.

The Developer has requested that such tax parcels identified by the Knox County Property Assessor's office as 141 03301 (owned by Hays Family Trust), 141 03302 (owned by Scott Mieloch), and 141 03306 (owned by Jemini LLC) (collectively, the "Additional Parcels"), be included within the Plan Area to be affected by the proposed tax increment financing, and such owners of the Additional Parcels have consented to the inclusion of such Additional Parcels into the Plan Area.

#### IV. Financial Assistance to Project

The Board will provide financial assistance to the Project by applying the tax increment incentive in the manner described below to pay or reimburse the Developer for the payment of all or a portion of certain costs that will be incurred in connection with the development of the Project. These costs relate to the cost of property for and the construction and installation of public infrastructure to be made in or adjacent to the Plan Area that is necessary to serve the Project. For these purposes, public infrastructure shall have the meaning given to such term in Tenn. Code Ann. § 9-23-102(16), which includes roads, streets, publicly-owned or privately-owned parking lots, facilities or garages, traffic signals, sidewalks or other public improvements that are available for public use, utility improvements and storm water and drainage improvements, whether or not located on public property or a publicly-dedicated easement.

The Board, subject to the terms of one or more development agreements to be negotiated with the Developer, will pay and/or reimburse the Developer for all or a portion of the cost of such public infrastructure upon receipt of adequate documentation of such costs. The Board and the Developer will enter into a development agreement with respect to each component of the Project specifying the scope of the public improvements and the cost of the public improvements to be paid or reimbursed in connection with that component.

The financial assistance to the Project will be contingent upon the Developer commencing construction of the Soccer Complex within two (2) years of the date of approval of this Plan. Furthermore, TIF Revenues will not be made available for the payment of debt service respecting the indebtedness evidencing the tax increment financing until the Soccer Complex has been completed.

Tenn. Code Ann. § 9-23-108 does not permit the application of incremental tax revenues to pay costs other than the costs of public infrastructure without first receiving a written determination from the Comptroller of the State of Tennessee (the "State") and the Commissioner of Economic and Community Development of the State that the use of tax increment revenues for such purposes is in the best interest of the State. It is not expected that the tax increment incentive authorized by this Plan would be used to pay for any costs other than public infrastructure, but the Board is authorized to pay for costs that do not constitute public infrastructure if the Board determines that the payment of such costs is necessary for the Project to be financially feasible. In such case, the Board will cooperate with the Developer to seek a written determination from the State as to the eligibility of costs other than the costs of public infrastructure.

#### V. Expected Benefits to County

The Project will be a transformational development for a currently underutilized area in the western part of the County. The Plan Area is an old dirt "borrow pit" with high visibility from Interstate 40. The Plan Area consists of rugged terrain and regularly entertains trespassers who enter the property for unauthorized off-roading. The Project will provide a new multi-sport complex, including multi-use turf fields, indoor sports, and training and medical complexes for use by local schools and league teams. The Project will also offer shopping alternatives, restaurant alternatives and residential alternatives to the area that will draw residents and tourists to the County. These activities will be a major catalyst in making the Plan Area a prominent feature of the civic, economic, and cultural life of the County, providing a gathering place for people to play sports, live, shop and dine. The Project will include significant capital investment in the Plan Area and will create a significant number of construction jobs during construction of the Project. Since the Project will consist primarily of sports facilities, residential, hotel, retail, and restaurant uses, this will also result in significant long-term job creation. Once completed, the Project will benefit the County by affording residents and tourists alike the opportunity to visit and spend extended time in the County.

By providing these amenities, the Project will provide a significant stimulus to the development of the area. The development of sports facilities and commercial and residential establishments, such as the Project, will assist the County and the Board in promoting economic development. When companies select locations for manufacturing, distribution and office facilities, a significant factor that is considered by site selection firms is the quality of life for the companies' employees in each community being considered as a possible location. By providing a wider array of athletic, residential and retail alternatives in the western portion of County, the Project will assist the Board with economic development recruiting and help expand the economic base of the County.

The land within the Plan Area is presently underutilized and is thus providing significantly less property tax revenue than is possible due to the Plan Area currently being underdeveloped. The ad valorem real property taxes for the Plan Area for the year 2022 were only \$35,719.01 for the County, which are the base taxes relating to the Plan Area. The County is expected to receive substantial additional taxes as a result of the development of the Plan Area, and those properties surrounding the Plan Area should further see an increase in property values, resulting in additional taxes to the County as well.

#### VI. Distribution of Property Taxes and Tax Increment Financing

a. <u>Distribution of Taxes</u>. Property taxes imposed on the property located within the Plan Area shall be allocated and distributed as provided in this subsection. The taxes assessed by the County on the real property within the Plan Area will be divided and distributed as follows in accordance with Tenn. Code Ann. § 7-53-312(c) and Title 9, Chapter 23 of the Tennessee Code Annotated, being the Uniformity in Tax Increment Financing Act of 2012 (the "Tax Increment Act"):

i. The portion of the real property taxes payable with respect to the Plan Area equal to the year prior to the date of approval of this Economic Impact Plan (being the base taxes referred to above and referenced herein as the "Base Tax Amount") shall be allocated to and, as collected, paid to the County as all other taxes levied by the County on all other properties; <u>provided</u>, <u>however</u>, that in any year in which the taxes on the property within the Plan Area are less than the Base Tax Amount, there shall be allocated and paid to the County only the taxes actually imposed.

ii. Subject to the limitations contained in the immediately following paragraph, One Hundred Percent (100%) of the excess of real property taxes over the Base Tax Amount (the "TIF Revenues") shall be allocated and, as collected, paid into a separate fund of the Board, created to hold TIF Revenues until such TIF Revenues are applied to pay debt service on the obligations expected to be issued

by the Board to finance the costs of the public improvements described above or otherwise applied to pay eligible costs relating to the Plan Area.

This allocation is subject to the provisions of Tenn. Code Ann. §7-53-312(j) and the Tax Increment Act, which requires that taxes levied upon property within the Plan Area for the payment of debt service of the County shall not be allocated to the Board, and is further subject to the retention or payment of any applicable administrative expenses and fees of the Board or the County consistent with the current policies of any of such entities and/or to be paid under the development agreement to be entered into between the Developer and the Board.

The Developer expects to re-subdivide the Developer Parcel into different parcels in order to facilitate the phased development of the Plan Area. The base taxes with respect to the Developer Parcel shall be allocated to each parcel created by the Developer on a pro-rated basis using the acreage of each subdivided parcel as a percentage of the total acreage of the original Developer Parcel.

The Board is authorized to make all calculations of TIF Revenues on the basis of each parcel within the Plan Area instead of on an aggregate basis as permitted by the Tax Increment Act. If the Board opts to have such calculations made based upon each parcel, the Board shall give notice to the County that such methodology will be used prior to the first allocation date of any TIF Revenues.

As permitted by the Tax Increment Act, the Board is hereby authorized to separately group one or more parcels with the Plan Area for purposes of calculating and allocating the TIF Revenues, and in such case, the allocation of TIF Revenues shall be calculated and made based upon each such parcel or group of parcels, and not the entire Plan Area. The Board is specifically authorized to undertake such grouping of parcels at any time that this Plan is effective as of the beginning of any year (but not later than the eighth full year commencing after the execution of the initial development agreement with the Developer), and the Board may reserve the right in any development agreement with the Developer to regroup one or more parcels for purposes of making the calculations of TIF Revenues hereunder. The Board shall give notice of any such grouping of parcels to the County.

The Board is also authorized to designate, at the direction of the Developer, by notice to the County, that the allocation of TIF Revenues from any parcel or group of parcels shall begin in different years in order to match TIF Revenues with the application of TIF Revenues for the purposes provided herein, subject to the maximum allocation period as to any parcel provided below, provided that allocation of TIF Revenues as to any parcel in the Plan Area must commence no later than the eighth (8<sup>th</sup>) full year after the execution of the initial development agreement with the Developer.

Allocations of TIF Revenues collected by the County that are not delinquent shall be made as to each tax year no later than sixty (60) days after the date such taxes would be delinquent in payment, allocations of TIF Revenues relating to delinquent taxes shall be made not later than sixty (60) days from when such TIF Revenues are collected by the County.

b. <u>Tax Increment Incentive</u>. In order to pay for the costs of the Project described above, the Board expects to use the incremental tax revenues that it would receive as a result of the adoption of this Plan to pay debt service on obligations incurred to finance such costs. This tax increment financing would be structured as follows:

i. The Board will borrow an amount not to exceed \$8,900,000.00 (not including refinancings) through the issuance and sale of notes, bonds or other obligations of the Board in one or more series to be issued from time to time as each component of the Project is undertaken. The Board shall pledge any and all TIF Revenues allocated to the Board pursuant to this Economic Impact Plan to the

payment of such notes, bonds or other obligations. In no event will the obligations issued by the Board be considered a debt or obligation of the County in any manner whatsoever, and the source of the funds to satisfy the Board's payment obligations thereunder shall be limited solely to the TIF Revenues allocable to the Board hereunder. As each series of the notes, bonds or other obligations are issued, the Developer shall apply to the Board, under the applicable policies of the Board, for the issuance of the applicable series of notes, bonds or other obligations and demonstrate, at such time, that the TIF Revenues to be realized from such component of the Project will be sufficient to pay debt service on the notes, bonds or other obligations requested to be issued by the Developer.

ii. The proceeds of the notes, bonds or obligations shall be used to pay the costs of the Project described above together with expenses of the Board in connection with the Project and the tax increment financing and capitalized interest on the notes, bonds or other obligations for a period of two (2) years from the date of completion of construction of the Project, but no more than three (3) years from the date of approval of this Plan.

Any tax increment financing referenced in this Plan shall include any refinancing of a tax increment financing undertaken pursuant to the Act and approved by the Board.

Any development agreement with the Developer shall provide for such portion of the tax increment revenues as the Board and/or the County require under any applicable policies to be withheld for administrative expenses to be so withheld, which amount shall not exceed the amount permitted by the Tax Increment Act, and for such withheld amounts to be applied as required by such policies.

c. <u>Time Period</u>. Taxes on the real property within the Plan Area will be divided and distributed as provided in this Plan for a period, as to each parcel of property in the Plan Area, not in excess of twenty (20) years as to any parcel but, in any event, such allocations shall cease when there are not eligible costs, including debt service, to be paid from TIF Revenues.

d. <u>Finding of Economic Benefit</u>. The Board and the County, by the adoption of this Plan, find that the use of the TIF Revenues as described herein, is in furtherance of promoting economic development in the County and that costs to be financed as described herein are costs of the Project.

#### VII. <u>Approval Process</u>

Pursuant to Tenn. Code Ann. § 7-53-312, the process for the approval of this Economic Impact Plan is as follows:

a. The Board holds a public hearing relating to this Plan after publishing notice of such hearing in a newspaper of general circulation in the County at least two (2) weeks prior to the date of the public hearing. The notice must include the time, place and purpose of the hearing as well as notice of how a map of the subject area may be viewed by the public. Following such public hearing, the Board may submit this Plan to the County for its approval.

b. The governing bodies of the County and the Board must approve this Plan for this Plan to be effective. This Plan may be approved by resolution of the County Commission, whether or not the local charter provisions of the governing bodies provide otherwise. If the County makes any changes to this Economic Impact Plan in connection with their approval hereof after such has been approved by the Board, such changes must be approved by the Board for this Plan to be effective.

c. Once this Plan has been approved by the governing body of the County, the Plan and related documentation shall be filed with the local taxing officials and the Comptroller of the State as required by the Tax Increment Act and annual statements of incremental tax revenues allocated to the Board shall be filed with the State Board of Equalization as required by the Tax Increment Act. The Board will also comply with all other procedural requirements of the Tax Increment Act and other applicable laws.

[End of Economic Impact Plan for Prosperity Crossing Project, exhibits follow]

#### <u>Exhibit A</u> (to Economic Impact Plan)

#### Site Development Plan

(See attached)



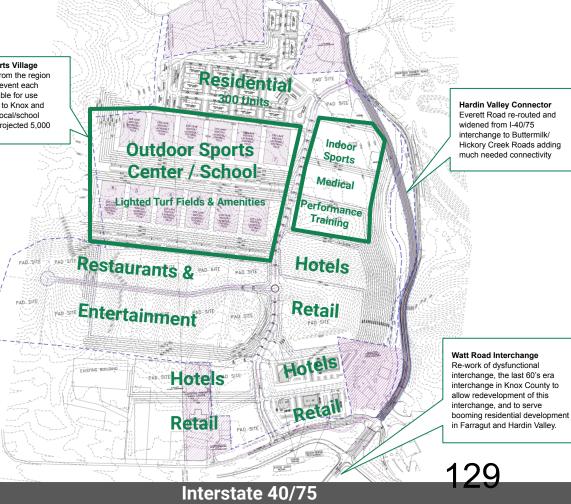
#### **Prosperity Crossing**

#### **Regional Mixed Use**

- Overview •
- **Property Photos**
- Location •
- Aerial Map
- Site Plan •
- **Demographics**
- Disclaimer
- Contact Info



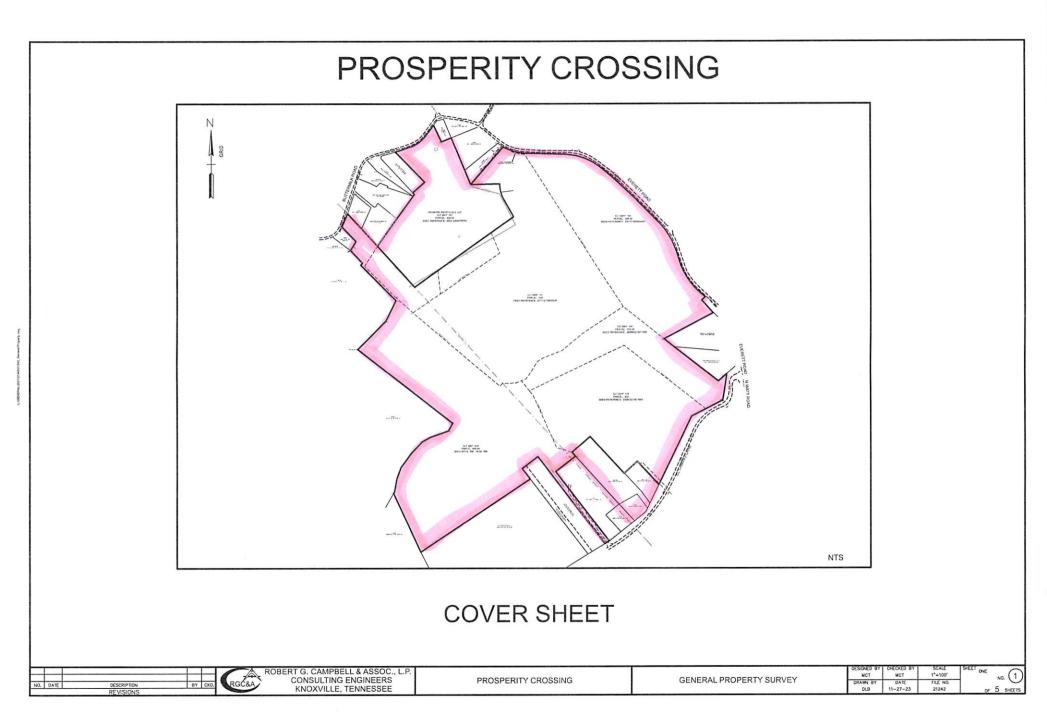




<u>Exhibit B</u> (to Economic Impact Plan)

#### <u>Plan Area</u>

Tax parcels 141 028, 141 02802, 141 02806, 141 033, 141 03304, 141 03301, 141 03302, and 141 03306, as outlined (highlighted) in pink (see attached).



#### TAX INCREMENT FINANCING APPLICATION

#### Please return the completed application and supporting documentation to:

The Industrial Development Board for the County of Knox 17 Market Street #201 Knoxville, Tennessee 37902 (865) 546-5887

#### TIF Application Lead-In Statement and Justification

The Industrial Development Board of the County of Knox views its core mission as the promotion of economic development and growth in Knox County, and in particular commercial and industrial projects that involve a significant capital investment and the generation of new jobs with wages in excess of the annual average wage in Knox County. The TIF Program is designed for economic development projects that provide improvements to public infrastructure in blighted and under-utilized areas of Knox County and in other properties designated by Knox County Commission and City Council.

Please address the following factors as they related to your Project: **Economic Development** 

Will the proposed Project involve significant capital investment and the generation of new jobs with wages in excess of the Knox County annual average wage?

Yes X No\_(If yes, please specify in detail, using additional sheets if necessary)

The Prosperity Crossing Project is a 169 Acre Knox County Development with the core mission of providing the developed land and required infrastructure for a 50 plus acre Regional Multi-Use Sports Complex of lighted turf fields, indoor sports and medically related improvements. These facilities will draw sports teams and spectators from across six or more state regions bringing in very significant amounts of tourism and tax dollars to the county. These funds will go towards paying the salaries of the large number of employees and managers for these facilities. As well as the numerous auxiliary support services that will be needed, such as additional hotels, restaurants, supporting retail and medical/training. The sales tax, hotel and beverage taxes generated will significant to the county and States budget.

Additionally, the infrastructure required to support these facilities and uses will provide new water lines, providing water and much needed fire flow, sewer, gas, electricity, and internet to the entire west end of the county leading from I40/75 in to and opening up Western Hardin Valley. I-40/75 will also work with Knox County Engineering on the additional roads and I40/75 interchange improvements by providing the additional land and the fill materials to reconstruct, widen and totally rebuild these County Roads and the Interchange.

#### **Blight Removal**

Will the proposed Project remove blight?

Yes  $\underline{X}$  No\_(If yes, please specify in detail, using additional sheets if necessary)

The site is an old "dirt borrow pit" that is an eye sore being the first thing seen coming in to Knox County on the Interstate. It is also dangerous due to the rugged terrain and is regularly trespassed on by off road joy riders. As well as illegal activities such as drug sales and prostitution, etc.

Pursuit of Community Plan or Policy

Will the proposed Project further the pursuit of an existing community plan or policy?

Yes X No (If yes, please specify in detail, using additional sheets if necessary) This project opens up the Northwest access to Farragut and the southwest Hardin Valley. The project also brings in new and existing upgrades on the utilities for further development of this under supplied area of Knox County.

#### **Environmental Remediation**

Will the propos	sed Project	address environmental remediation?
Yes X	No	_(If yes, please specify in detail, using additional sheets if necessary)
It is currently	an open p	ut and weeded area. This project will remedy these problems.

#### **Public Infrastructure Need**

 Will the proposed Project address current public infrastructure needs?

 Yes X
 No\_\_\_\_\_

If yes:

Are the proposed public infrastructure improvements identified in the County's or City's current Capital Improvements Plan?

Yes X No (If yes, please specify in detail, using additional sheets if necessary) The improvements to the Evertt/Watt Road area are identified in the Fiscal Year 2023 Capital Budget; \$1 million for design and \$4 million for construction.

Are the proposed public infrastructure improvements identified in any County or City plans? Yes X No\_(If yes, please specify in detail, using additional sheets if necessary) For Fiscal Year 2023 they are in the design phase.

If the proposed public infrastructure improvements are not in the County or City Capital Improvements Plan or any other existing City or County plan, please describe in detail the public's need for the public infrastructure and the basis for the priority or urgency for the public infrastructure, as requested by the Application.

N/A

#### I. Applicant Information

- 1. Name of Applicant: <u>I-40/75 Business Park, LLC</u>
- Business Name and Address: <u>1-40/75 Business Park, LLC, 100 Dalton Place Way, Suite 105 Knoxville, TN 37912.</u>
   The Project name is "Prosperity Crossing"

The Project name is Prosperity Crossing

State of Organization:	Tennessee

3. Contact Person: <u>Steven Maddox</u>

Phone Number: (865) 522-9910 x 101

Fax Number: <u>865-364-1616</u>

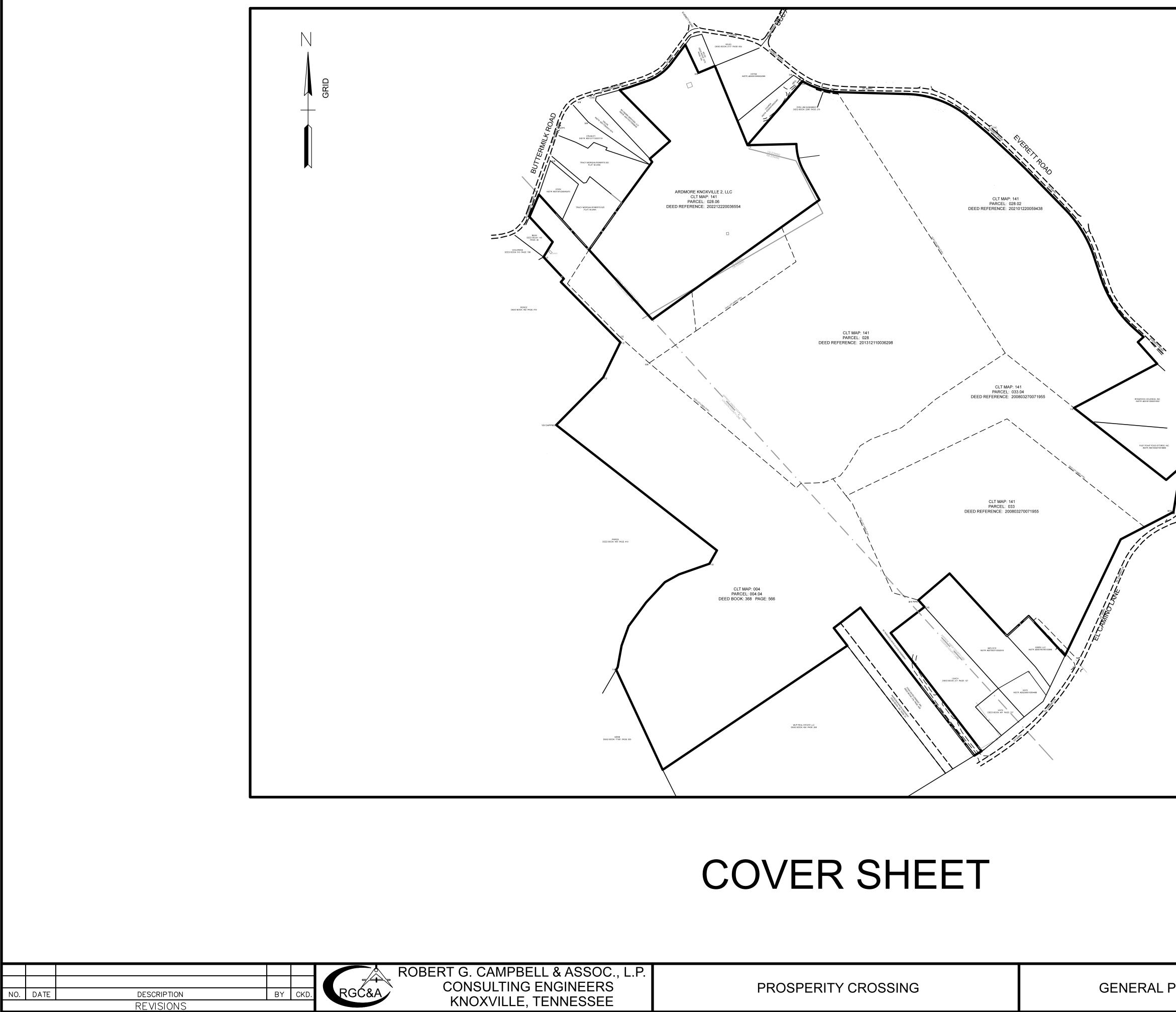
E-Mail Address: smaddox@maddoxcompany.com

- 4. Website: <u>https://www.maddoxcompany.com/</u> <u>https://www.prosperitycrossing.com/</u>
- 5.
   Type of Business Entity:
   Sole Proprietorship
   Limited Partnership

   For-Profit Corporation
   General Partnership

   Limited Liability Company
   Nonprofit Corporation
- Provide the street addresses of the project site:
   13115 El Camino Lane, 0 El Camino Lane, 0 Everett Road, 0 Buttermilk Road
- Provide a legal description of the project site and a description of the leased premises, if applicable.
   See Attached Meets & Bounds description and Survey
- 8. Currently, does the Applicant own or lease the property? (Check one)

Own Lease Neither



# PROSPERITY CROSSING

ASSOC.,	L.P.
NEERS	
ESSEE	

Ę		
EVERETT ROAD NWATTROAD		
		NTS

PROPERTY SURVEY	DESIGNED BY MCT	CHECKED BY MCT	SCALE 1"=100'	SHEET ONE NO. (1)
PROPERTI SURVET	DRAWN BY DLB	DATE 11–27–23	FILE NO. 21242	
		11 27 20	21212	OF <b>3</b> SHEETS

#### Prosperity Crossing Legal Description

Situated in the Six Civil District of Knox County, Tennessee and being a part of Parcels 028, 028.02, 028.05, 033, 033.04, 004.04 and 028.06, more particularly described as follows:

Commencing at a 3/8" iron pin, said pipe being in the southern right-of-way of Everett Road and being approximately 332 feet from the intersection of Buttermilk Road and Everett Road and corner common with the property owned by Cooper said point being the **POINT OF BEGINNING**; thence along the southern right-of-way of Everett Road the following twelve (12) calls:

A 476.98 foot radius curve to the left having a chord bearing of South 72 degrees 41 minutes East a chord distance of 213.63 feet to an iron pins set;

A 487.70 foot radius curve to the left having a chord bearing of South 86 degrees 43 minutes East and a chord distance of 18.30 feet to an iron pin set;

South 88 degrees 27 minute East a distance of 400.08 feet to an iron pin set;

A 598.49 foot radius curve to the right with a chord bearing of South 69 degrees 01 minute East a chord distance of 398.31 feet to an iron pin set;

South 49 degree 35 minute East a distance of 146.94 feet to an iron pin set;

South 47 degree 01 minutes East a distance of 224.95 feet to an iron pin set;

South 45 degrees 39 minutes East a distance of 80.18 feet to an iron pin set;

South 44 degrees 23 minute East a distance of 331.76 feet to an iron pin set;

A 730.62 foot curve to the right having a chord bearing of South 31 degrees 21 minutes East a chord distance of 329.70 feet;

South 18 degrees 18 minutes East a distance of 132.13 feet to an iron pin set;

A 702.39 feet radius curve to the left with a chord bearing of South 31 degrees 59 minutes East a chord distance of 332.46 feet to an iron pin set;

South 47 degree 57 minutes East a distance of 103.86 feet to an iron pin set;

Thence continuing with the right-of-way of Everett Road South 48 degrees 16 minutes West a distance of 45.75 feet to an iron pin set;

Thence continuing with the right of way of Everett Road South 41 degrees 44 minutes East a distance of 172.78 feet to an iron pin set by Benchmark at a corner of Roserock Holdings property;

Thence leaving the right of way of Everett Road and with Roserock Holdings property South 62 degrees 04 minutes West a distance of 559.59 feet to a 1/2 inch existing iron pin;

Thence with Fast Point Food Stores South 52 degrees 02 minutes East a distance of 695.08 feet to and iron pin set by Roth;

Continuing with Fast Point Food, North 48 degrees 59 minutes East a distance of 115.92 feet to an iron pin set by Roth in the western right-of-way of El Camino Lane;

Thence with the western right of way of El Camino Lane South 9 degrees 26 minutes West a distance of 270.27 feet to a TDOT right of way monument;

Thence continuing with the western right of way of El Camino Lane the following two (2) calls:

South 62 degrees 31 minutes West a distance of 351.61 feet to an iron pin set;

South 25 degrees 43 minutes West a distance of 766.07 feet to an iron pin set by Roth;

Thence leaving the right of way with Hays property North 42 degrees 39 minutes West a distance of 318.52 feet to an iron pin set;

Thence continuing with Hays South 47 degrees 25 minutes West a distance of 175.04 feet to an iron pin set at Leach property;

Thence with Leach property North 42 degrees 36 minutes West a distance of 503.88 feet to an existing iron pin set by Frasier;

Thence continuing with Leach property South 49 degrees 30 minutes West a distance of 243.67 feet to a 3/4 existing inch pipe;

Thence with Leach property South 42 degrees 07 minutes East a distance of 54.37 feet to a 3/8 inch existing iron pin;

Thence continuing with Leach and crossing the Loudon and Knox County Line South 52 degrees 28 minutes West a distance of 253.81 feet to an existing iron pin at the edge of a 50 foot non-exclusive access easement;

Thence with access easement and Leach property South 37 degrees 33 minutes East a distance of 884.77 feet to an existing iron pin set by Umstead a the northern right of way of El Camino Drive;

Thence with the northern right of way of El Camino Drive South 58 degrees 06 minutes West a distance of 50.30 feet to an iron pin set by Umstead;

Thence continuing with the 50 foot non-exclusive access easement and Star Development North 37 degrees 34 minutes West a distance of 1,109.31 feet to an iron pin set by Umstead;

Thence continuing with Star development property and crossing an ingress/egress easement South 52 degrees 24 minutes West a distance of 199.89 feet to an iron pin set by Richmond;

Thence with the western edge of the ingress/egress easement along Star Development property South 37 degrees 37 minutes East a distance of 132.18 feet to an iron pin set by Richmond;

Thence with WD Properties South 56 minutes 06 degrees West a distance of 1,322.13 feet to an existing iron pin set by Richmond;

Thence with the Webb property North 24 degrees 56 minutes West a distance of 655.16 feet to a 1/2 inch iron pin;

Thence with Pierce property the following thirteen (13) calls;

North 29 degrees 27 minutes East a distance of 18.09 feet to an iron pin set;

North 10 degrees 14 minutes East a distance of 129.90 feet to an iron pin set; North 19 degrees 51 minutes East a distance of 123.49 feet to an iron pin set; North 36 degrees 27 minutes East a distance of 175.29 feet to an iron pin set; North 42 degrees 52 minutes East a distance of 163.54 feet to an iron pin set; North 61 degrees 09 minutes East a distance of 95.36 feet to an iron pin set; North 70 degrees 42 minutes East a distance of 191.54 feet to an existing 1/2 iron pin; North 29 degrees 30 minutes East a distance of 91.17 feet to an exiting iron pin set by MBI; North 52 degrees 03 minutes West a distance of 1211.02 feet to a 1/2 inch capped existing iron pin; North 44 degrees 37 minutes East a distance of 397.85 feet to a 1/2 inch existing iron pin;

North 26 degrees 02 minutes East a distance of 231.83 feet to a 1/2 inch capped existing iron pin;

North 44 degrees 36 minutes West a distance of 503.25 feet to an iron pin set;

North 41 degrees 54 degrees East a distance of 25.91 feet to an iron pin set;

North 43 degrees 05 minutes West a distance of 176.63 feet to a 1/2 inch existing iron pin at corner common with Childress;

Thence with Bean property North 31 degrees 25 minutes East 104.77 feet to an existing 3/8 inch iron pin;

Thence continuing with Bean property North 42 degrees 44 minutes West a distance of 202.89 feet to an existing 3/8 inch iron pin at the southern right of way of Buttermilk Road;

Thence, moving along said right of way line North 22 degrees 47 minutes East a distance of 143.97 feet;

Thence leaving the right of way and with Cook and Roberts property South 42 degrees 08 minutes East a distance of 443.53 feet to an existing 1/2 inch iron pin at corner common with Ardmore property;

Thence with Ardmore property along the Knox/Loudon County line South 42 degrees 14 minutes East distance of 558.77 feet to an iron pin set;

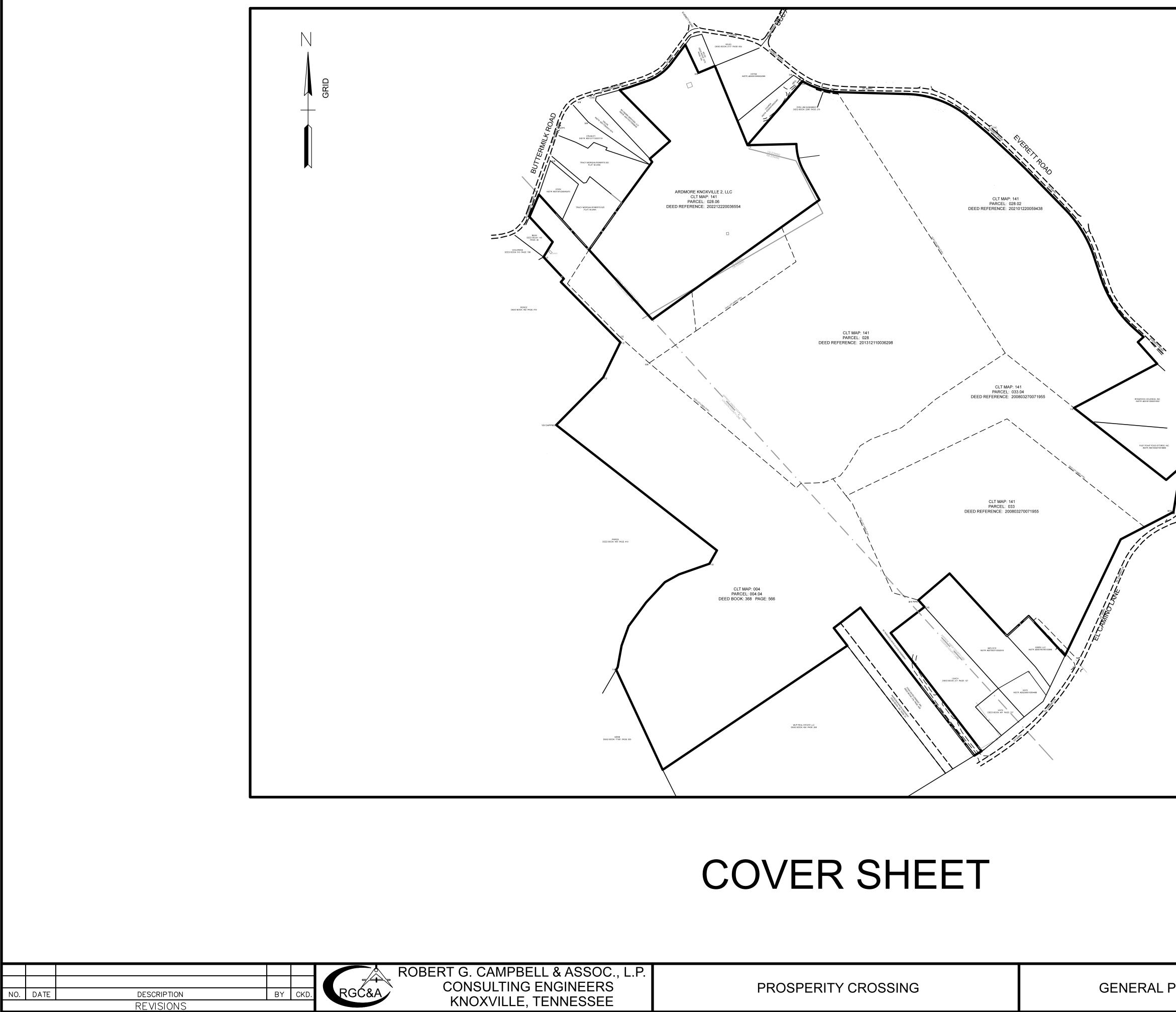
Thence continuing with the Ardmore property North 54 degrees 26 minutes East a distance of 1,221.88 feet to an iron pin set at the western edge of a proposed right-of-way for Prosperity development;

Thence with right of way and the Ardmore property North 28 degrees 51 minutes West a distance of 193.30 feet to an iron pin set;

Thence continuing with the Right of way and Ardmore property a 355.00 foot radius curve to the right with a chord bearing of North 15 degrees 06 minutes West a chord distance of 168.77 feet to an iron pin set;

Thence leaving proposed right of way South 88 degrees 39 minutes West a cistance of 290.65 feet to an existing 1/2 iron pin at the common corner with Cooper and Ardmore;

Thence with Copper line North 40 degrees 49 minutes East a distance of 500.85 feet to the **POINT OF BEGINNING** containing 194.77 acres, more or less, on the survey by Mark C. Tucker of Robert G. Campbell & Associates, L.P., RLS #1996, dated December 15, 2021, bearing project number: 21242 for the original boundary and bearing project number 21333 dated November 16, 2022 for the 24.47 tract shown on the plat entitled "Final Plat of Ardmore at Prosperity" recorded as Instrument Number: 202211170029796,

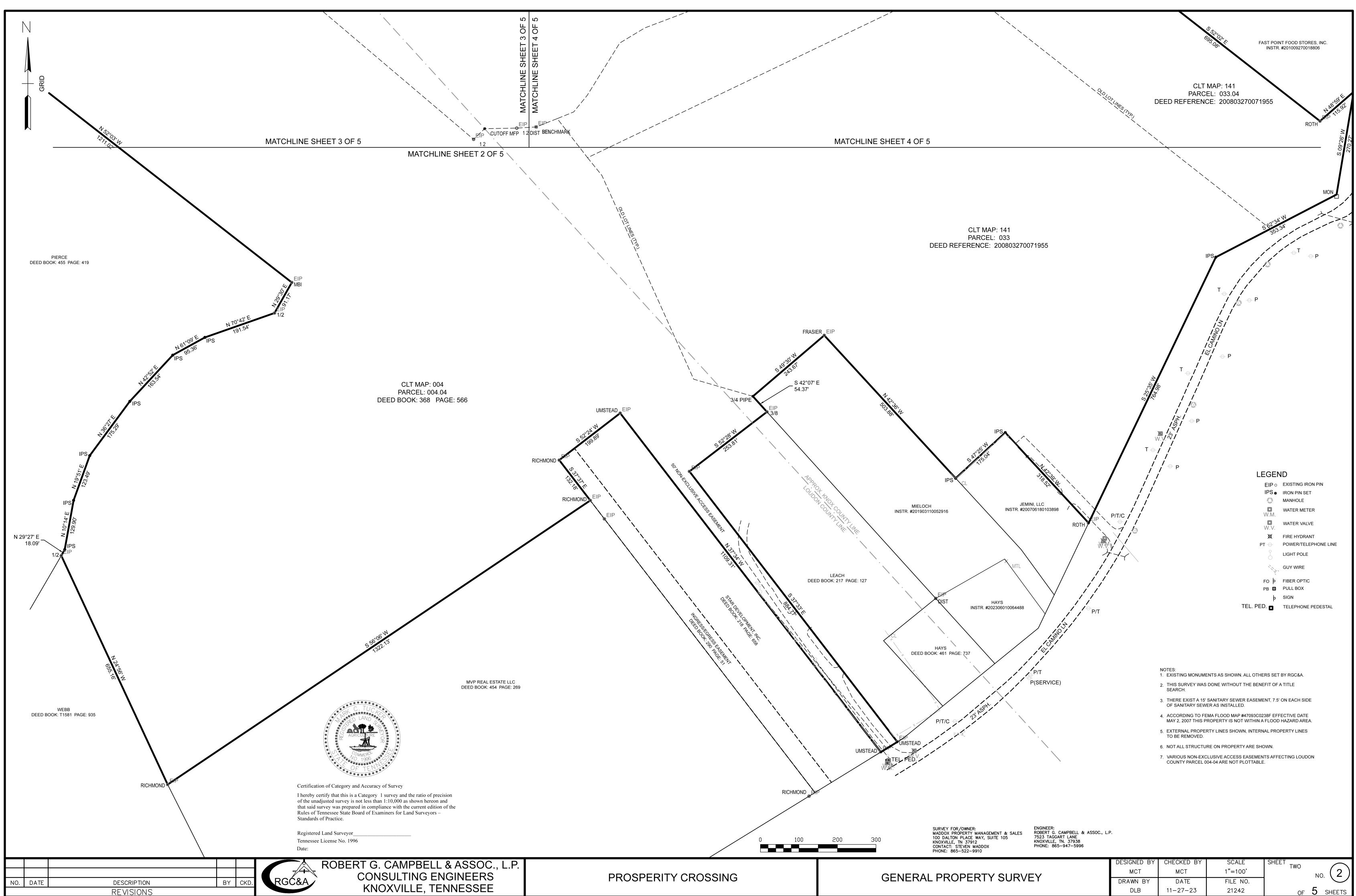


# PROSPERITY CROSSING

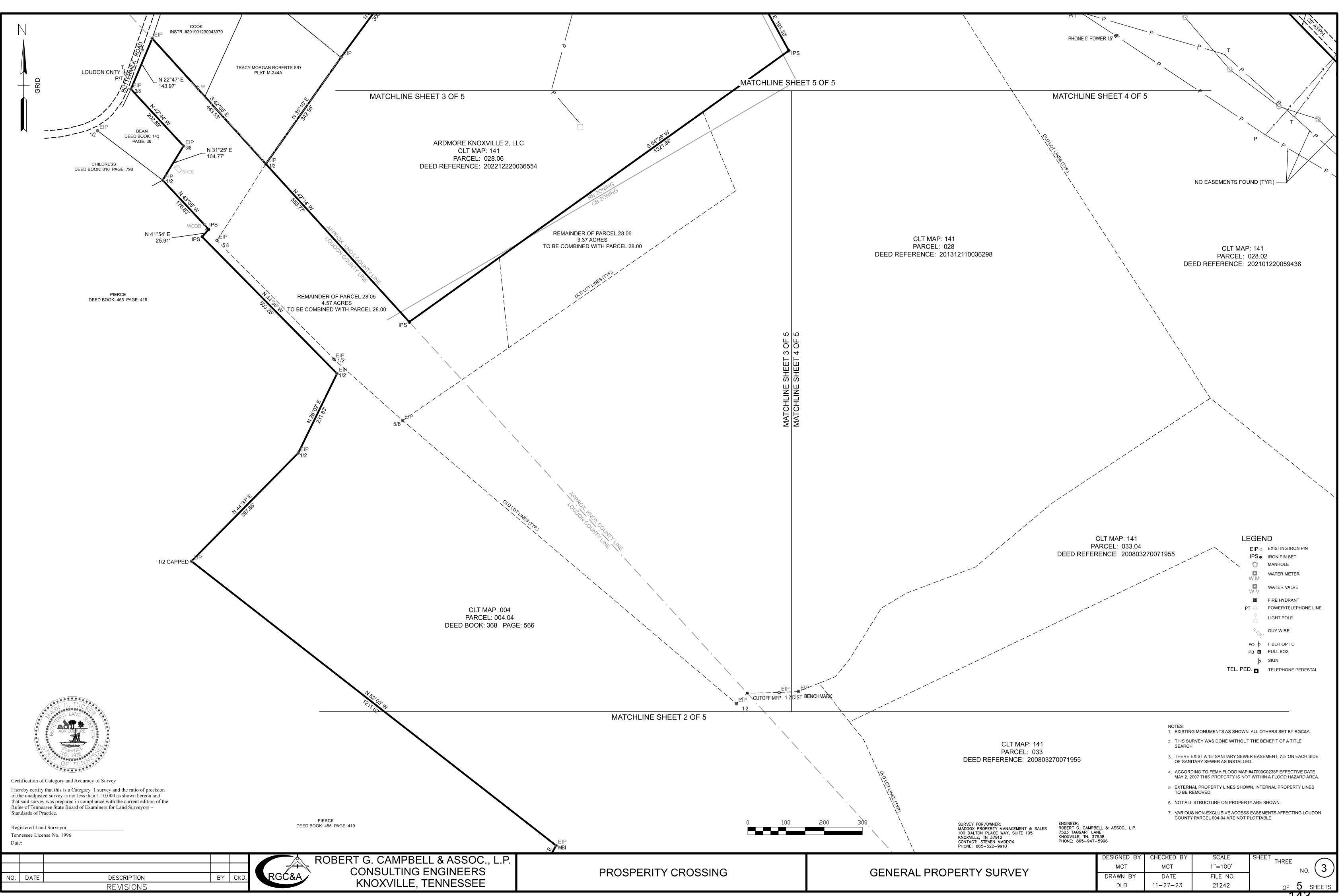
ASSOC.,	L.P.
NEERS	
ESSEE	

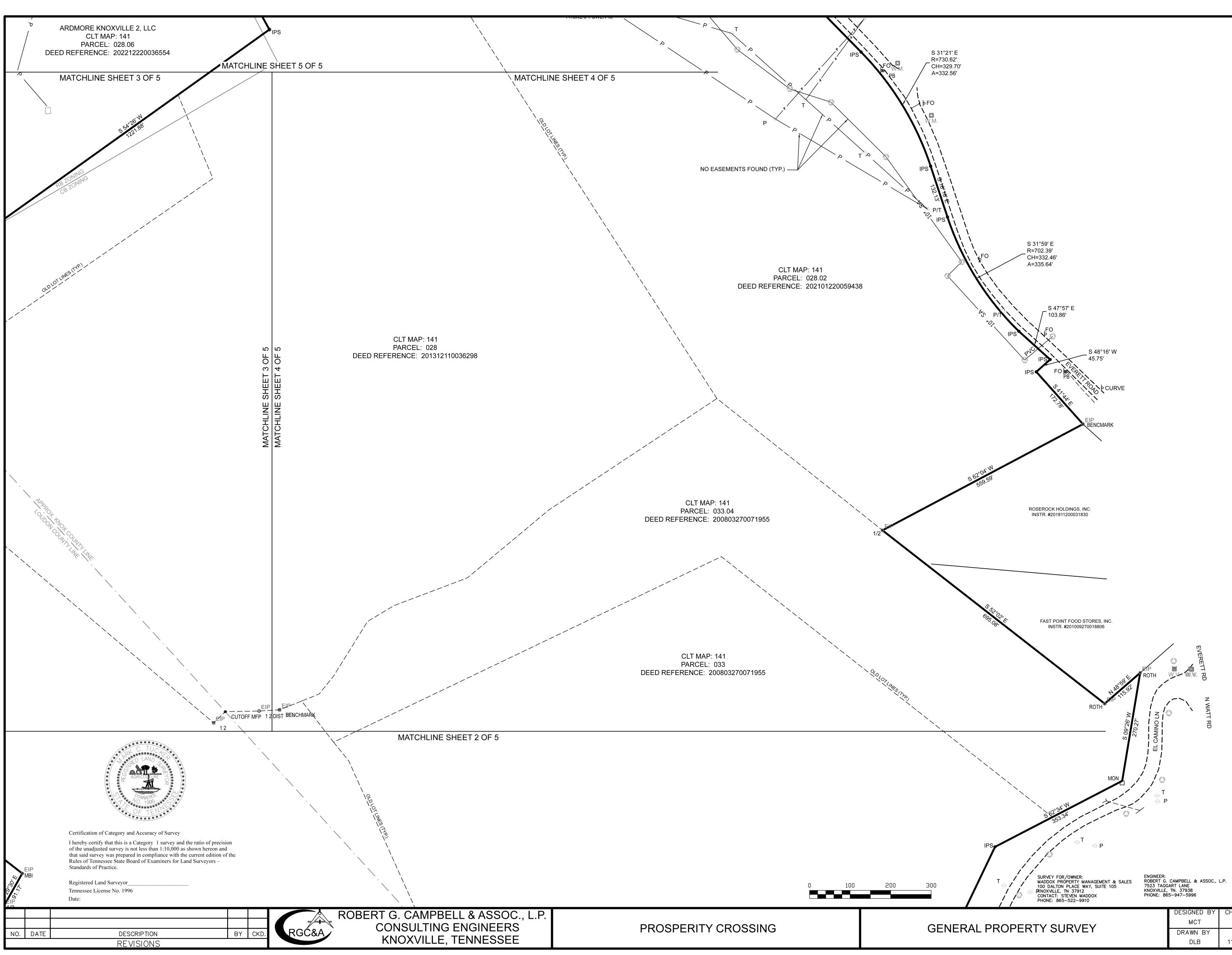
EVERE		
EVERETT ROAD NWATT ROAD		
N WATT ROAD		
		NTS

	DESIGNED BY MCT	CHECKED BY MCT	SCALE 1"=100'	SHEET ONE NO. (1)
PROPERTI SURVET	DRAWN BY DLB	DATE 11–27–23	FILE NO. 21242	



				142
	DLB	11-27-23	21242	OF <b>5</b> SHEETS
RUPERITSURVET	DRAWN BY	DATE	FILE NO.	
PROPERTY SURVEY	MCT	МСТ	1"=100'	<sub>NO.</sub> (2)
	DESIGNED BY	CHECKED BY	SCALE	SHEET TWO
	DESIGNED BY		SCALE	CHEET





ASSOC., L.P.		
NEERS	PROSPERITY CROSSING	GENER
IESSEE		

PHONE: 865-522-9910				
	DESIGNED BY	CHECKED BY	SCALE	SHEET FOUR
PROPERTY SURVEY	МСТ	MCT	1"=100'	NO. (4)
RUPERITSURVET	DRAWN BY	DATE	FILE NO.	
	DLB	11-27-23	21242	OF <b>5</b> SHEETS
				144

1. EXISTING MONUMENTS AS SHOWN. ALL OTHERS SET BY RGC&A.

THERE EXIST A 15' SANITARY SEWER EASEMENT, 7.5' ON EACH SIDE OF SANITARY SEWER AS INSTALLED.

ACCORDING TO FEMA FLOOD MAP #47093C0238F EFFECTIVE DATE MAY 2, 2007 THIS PROPERTY IS NOT WITHIN A FLOOD HAZARD AREA.

5. EXTERNAL PROPERTY LINES SHOWN, INTERNAL PROPERTY LINES TO BE REMOVED.

7. VARIOUS NON-EXCLUSIVE ACCESS EASEMENTS AFFECTING LOUDON COUNTY PARCEL 004-04 ARE NOT PLOTTABLE.

6. NOT ALL STRUCTURE ON PROPERTY ARE SHOWN.

THIS SURVEY WAS DONE WITHOUT THE BENEFIT OF A TITLE SEARCH.

NOTES:

#### W.M. WATER VALVE W.V. X FIRE HYDRANT PT ---- POWER/TELEPHONE LINE LIGHT POLE GUY WIRE FO FIBER OPTIC PB 🖸 PULL BOX þ SIGN TEL. PED. TELEPHONE PEDESTAL

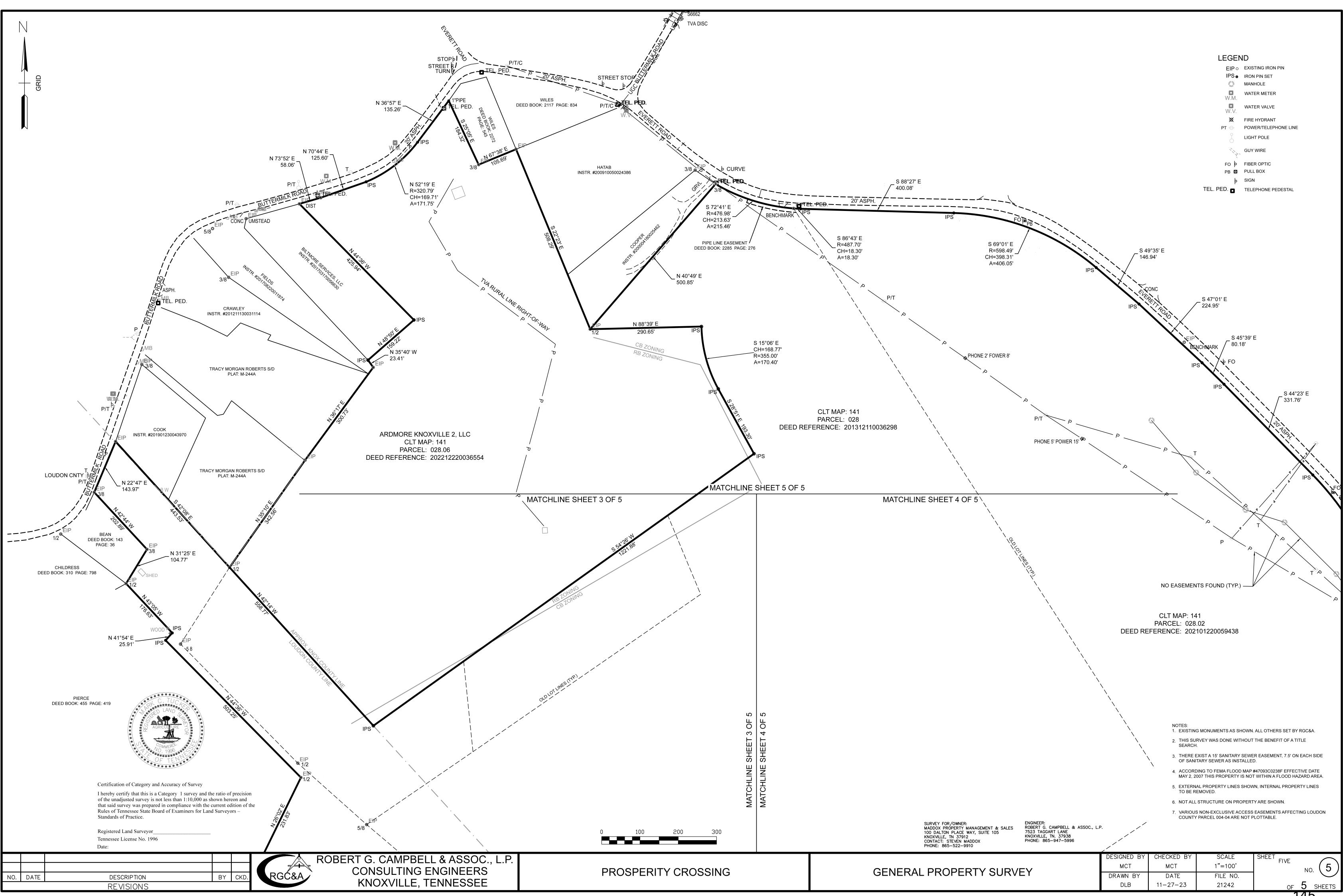
LEGEND

EIP O EXISTING IRON PIN

WATER METER

IPS IRON PIN SET MANHOLE





- 9. At project completion, who will occupy (operate business on) the site? <u>The 50-acre multifield,</u> <u>multiuse regional sports venue will be a partnership of sports figures, business owners and</u> <u>medical group. These facilities will host varying sports tournaments and will draw from a 5-7 state region due to its location as the intersection of I-40 and I-75. This will also include sports training facilities as well as the medical components for a world class sports training and rehabilitation center. Additionally, there will be a 326-unit Class A apartment complex. 5to 6 Hotels & Restaurants, and support businesses needed to make an overall reginal draw to Knox County successful.</u>
- 10. Evidence of Site Control:
  - A. If the Applicant <u>owns</u> the project site, attach a copy of the Applicant's deed. Also indicate:

Mortgage Holder(s):

SouthEast Bank

Total annual mortgage payment (principal & interest) <u>917,500.00 Interest only at full</u>

amount of Construction Loan.

Total outstanding balance of existing mortgage(s): <u>\$3,000,000.00</u>

Name, address, and phone numbers of other persons or entities having an ownership interest in the property to be developed, if applicable:

Joe Hollingsworth, Jr., the 2<sup>nd</sup> Member of I 40/75 Business Park LLC

B. If the Applicant has a <u>contract or option to purchase</u> the project site, attach a copy of the agreement or option contract. Also indicate:

Date contract was signed: <u>N/A / /</u>

Closing/expiration date:

/	, ,	/

C. If the Applicant <u>currently leases or will lease</u> the project site, attach a copy of the lease or lease option contract. Also indicate: N/A

Legal name of Owner as noted on the deed(s):

Name of person who signed lease for Tenant(lessee):

Landlord/Owner's name, address and phone no.:

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

TEL: 865-215-2305

### **2022 TAX STATEMENT**

#### ACCOUNT # 141-02806 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

Proper	ty Add	dress			This amount g	good thru F	ebruary 2	28t
			1.1	Tax Year	Taxes Due	Interest	Fees	Bala
10000 BU	TTEDA		3	2022	\$ 3,087.00	\$ 0.00	\$ 0.00	5
13206 BU	TIERN			Total	\$ 3,087.00	\$ 0.00	\$ 0.00	5
Clas	sificati	ion						
Cor	nmerci	al	and the second sector	valac				
Land Value	\$	471,600.00	1	10/78				
Improvement Value	\$	25,100.00	1	1.10				
Personal Property	\$	0.00						
Total Value	\$	496,700.00						
Exemption		No.	1 - 35					
Equalization Factor		0.0000						
Assessed %		40						
Assessed Value	ş	198,680.00 1.5540						

RETAIN THIS PORTION FOR YOUR TAX RECORDS.

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT.

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee TEL: 865-215-2305

75055

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT TAX DUE

141-02806 \$3,087.00

PROPERTY ADDRESS 13206 BUTTERMILK RD

Make Checks Payable To

Knox County Trustee P0 Box 70 Knoxville, TN 37901



147

I-40/75 BUSINESS PARK LLC 100 DALTON WAY #105 KNOXVILLE, TN 37912

141-02806

**Property Information** 

Location Address:

141 02806 13300 ARDMORE

VALLEY WAY

141

28.06

W6

NORMAL

ARDMORE AT

PROSPERITY

Deed:Deed

12/11/2013

20221117 - 0029796

20131211 - 0036298

24.47

Parcel ID:

CLT Map:

Condo Letter:

Parcel Type:

City Block:

Subdivision:

Rec. Acreage:

Calc. Acreage: Recorded Plat:

Recorded Deed:

Deed Type:

Deed Date:

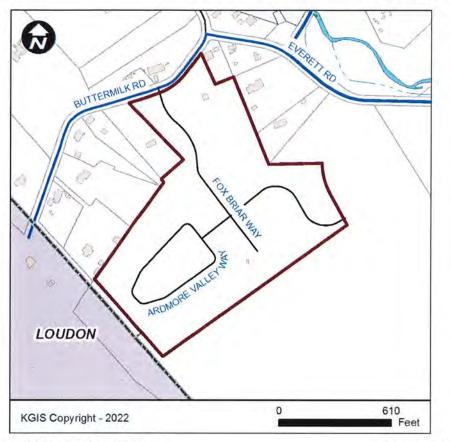
Insert: Group:

Parcel:

District:

Ward:

### Parcel 141 02806 - Property Map and Details Report



#### Address Information

Site Address:	13300 ARDMORE VALLEY WAY KNOXVILLE - 37932
Address Type:	COMMON AREA
Site Name:	ARDMORE AT PROSPERITY CLUBHOUSE

Please contact Knoxville-Knox County Planning at (865) 215-2500 if you have questions.

#### **Jurisdiction Information**

County: KNOX COUNTY City / Township:

#### **Political Districts**

Voting Precinct:	62	
Voting Location:		Hardin Valley Elementary School 11445 HARDIN VALLEY RD
TN State House:	89	
TN State Senate:	5	
County Commission: (at large seat 10) (at large seat 11)	6	Terry Hill Larsen Jay Kim Frazier
School Board:	6	Betsy Henderson
Dianas contact Know County I	Instian	Commission at (REE) 21E 2490 if you

Please contact Knox County Election Commission at (865) 215-2480 if you have questions.

#### **Owner Information**

I-40/75 BUSINESS PARK LLC 100 DALTON WAY #105 KNOXVILLE TN 37912

The owner information shown in this section does **not** necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

Census Tract:	59.09		
Planning Sector:	Northwest County		
Please contact Knoxville- have questions.	Knox County Planning at (865) 215-2500 if you		
School Zones			
Elementary:	HARDIN VALLEY ELEMENTARY		
Intermediates			

Intermediate:	
Middle:	HARDIN VALLEY MIDDLE
High:	HARDIN VALLEY ACADEMY

Please contact Knox County Schools Transportation and Zoning Department at (865) 594-1550 if you have questions.

https://www.kgis.org/PropertyMapAndDetailsReport/Pro	pertvReport.aspx?parcelid=141 02806&r	eg=ePb4npm8bzl4ts3N5rWLmfoagdQcNLB

1/2

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

TEL: 865-215-2305

### 2022 TAX STATEMENT

#### ACCOUNT # 141-028 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

Property Address		This amount good thru February 28th, 2023					
			Tax Year	Taxes Due	Interest	Fees	Balance Due
EVE	RETT	RD	2022	\$ 471.00	\$ 0.00	\$ 0.00	\$ 471.00
EVERETT RD		Total	\$ 471.00	\$ 0.00	\$ 0.00	\$ 471.00	
Class	sificat	ion					
Agr	icultur	e	ALAN				
Land Value	\$	121,300.00	Tibla	1			
Improvement Value	\$	0.00	L4017	2			
Personal Property	\$	0.00		-			
Total Value	\$	121,300.00					
Exemption		No					
Equalization Factor		0.0000					
Assessed %		25					
Assessed Value	\$	30,325.00					
Tax Rate		1.5540					

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT.

# KNOX COUNTY TRUSTEE PROPERTY TAX NOTICE www.knoxcounty.org/trustee TEL: 865-215-2305

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT 141-028

TAX DUE \$471.00

149

PROPERTY ADDRESS EVERETT RD

Make Checks Payable To

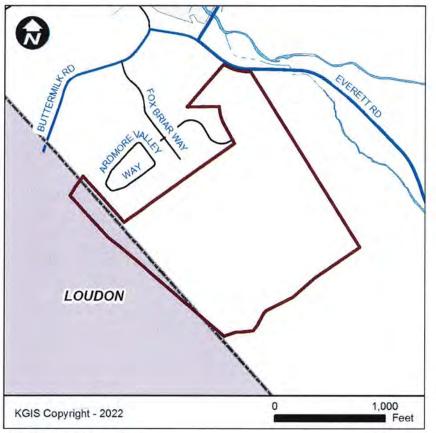
Knox County Trustee P0 Box 70 Knoxville, TN 37901



I 40/75 BUSINESS PARK LLC LOD DALTON PLACE WAY #LOS KNOXVILLE, TN 37912

141-028

#### Parcel 141 028 - Property Map and Details Report



#### **Address Information**

Site Address:	0 EVERETT RD
	KNOXVILLE - 37932
Address Type:	UNUSED LAND

Site Name:

Please contact Knoxville-Knox County Planning at (865) 215-2500 if you have questions.

#### **Jurisdiction Information**

County:

KNOX COUNTY

City / Township:

## **Owner Information**

I 40/75 BUSINESS PARK LLC 100 DALTON PLACE WAY #105

KNOXVILLE, TN 37912

The owner information shown in this section does **not** necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

Census Tract:	59.09
Planning Sector:	Northwest County
Please contact Knoxville- have questions.	Knox County Planning at (865) 215-2500 if you

#### **Political Districts**

Voting Precinct:	62	
Voting Location:		Hardin Valley Elementary School 11445 HARDIN VALLEY RD
TN State House:	89	
TN State Senate:	5	
County Commission: (at large seat 10) (at large seat 11)	6	Terry Hill Larsen Jay Kim Frazier
School Board:	6	Betsy Henderson
Please contact Knox County E have questions.	Election	Commission at (865) 215-2480 if you

#### School Zones

Elementary:	HARDIN VALLEY ELEMENTARY
Intermediate:	
Middle:	HARDIN VALLEY MIDDLE
High:	HARDIN VALLEY ACADEMY

Please contact Knox County Schools Transportation and Zoning Department at (865) 594-1550 if you have questions.

# **Property Information**

Parcel ID:	141 028
Location Address:	0 EVERETT RD
CLT Map:	141
Insert:	
Group:	
Condo Letter:	
Parcel:	28
Parcel Type:	NORMAL
District:	W6
Ward:	
City Block:	
Subdivision:	GREENBELT APP #A- 3248
Rec. Acreage:	
Calc. Acreage:	65.28
Recorded Plat:	
Recorded Deed:	20131211 - 0036298
Deed Type:	WD:Special Warr
Deed Date:	12/11/2013

https://www.kgis.org/PropertyMapAndDetailsReport/PropertyReport.aspx?parcelid=141 028&req=ePb4npm8bzI4ts3N5rWLmSXcTxhgJz9-v0120JjA... 1/2

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

### **2022 TAX STATEMENT**

#### ACCOUNT # 141-02802 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

RETAIN THIS PORTION FOR YOUR TAX RECORDS.

TEL: 865-215-2305

Property Address			This amount g	good thru F	ebruary 2	8th, 2023	
Proper	ty Au	uress	Tax Year	Taxes Due	Interest	Fees	Balance D
	RETT		2022	\$ 4,662.00	\$ 0.00	\$ 0.00	\$ 4,662.
EVE	AETI	RD	Total	\$ 4,662.00	\$ 0.00	\$ 0.00	\$ 4,662.
Class	sificat	tion					
Con	nmerc	ial					
and Value	\$	750,000.00					
mprovement Value	\$	0.00					
Personal Property	\$	0.00					
Total Value	\$	750,000.00				20	
Exemption		No					
Equalization Factor		0.0000					
Assessed %		40					
	Ś	300,000.00		E			
Assessed Value	Ŷ						

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT. 

# KNOX COUNTY TRUSTEE PROPERTY TAX NOTICE www.knoxcounty.org/trustee TEL: 865-215-2305

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT 141-02802 TAX DUE \$4,662.00

151

PROPERTY ADDRESS EVERETT RD

Make Checks Payable To

Knox County Trustee P0 Box 70 Knoxville, TN 37901

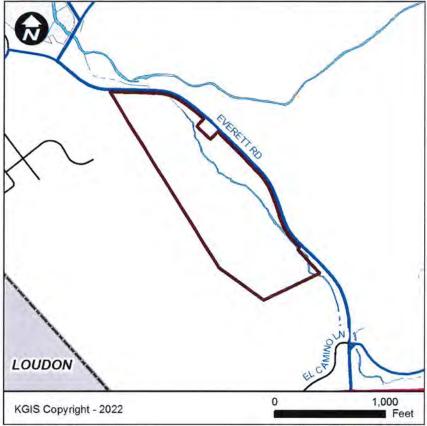


1-40/75 BUSINESS PARK 100 DALTON PLACE WAY SUITE 105 KNOXVILLE, TN 37912

75055

141-02802

#### Parcel 141 02802 - Property Map and Details Report



Parcel ID:	141 02802
Location Address:	0 EVERETT RD
CLT Map:	141
Insert:	
Group:	
Condo Letter:	
Parcel:	28.02
Parcel Type:	NORMAL
District:	W6
Ward:	
City Block:	
Subdivision:	
Rec. Acreage:	0
Calc. Acreage:	33.74
Recorded Plat:	
Recorded Deed:	20210122 - 0059438
Deed Type:	Deed:Deed

1/22/2021

#### Address Information

Site Address:	0 EVERETT RD
	KNOXVILLE - 37932
All and the Electric of the	a la fina de la caractería

Address Type: UNUSED LAND

Site Name:

Please contact Knoxville-Knox County Planning at (865) 215-2500 if you have questions.

#### **Jurisdiction Information**

County: City / Township: KNOX COUNTY

#### **Owner Information**

### 1-40/75 BUSINESS PARK

100 DALTON PLACE WAY SUITE 105

Deed Date:

#### **KNOXVILLE TN 37912**

The owner information shown in this section does not necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

Census Tract:	59.09
Planning Sector:	Northwest County
Please contact Knoxville- have questions.	Knox County Planning at (865) 215-2500 if you

#### **Political Districts**

Voting Precinct:	62	
Voting Location:		Hardin Valley Elementary School 11445 HARDIN VALLEY RD
TN State House:	89	
TN State Senate:	5	
County Commission: (at large seat 10) (at large seat 11)	6	Terry Hill Larsen Jay Kim Frazier
School Board:	6	Betsy Henderson
Please contact Knox County I have questions.	Election	Commission at (865) 215-2480 if you

#### School Zones

HARDIN VALLEY ELEMENTARY
HARDIN VALLEY MIDDLE
HARDIN VALLEY ACADEMY

Please contact Knox County Schools Transportation and Zoning Department at (865) 594-1550 if you have questions.

**Property Information** 

https://www.kgis.org/PropertyMapAndDetailsReport/PropertyReport.aspx?parcelid=141 02802&req=ePb4npm8bzl4ts3N5rWLmXf9VKVvx8XVijuvrfEoi... 1/2

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

TEL: 865-215-2305

### **2022 TAX STATEMENT**

#### ACCOUNT # 141-03304 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

Proper	Property Address				This amount g	good thru F	ebruary 2	28th, 2
			1	Tax Year	Taxes Due	Interest	Fees	Balance
EL CA	MINIC	N I NI		2022	\$ 4,216.00	\$ 0.00	\$ 0.00	\$ 4,2
EL OF	AMINC			Total	\$ 4,216.00	\$ 0.00	\$ 0.00	\$ 4,2
Class	sificat	ion						
Con	nmerci	ial						
Land Value	\$	678,200.00						
Improvement Value	\$	0.00		1 1				
Personal Property	\$	0.00		T10176				
Total Value	\$	678,200.00		Tunt	1 2 1			
Exemption	Construction of Street,	No	1 8	No.				
Equalization Factor		0.0000						
Assessed %		40						
Assessed Value	\$	271,280.00						
Tax Rate		1.5540						

RETAIN THIS PORTION FOR YOUR TAX RECORDS

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT.

# KNOX COUNTY TRUSTEE PROPERTY TAX NOTICE www.knoxcounty.org/trustee TEL: 865-215-2305

-------

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT 141-03304

TAX DUE \$4,216.00

153

PROPERTY ADDRESS EL CAMINO LN

Make Checks Payable To

Knox County Trustee P0 Box 70 Knoxville, TN 37901

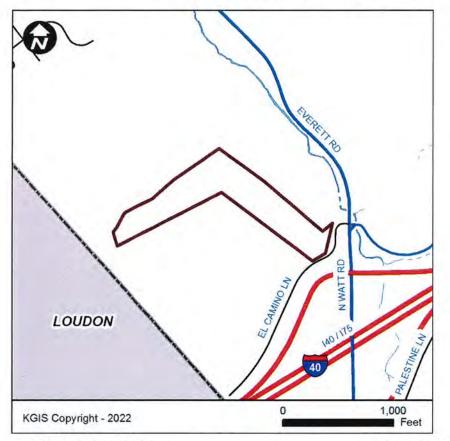


I40 75 BUSINESS PARK LLC 100 DALTON PLACE WAY #105 KNOXVILLE, TN 37912

75055

141-03304

#### Parcel 141 03304 - Property Map and Details Report



#### Address Information

Site Address:	0 EL CAMINO LN	
	KNOXVILLE - 37932	
CONTRACTOR DATE OF THE		

Address Type: UNUSED LAND

Site Name:

Please contact Knoxville-Knox County Planning at (865) 215-2500 if you have questions.

#### **Jurisdiction Information**

County:

KNOX COUNTY

#### City / Township:

#### **Owner Information**

**I40 75 BUSINESS PARK LLC** 100 DALTON PLACE WAY #105

**KNOXVILLE TN 37912** 

The owner information shown in this section does not necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

School Zones

Elementary:

Middle:

High:

Intermediate:

at (865) 594-1550 if you have questions.

Census Tract:	59.09
Planning Sector:	Northwest County
Please contact Knoxville- have questions.	Knox County Planning at (865) 215-2500 if you

Please contact Knox County Schools Transportation and Zoning Department

HARDIN VALLEY ELEMENTARY

HARDIN VALLEY MIDDLE

HARDIN VALLEY ACADEMY

#### **Political Districts**

Voting Precinct:	62	
Voting Location:		Hardin Valley Elementary School 11445 HARDIN VALLEY RD
TN State House:	89	
TN State Senate:	5	
County Commission: (at large seat 10) (at large seat 11)	6	Terry Hill Larsen Jay Kim Frazier
School Board:	6	Betsy Henderson
Please contact Knox County I have questions.	Election	Commission at (865) 215-2480 if you

# **Property Information**

the second se	a hard an
Parcel ID:	141 03304
Location Address:	0 EL CAMINO LN
CLT Map:	141
Insert:	
Group:	
Condo Letter:	
Parcel:	33.04
Parcel Type:	NORMAL
District:	W6
Ward:	
City Block:	
Subdivision:	
Rec. Acreage:	15.81
Calc. Acreage:	0
Recorded Plat:	Station and the
Recorded Deed:	20080327 - 0071955
Deed Type:	Legal Document:
Deed Date:	3/27/2008

https://www.kgis.org/PropertyMapAndDetailsReport/PropertyReport.aspx?parcelid=141 03304&req=3L4U8UsJeuVNjHsSqpFq\_BrqGtva9\_R0445B\_... 1/2

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

### 2022 TAX STATEMENT

#### ACCOUNT # 141-033 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

Propert	y Address	This amount good thru February 28th, 2023				
		Tax Year	Taxes Due	Interest	Fees	Balance Due
10115 EI	CAMINO LN	2022	\$ 7,840.00	\$ 0.00	\$ 0.00	\$ 7,840.00
13115 EL		Total	\$ 7,840.00	\$ 0.00	\$ 0.00	\$ 7,840.00
Class	ification					
Com	mercial					
Land Value	\$ 1,261,300.00	SCUAL 3	1			
Improvement Value	\$ 0.00	THO	1-15			
Personal Property	\$ 0.00	190	ITO			
Total Value	\$ 1,261,300.00					
Exemption	No					
Equalization Factor	0.0000				20	
Assessed %	40		5662			
Assessed Value	\$ 504,520.00					
Tax Rate	1.5540					

TEL: 865-215-2305

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT.

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee TEL: 865-215-2305

75055

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT TAX DUE

141-033 \$7,840.00

PROPERTY ADDRESS 13115 EL CAMINO LN

Make Checks Payable To

Knox County Trustee P0 Box 70 Knoxville, TN 37901



155

I40 75 BUSINESS PARK LLC 100 DALTON PLACE WALK #105 KNOXVILLE, TN 37912

141-033

**Property Information** 

Location Address:

141 033

141

33

W6

438

29.40

0

NORMAL

13115 EL CAMINO LN

**GREENBELT APP #A-**

20080327 - 0071955

Legal Document:

3/27/2008

Parcel ID:

CLT Map: Insert: Group:

Parcel: Parcel Type:

District:

Subdivision:

Rec. Acreage:

Calc. Acreage:

**Recorded Plat:** 

Deed Type:

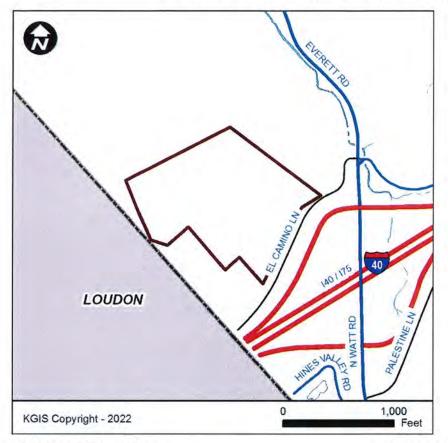
Deed Date:

Recorded Deed:

Ward: City Block:

Condo Letter:

#### Parcel 141 033 - Property Map and Details Report



#### Address Information

Site Address:	13115 EL CAMINO LN KNOXVILLE - 37932	
Address Type:	UTILITY	
Site Name:	Deer Park Pump house for irrigation	

Please contact Knoxville-Knox County Planning at (865) 215-2500 if you have questions.

#### **Jurisdiction Information**

County: KNOX COUNTY City / Township:

#### **Political Districts**

Voting Precinct:	62	
Voting Location:		Hardin Valley Elementary School 11445 HARDIN VALLEY RD
TN State House:	89	
TN State Senate:	5	
County Commission: (at large seat 10) (at large seat 11)	6	Terry Hill Larsen Jay Kim Frazier
School Board:	6	Betsy Henderson

Please contact Knox County Election Commission at (865) 215-2480 if you have questions.

#### **Owner Information**

I40 75 BUSINESS PARK LLC

100 DALTON PLACE WALK #105

#### KNOXVILLE TN 37912

The owner information shown in this section does **not** necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

High:

Census Tract:	59.09			
Planning Sector:	Northwest County			
Please contact Knoxville- have questions.	Knox County Planning at (865) 215-2500 if you			
School Zones				
Elementary:	HARDIN VALLEY ELEMENTARY			
Intermediate:				
Middle:	HARDIN VALLEY MIDDLE			

Please contact Knox County Schools Transportation and Zoning Department at (865) 594-1550 if you have questions.

HARDIN VALLEY ACADEMY

# KNOX COUNTY TRUSTEE property tax notice

www.knoxcounty.org/trustee

TEL: 865-215-2305

### **2022 TAX STATEMENT**

#### ACCOUNT # 141-02805 Printed Date: 09/19/2022 EGOV

Payment Dates: Current Year Taxes are due and payable October 1st through February 28th. Beginning March 1st, interest will be added at a rate of 1.5% on the first of every month. Prior Year's Taxes are due by the end of this month. QUESTIONS: 865-215-2305

		KETAIN	THIS PORTION					- Coles ways
Proper	ty Ad	dress	This amount good thru February 28th, 2023			28th, 2023		
		2.0.2	Ta	ax Year	Taxes Due	Interest	Fees	Balance Due
BUTTERMILK RD				2022	\$ 1,664.00	\$ 0.00	\$ 0.00	\$ 1,664.00
			Total	\$ 1,664.00	\$ 0.00	\$ 0.00	\$ 1,664.00	
Class	sificat	tion						
Res	sidenti	al						
Land Value	\$	428,300.00	+10	1				
Improvement Value	\$	0.00	1401	75				
Personal Property	Ş	0.00	1	10				
Total Value	Ş	428,300.00						
Exemption Equalization Factor		0.0000						
Assessed %		25						
Assessed Value	Ś	107,075.00						
Tax Rate	T T	1.5540						

TO RECEIVE A PAID TAX RECEIPT YOU MUST INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR PAYMENT.

# KNOX COUNTY TRUSTEE PROPERTY TAX NOTICE www.knoxcounty.org/trustee TEL: 865-215-2305

PAY ONLINE AT: www.knoxcounty.org/trustee OR PAY BY PHONE: 865-215-2305 Amount due if paid by February 28th, 2023.

ACCOUNT TAX DUE 141-02805 \$1,664.00

TAX DUE \$1,664.00

157

PROPERTY ADDRESS BUTTERMILK RD

Make Checks Payable To

Knox County Trustee P0 Box 70 Knoxville, TN 37901



I-40/75 BUSINESS PARK LLC LOD DALTON WAY #LO5 KNOXVILLE, TN 379L2

75055

141-02805

This Instrument Prepared By: First Priority Title Company, Inc. A. Nicole Troutt, Attorney 101 Dalton Place Way Knoxville, TN 37912 08-226

#### QUIT CLAIM DEED

THIS INDENTURE, made this 26 day of March A.D., 2008, between

WATT ROAD PARTNERS, LLC, a Tennessee Limited Liability Company, of KNOX COUNTY, TENNESSEE, First Parties,

And

I-40/75 BUSINESS PARK, LLC, A Tennessee Limited Liability Company, of KNOX COUNTY, TENNESSEE, Second Parties,

WITNESSETH: that said First Parties, for and in consideration of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration to me in hand paid by Second Parties, the receipt of which is hereby acknowledged, have granted, bargained, sold and conveyed and do hereby grant, bargain, sell, and convey unto the said parties of the second part, together with the hereditaments and appurtenances thereto appertaining, hereby releasing all claims to homestead and dower therein, the following described premises, to wit:

#### TRACT ONE:

SITUATED in Sixth (6<sup>th</sup>) Civil District Knox County, Tennessee, and without the corporate limits of the City of Knoxville, being more particularly bounded and described as follows:

BEGINNING at an iron rod original marking the point of intersection of the northwestern right-of-way line of El Camino Lane with the western right-of-way line of Watt Road; thence leaving said point and place of BEGINNING and running with the northwestern right-of-way line of El Camino Lane, the following three calls and distances: running South 09 deg. 29 min. West, 269.49 feet to an iron rod original; thence, South 63 deg. 08 min. West, 175.49 feet to an iron rod original; thence, South 63 deg. 35 min. West, 19.51 feet to an iron rod original, being corner to property now or formerly belonging to Waller, Winfrey and McMurray; thence leaving the northwestern right-of-way line of El Camino Lane and running with the property of Waller, Winfrey and McMurray, the following three calls and distances: running North 52 deg. 14min, West, 111.04 feet to an iron rod original; thence, North 52 deg. 00 min. West, 925.08 feet to an iron rod original at the point of ridge; thence, South 64 deg. 12 min. West, 1060.13 feet to an iron rod original: thence, North 16 deg. 48 min. West. 132.56 feet to a 2 inch pipe; thence, North 30 deg. 34 min. West, 50.90 feet to an iron rod original; thence, North 49 deg. 12 min. East, 57 21 feet to an iron rod new at an old stump; thence, North 42 deg, 17 min, East, 160.13 feet to a railroad spike and a hickory; thence. North 59 deg. 34 min. East, 75.76 feet to an iron rod new at an old stump; thence, North 69 deg. 36 min. East, 111.06 feet to an iron rod new at an old stump; thence, North 71 deg. 55 min. East, 78.68 fect to an iron rod new at a fence; thence, North 50 deg. 47 min. East, 267.31 feet to an iron rod new at an 11 inch pine; thence, North 55 deg. 58 min, East, 192.74 feet to an iron rod new at a broken pipe; thence, North 58 deg, 13 min. East, 284.76 feet to an iron rod original in an old road; thence running with the line of Pickell, McCarty and Smith, South 51 deg. 58 min. East, 1220.99 feet to a 2 inch pipe; thence, North 49 deg. 34 min. East, 115.64 feet to an iron rod original at a concrete monument marking the point and place of BEGINNING, and being according to the survey of Harry E. Fraser, RLS No. 1156, of 983 Point Harbour, Lenoir City, Tennessee 37772, dated December 6, 1995.

BEING the same property conveyed to Wait Road Parmers, LLC, a Tennessee Limited Liability Company, from Hickory Creek Development Corp. by Quit Claim Deed recorded as Instrument Number <u>200803270071954</u>, in the Register's Office for Knox County; Tennessee.

The above description is the same as the previous deed of record, no boundary survey having been made at the time of this conveyance.

Knox County Page: 1 of 3 REC'D FOR REC 03/27/2008 12:55:48PM RECORD FEE: \$17.00 M. TAX: \$0.00 T. TAX: \$0.00 200803270071955

#### TRACT TWO:

SITUATED in the Sixth (6th) Civil District of Knox County, Tennessee, and without the corporate limits of the City of Knoxville, and being more particularly bounded and described as follows:

BEGINNING at a point in the Northern right of way of El Camino Lane and in the Southeasternmost comer of the herein described property and comer with property now or formerly belonging to John W. Williams, et us; thence, with the right of way line of El Camino Lane, South 63 degrees 17 minutes 25 seconds West 155.37 feet; thence, continuing along said right of way, South 26 degrees 12 minutes 00 seconds West 973.05 feet to an iron pin; thence, North 35 degrees 55 minutes 35 seconds West 144.84 feet to an iron pin; thence, North 41 degrees 38 minutes 35 seconds West 761.29 feet to an iron pin; thence, South 48 degrees 21 minutes 20 seconds West 249.77 feet to an iron pin; thence, North 73 degrees 21 minutes 50 seconds West 160.05 feet; thence North 23 degrees 43 minutes 45 seconds West 579.87 feet to an iron pin; thence, North 62 degrees 14 minutes 30 seconds East, 1034.47 feet to a point; thence, South 02, degrees 07 minutes 00 seconds East, 1035.37 feet to the POINT OF BEGINNING, containing 30.84 acres, more or less.

BEING the same property conveyed to Hickory Creek Development Corp., from Watt Road Partners, LLC, by Quit Claim Deed dated May 25th 2007, and recorded June 18, 2007, as Instrument Number 200706180103897, in the Register's Office for Knox County, Tennessee.

LESS AND EXCEPT the property conveyed from Hickory Creek Development Corp., to JEMINI, LLC, a Tennessee Limited Liability Company, by Warranty Deed dated June 11, 2007, and recorded June 18, 2007, as Instrument Number 200706180103898, in the Register's Office for Knox County, Tennessee,

BEING, the same property conveyed to Watt Road Partners, LLC, a Tennessee Limited Liability Company, from Hickory Creek Development Corp. by Quit Claim Deed recorded as Instrument Number <u>200803270071954</u>, in the Register's Office for Knox County, Tennessee.

SUBJECT TO ANY AND ALL APPLICABLE RESTRICTIONS, SETBACK LINES AND EASEMENTS OF RECORD IN THE REGISTER'S OFFICE FOR KNOX COUNTY, TENNESSEE.

and all the estate, right, title and interest of the party of the First part therein, with the hereditaments and appurtenances thereto appertaining, hereby releasing all claim to Homestead and Dower therein

IN WITNESS WHEREOF, The said parties of the First part have hereunto set their hands and seals the day and year first above written.

200803270071955

WATT ROAD PARTNERS, LLC, a Tennessee Limited Liability Company

BY ITS:

STATE OF TENNESSEE COUNTY OFKNOX

Personally appeared before me, the undersigned authority, a Notary Public in and for the unty and State, <u>Steven Killacty</u>, with whom I am personally acquainted (or said County and State, proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the <u>Chief Makagor</u> WATT ROAD PARTNERS, LLC, the within named bargainor, a Tennessee Limited Liability Company, and he as such <u>Chug Manage</u>, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Limited Liability Company, by himself as such <u>Chug Manage</u>.

Witness my hand and official seal at office, this the day of March, 2008.

My Commission expires:

Notary Public Nico/ on Expires 111210

Tax Identification Number: 141-033.00 and 141-033.04

NAME AND ADDRESS OF NEW OWNERS and SEND TAX BIG 1-40/75 Business Park, LLC, 101 Dalton Place Way Knoxville, Tennessee 37912

STATE OF TENNESSEE COUNTY OF KNOX

I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$1.00.

Affiant

COUNTERSIGNED

MAR 2 7 2008

JOE BBOR

Nich Notary Public

Subscribed and sworn to before me this  $26^{4}$ day of March, 2008.

My Commission Expires:





This Instrument Prepared By: First Priority Title Company, Inc. A. Nicole Troutt, Attorney 101 Daiton Place Way Knoxville, TN 37912 08-226

#### QUIT CLAIM DEED

THIS INDENTURE, made this 26 day of March A.D., 2008, between

WATT ROAD PARTNERS, LLC, a Tennessee Limited Liability Company, of KNOX COUNTY, TENNESSEE, First Parties,

And

1-40/75 BUSINESS PARK, LLC, A Tennessee Limited Liability Company, of KNOX COUNTY, TENNESSEE, Second Partics,

WITNESSETH: that said First Parties, for and in consideration of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration to me in hand paid by Second Parties, the receipt of which is hereby acknowledged, have granted, bargained, sold and conveyed and do hereby grant, bargain, sell, and convey unto the said parties of the second part, together with the hereditaments and appurtenances thereto appertaining, hereby releasing all claims to homestead and dower therein, the following described premises, to wit:

#### TRACT ONE:

SITUATED in Sixth (6<sup>th</sup>) Civil District Knox County, Tennessee, and without the corporate limits of the City of Knoxville, being more particularly bounded and described as follows:

BEGINNING at an iron rod original marking the point of intersection of the northwestern right-of-way line of El Camino Lane with the western right-of-way line of Watt Road; thence leaving said point and place of BEGINNING and running with the northwestern right-of-way line of El Camino Lane, the following three calls and distances: running South 09 deg. 29 min. West, 269.49 feet to an iron rod original; thence, South 63 deg. 08 min. West, 175.49 feet to an iron rod original; thence, South 63 deg. 35 min. West, 19.51 feet to an iron rod original, being corner to property now or formerly belonging to Waller, Winfrey and McMurray; thence leaving the northwestern right-of-way line of El Camino Lane and running with the property of Waller, Winfrey and McMurray, the following three calls and distances: running North 52 deg. 14min. West, 111.04 feet to an iron rod original; thence, North 52 deg. 00 min. West, 925.08 feet to an iron rod original at the point of ridge; thence, South 64 deg. 12 min. West, 1060.13 feet to an iron rod original: thence, North 16 deg. 48 min. West, 132.56 feet to a 2 inch pipe; thence, North 30 deg. 34 min. West, 50.90 feet to an iron rod original; thence, North 49 deg. 12 min. East, 57/21 feet to an iron rod new at an old stump; thence, North 42 deg, 17 min. East, 160.13 feet to a railroad spike and a hickory; thence, North 59 deg. 34 min. East, 75.76 feet to an iron rod new at an old stump; thence, North 69 deg. 36 min. East, 111.06 feet to an iron rod new at an old stump; thence; North 71 deg. 55 min. East, 78.68 fect to an iron rod new at a fence; thence, North 50 deg. 47 min. East, 267.31 feet to an iron rod new at an 11 inch pine; thence, North 55 deg. 58 min, East, 192.74 feet to an iron rod new at a broken pipe; thence, North 58 deg. 13 min. East, 284.76 feet to an iron rod original in an old road; thence running with the line of Pickell, McCarty and Smith, South 51 deg. 58 min. East, 1220.99 feet to a 2 inch pipe; thence, North 49 deg. 34 min. East, 115.64 feet to an iron rod original at a concrete monument marking the point and place of BEGINNING, and being according to the survey of Harry E. Fraser, RLS No. 1156, of 983 Point Harbour, Lenoir City, Tennessee 37772, dated December 6, 1995.

BEING the same property conveyed to Wait Road Partners, LLC, a Tennessee Limited Liability Company, from Hickory Creek Development Corp. by Quit Claim Deed recorded as Instrument Number <u>200803270071954</u>, in the Register's Office for Knox County, Tennessee.

The above description is the same as the previous deed of record, no boundary survey having been made at the time of this conveyance.

Knoz County Page: 1 of 3 REC'D FOR REC 03/27/2008 12:55:48PM RECORD FEE: \$17.00 M. TAX: \$0.00 T. TAX: \$0.00 200803270071955

#### TRACT TWO:

SITUATED in the Sixth (6th) Civil District of Knox County, Tennessee, and without the corporate limits of the City of Knoxville, and being more particularly bounded and described as follows:

BEGINNING at a point in the Northern right of way of El Camino Lane and in the Southeasternmost corner of the herein described property and corner with property now or formerly belonging to John W. Williams, et us; thence, with the right of way line of El Camino Lane, South 63 degrees 17 minutes 25 seconds West 155.37 feet; thence, continuing along said right of way, South 26 degrees 12 minutes 00 seconds West 973.05 feet to an iron pin; thence, North 35 degrees 55 minutes 35 seconds West 144.84 feet to an iron pin; thence, North 41 degrees 38 minutes, 35 seconds West 761.29 feet to an iron pin; thence, South 48 degrees 21 minutes 20 seconds West 160.05 feet; thence North 73 degrees 21 minutes 50 seconds West 160.05 feet; thence North 23 degrees 43 minutes 45 seconds West 79.87 feet to an iron pin; thence, North 62 degrees 14 minutes 30 seconds East, 1034.47 feet to a pint; thence, South 02 degrees 07 minutes 00 seconds East, 1035.37 feet to the POINT OF BEGINNING, containing 30.84 acres, more or less.

BEING the same property conveyed to Hickory Creek Development Corp., from Watt Road Partners, LLC, by Quit Claim Deed dated May 25th 2007, and recorded June 18, 2007, as Instrument Number 200706180103897, in the Register's Office for Knox County, Tennessee.

LESS AND EXCEPT the property conveyed from Hickory Creek Development Corp., to JEMINI, ELC, a Tennessee Limited Liability Company, by Warranty Deed dated June 11, 2007, and recorded June 18, 2007, as Instrument Number 200706180103898, in the Register's Office for Knox County, Tennessee.

BEING, the same property conveyed to Watt Road Partners, LLC, a Tennessee Limited Liability Company, from Hickory Creek Development Corp. by Quit Claim Deed recorded as Instrument Number <u>200803270071954</u> in the Register's Office for Knox County, Tennessee.

SUBJECT TO ANY AND ALL APPLICABLE RESTRICTIONS, SETBACK LINES AND EASEMENTS OF RECORD IN THE REGISTER'S OFFICE FOR KNOX COUNTY, TENNESSEE.

and all the estate, right, title and interest of the party of the First part therein, with the hereditaments and appurtenances thereto appertaining, hereby releasing all claim to Homestead and Dower therein

IN WITNESS WHEREOF, The said parties of the First part have hereunto set their hands and seals the day and year first above written.

200803270071955

WATT ROAD PARTNERS, LLC, a Tennessee Limited Liability Company

BY: ITS:

STATE OF TENNESSEE COUNTY OFKNOX

Personally appeared before me, the undersigned authority, a Notary Public in and for the said County and State, <u>feven K.Mactor</u>, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the <u>heff Manager</u> WATT ROAD PARTINERS, LLC, the within named bargainor, a Tennessee Limited Liability Company, and he as such <u>Chual Manager</u>, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Limited Liability Company, by himself as such <u>Chual Manager</u>.

Witness my hand and official seal at office, this the Oldt day of March, 2008

My Commission expires: \_\_\_\_\_\_\_\_

Notary Public Nicora 10<sub>11</sub> Expires 1112109 "manni

Tax Identification Number: 141-033.00 and 141-033.04

NAME AND ADDRESS OF NEW OWNERS and SEND TAX BIG I-40/75 Business Park, LLC, 101 Dalton Place Way Knoxville, Tennessee 37912

STATE OF TENNESSEE COUNTY OF KNOX

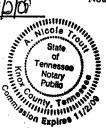
I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$1.00.

Affiant

Notary Public

Subscribed and sworn to before me this 26th day of March, 2008.

My Commission Expires:



COUNTERSIGNED MAR & 7 2008

200803270071955

STEVE HALL REGISTER OF DEEDS KNOX COUNTY This instrument prepared by: AYRES & PARKEY, ATTORNEYS P. O. Box 948 Knoxville, TN 37901

#### COUNTERSIGNED

CLT#141-028

APR 0 7 2004

#### WARRANTY DEED

JOHN R. WHITEHEAD KNOX COUNTY ROPERTY ASSESSOR

THIS INDENTURE, made this 6th day of April, 2004, between GARY E.

RAMSEY, unmarried, Individually and as Personal Representative of the Estate of Othniel L.

Ramsey and KAREN R. TALLMAN and husband, HERMAN J. TALLMAN of Knox County,

Tennessee ("Grantors"), and I-40/75 BUSINESS PARK, LLC, a Tennessee limited liability

company ("Grantee").

#### WITNESSETH

That Grantors, for and in consideration of the sum of One Dollar (\$1.00) in hand paid by Grantee, the receipt of which is hereby acknowledged, have granted, bargained, sold and conveyed, and do hereby grant, bargain, sell and convey unto Grantee the following described premises of real property, to wit:

> SITUATED in the 6<sup>th</sup> Civil District of Knox County, being known and designated as Parcel 28 of Tax Map 141 in the Knox County Register's Office, and being more fully described as follows:

> Commence at the centerline intersection of Everett Road and Buttermilk Road, thence South 44 degrees 32 minutes 59 seconds East, 320.72 feet to an iron rod found in the southwesterly right-of-way of Everett Road, said point being the TRUE POINT OF BEGINNING.

From the TRUE POINT OF BEGINNING, as thus established, thence, South 47 degrees 03 minutes 03 seconds West, 487.47 feet to an iron rod found; thence South 19 degrees 39 minutes 52 seconds East, 31.67 feet to an iron rod found; thence South 19 degrees 39 minutes 53 seconds East, 750.46 feet to an existing pipe; thence South 58 degrees 20 minutes 00 seconds West, 1059.30 feet to an iron rod found; thence South 46 degrees 39 minutes 05 seconds East, 1142.83 feet to an iron rod found; thence North 50 degrees 12 minutes 55 seconds East, 38.94 feet to a concrete county line marker; thence South 89 degrees 02 minutes 53 seconds East, 133.56 feet to an iron rod found; thence North 74 degrees 44 minutes 03 seconds East, 50.05 feet to an iron rod found; thence North 49 degrees 52 minutes 49 seconds East, 8.98 feet to an existing wood post; thence North 71 degrees 55 minutes 01 seconds East, 46.14 feet to an iron rod found; thence North 41 degrees 55 minutes 54 seconds East, 56.94 feet to an iron rod set; thence North 34 degrees 54 minutes 00 seconds East, 159.98 feet to an iron stop at the base of an oak tree; thence North 61 degrees 54 minutes 35 seconds East, 75.74 feet to a bolt set in the base of a pine tree; thence North 71 degrees 55 minutes 38 seconds East, 109.95 feet to an iron rod set; thence North 72 degrees 50 minutes 03 seconds East, 84.03 feet to an iron rod found; thence North 53 degrees 12 minutes 47 seconds East, 262.30 feet to a bolt; thence North 58 degrees 18 minutes 11 seconds East, 192.74 fect to an iron rod set; thence North 60 degrees 33 minutes 11 seconds East, 284.76 feet to an iron rod set; thence North 29 degrees 11 minutes 10 seconds West 1847.42 feet to an iron rod found in the southerly right-of-way line of Everett Road; thence, on a



curve to the right following said right-of-way, with an arc distance of 215.70 feet, a radius of 476.98 feet, and a chord bearing and distance of North 69 degrees 46 minutes 55 seconds West, 213.86 feet to the TRUE POINT OF BEGINNING.

Containing 55.196 acres, or 2,404,357.3 square feet, and being shown on that certain plat titled "Everett Road Development" by Sumner Associates, bearing File No. 04019-00, and having a date of March 18, 2004.

BEING the same property conveyed to Iva P. Ramsey and husband, Othniel L. Ramsey by Warranty Deed of record in Deed Book 2133, page 1079 in the Register's Office for Knox County, Tennessee. See also Deed of record at Deed Book 2000, page 220, and Deed of record at Deed Book 1488, page 541, all in the aforesaid Register's Office. Iva P. Ramsey is deceased and her estate is probated in Blount County, Tennessee under docket #99-17-463 and Othniel L. Ramsey is also deceased and his estate is probated in Blount county, Tennessee under docket #01-21-74. The above named Gary E. Ramsey and Karen R. Tallman are the sole heirs of Iva P. Ramsey and Othniel L. Ramsey.

TO HAVE AND TO HOLD the above described premises of real property together with all right, title, interest, hereditaments and appurtenances thereto appertaining unto Grantees, their successors and assigns, forever. Grantors, for themselves and their heirs, executors and administrators, do hereby covenant with Grantee, its heirs and assigns, that (i) Grantors are lawfully seized in fee simple of the above described premises of real property, (ii) Grantors have full power, authority and right to convey the same, (iii) the premises of real property is free and clear of all liens and encumbrances except current property taxes, and (iv) Grantors will forever warrant and defend the premises of real property and the title thereto against the lawful claims of all persons whomsoever.

Wherever used herein, the singular number shall include the plural, and the plural the singular, as required. The use of any gender shall include all genders and the neuter.

WITNESS the execution of this deed on the day and year first above written.

GARY E RAMSEY, Personal Representative

KAREN R. TALLMAN HERMAN J. TALLMAN

#### STATE OF TENNESSEE COUNTY OF KNOX

On this 6th day of April, 2004, before me personally appeared GARY E. RAMSEY, Individually and Personal Representative, to me known (or proved to me on the basis of satisfactory evidence) to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

My Commission Expires:

PHRI



STATE OF TENNESSEE COUNTY OF KNOX

On this 6th day of April, 2004, before me personally appeared HERMAN J. TALLMAN, to me known (or proved to me on the basis of satisfactory evidence) to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

PUBLIC NOTARY

My Commission Expires: ລ 7 06

STATE OF TENNESSEE

COUNTY OF KNOX

On this 6th day of April, 2004, before me personally appeared KAREN R. TALLMAN, to me known (or proved to me on the basis of satisfactory evidence) to be the person described in and who executed the foregoing instrument and acknowledged that she executed the same as her free act and deed.

NOTARY PUBLIC

My Commission Expires: 212 06

Property Owner: I-40/75 Business Park, LLC Alton 10 12 VOUS TD

Person or Entity Responsible for Payment of Taxes: Same as Property Owner

I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$550,000.00

Affiant

Subscribed and sworn to before me day of April, 2004.

men MLIC useion Expires: Г

wp51\loans04\6767wd



This Instrument Prepared By:



202101220059438

First Priority Title Company, Inc. A. Nicole Troutt, Attorney 100 Dalton Place Way, Suite 103 Nick McBride Knoxville, TN 37912 File No. 20-1164

**Register** of Deeds Knox County WARRANTY DEED

THIS INDENTURE, made this 1 day of January, 2021, between

LARRY M. GURLEY, TRUSTEE, AND JO ANNA GURLEY, TRUSTEE OF THE LARRY M. GURLEY REVOCABLE LIVING TRUST DATED JANUARY 17, 2017, OF KNOX COUNTY, TENNESSEE, First Parties,

And

I-40/75 BUSINESS PARK, LLC, a Tennessee limited liability company, OF KNOX COUNTY, TENNESSEE, Second Parties,

WITNESSETH: that said First Parties, for and in consideration of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration to us in hand paid by Second Parties, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed and does hereby grant, bargain, sell, and convey unto the said parties of the second part, together with the hereditaments and appurtenances thereto appertaining, hereby releasing all claims to homestead and dower therein, the following described premises, to wit:

SITUATED in District Six (6) of Knox County, Tennessee, and without the corporate limits of the City of Knoxville, and more particularly described as follows:

BEGINNING at an iron pin in the right of way of Everett Road, said pin being 585 feet from the intersection of El Camino Lane; thence with the line of Roserock Holdings, LLC South 62 deg. 03 min. 40 sec. West a distance of 559.81 feet to an iron pin; thence with the line of I-40/75 Business Park, LLC the following two calls North 51 deg. 28 min. 22 sec. West, a distance of 522.07 feet to an iron pin; thence North 32 deg. 46 min. 51 sec. West, a distance of 1847.12 feet to an iron pin in the right of way of Everett Road; thence said right of way the following 13 calls with a curve turning to the left with a radius of 487.70 feet, a chord bearing of and distance of South 87 deg. 04 min. 41 sec. East 18.30 feet to a point; thence South 88 deg. 23 min. 56 sec. East a distance of 401.54 feet to a point; thence with a curve turning to the right with a radius of 598.49 feet, a chord bearing of and distance of South 68 deg. 57 min. 45 sec. East, 398.31 feet to a point; thence South 49 deg. 31 min. 56 sec. East a distance of 146.94 feet to a point; thence South 46 deg. 57 min. 56 sec. East a distance of 224.95 feet to a point; thence South 45 deg. 35 min. 56 sec. East a distance of 80.18 feet to a point; thence South 44 deg. 19 min. 56 sec. East a distance of 331.76 feet to a point; thence with a curve turning to the right with a radius of 730.62 feet, a chord bearing of and distance of South 31 deg. 17 min.33 sec. Bast, 329.70 feet to a point; thence South 18 deg. 14 min. 56 sec. East a distance of 132.13 feet to a point; thence with a curve turning to the left with a radius of 702.39 feet, a chord bearing of and distance of South 31 deg. 56 min. 18 sec. East, 332.46 feet to a point; thence South 47 deg. 53 min. 56 sec. East a distance of 103.86 feet to a point; thence South 48 deg. 18 min. 46 sec. West a distance of 45.75 feet to a point; thence South 41 deg.41 min. 14 sec. East a distance of 172.78 feet to the POINT OF BEGINNING, containing 33.00 acres, more or less, as shown on the survey for Acre by Acre Surveying, Scott W. Umstead, RLS# 1861, dated December 03, 2020, and revised January 04, 2021, bearing drawing number: 20261.

BEING part of the same property conveyed to The Larry M. Gurley Revocable Living Trust, dated January 17, 2017, c/o Larry M. Gurley, and or Jo Anna Gurley, Trustees, from Larry M. Gurley, by Quit Claim Deed dated March 17, 2017, and recorded April 13, 2017, as Instrument Number: 201704130062686, in the Register's Office for Knox County, Tennessee.

THIS CONVEYANCE IS MADE SUBJECT TO ALL APPLICABLE RESTRICTIONS, EASEMENTS, BUILDING SETBACK LINES AND ALL CONDITIONS AS SHOWN OF RECORD IN THE REGISTER'S OFFICE FOR KNOX COUNTY, TENNESSEE.

First Party does certify the above described property is not used by her or a spouse or a dependent

of her, as a principal place of residence, as set out in TCA 26-2-301.

TO HAVE AND TO HOLD THE said premises to the said Second Parties, their heirs and assigns forever.

And said First Parties, for themselves and for their heirs, executors, successors, administrators and assigns do hereby covenant with said Second Parties, their heirs, executors, administrators, representatives, successors and assigns, that First Parties are lawfully seized in fee simple of the premises above conveyed and have full power, authority and right to convey the same, and that they will forever warranty and defend the title thereto against the lawful claims of all persons claiming the same by, through, or under a written instrument executed by the First Parties, and that said premises are free from all encumbrances EXCEPT the lien of current ad valorem property taxes to be prorated through closing.

Whenever in this instrument a pronoun is used it shall be construed to represent either singular or plural, as the case may demand.

IN WITNESS WHEREOF the said First Parties hereunder set their hands and seals the day and year first above written.

The Larry M. Gurley Revocable Living Trust dated January 17, 2017,
Harry M. Panley
By: Larry M. Gurley
Its: Trustee
Johnna Gurley
By: Jo Anna Gurley
Its: Trustee

STATE OF South Carda COUNTY OF Bearful

My

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, LARRY M. GURLEY, TRUSTEE OF THE LARRY M. GURLEY REVOCABLE LIVING TRUST DATED JANUARY 17, 2017, the within named bargainor, and who as TRUSTEE, proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the within instrument for the purposes therein contained as TRUSTEE OF THE LARRY M. GURLEY REVOCABLE LIVING TRUST DATED JANUARY 17, 2017.

Witness my hand and official seal at office, this / day of January, 2021.

INDA HUELSMAN Notary Public NOTARY My Commission Expires: 6 PUBLIC STATE OF Carnew Jun 28 2028 COUNTY OF BUILTY Ō,

Personally appeared before me, the undersigned authority, a Notary burn in and for said County and State, JO ANNA GURLEY, TRUSTEE OF THE LARRY M. GURLEY REVOCABLE LIVING TRUST DATED JANUARY 17, 2017, the within named bargainor, and who as TRUSTEE, proved to me on the basis of satisfactory evidence, and who acknowledged that she executed the within instrument for the purposes therein contained as TRUSTEE OF THE LARRY M. GURLEY REVOCABLE LIVING TRUST DATED JANUARY 17, 2017.

Witness my hand and official seal at off	ice, this Ht day of January, 2021.
	Notary Public
Commission Expires: <u>6-26-28</u>	NOTARY
	PUBLIC My Comm. Exp. Jun 26, 2028
	FINO SOUTH CALLS

140/75 BUSINESS PARK, LLC, a Tennessee limited liability company-/00 Dalfon Place We ADDRESS: 34 ACRES +/- EVERETT ROAD, KNOXVILLE TN 37932 54 105 HNOXVI PERSON OR ENTITY, RESPONSIBLE FOR PAYMENT OF TAXES -same 100 Dalfon Place Way Ste. 105 KMONVILLE 103 - 103 THE NAME AND ADDRESS OF A PROPERTY OWNER -1912 ď

#### ID# 141-028.02

I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$735,000.00, which amount is equal to or greater than the amount which the property transferred would command at fair and voluntary sale.

ŧ. Affiant Subscribed and sworn to before me this 21st day of January 20 Notary Public My Commission Expires: NICOLE TROUM NOTARY PUBLIC 4 STATE OF ENNESSEE TNOX COUNT

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141 02805 141 02806 This Instrument Prepared By: First Priority Title Company, Inc. COUNTERSIGNED A. Nicole Troutt, Attorney KNOX COUNTY PROPERTY ASSESSOR 101 Dalton Place Way Sherry Witt Knoxville, TN 37912 DEC 1 1 2013 File No. 13-772 Register of Deeds PHIL BALLAR Knox County WARRANTY DEED THIS INDENTURE, made this 10th day of December, A.D., 2013, between HORNE DEVELOPMENT, L.P., a Tennessee limited partnership, and HORNE PROPERTIES, INC., a corporation organized and existing in the State of Tennessee, OF KNOX COUNTY, TENNESSEE, First Parties, And 1-40/75 BUSINESS PARK, LLC, a Tennessee limited liability company, OF KNOX COUNTY, TENNESSEE, Second Party, WITNESSETH: that said First Parties, for and in consideration of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration to us in hand paid by Second Parties, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed and does hereby grant, bargain, sell, and convey unto the said parties of the second part, together with the hereditaments and appurtenances thereto appertaining, hereby releasing all claims to homestead and dower therein, the following described premises (the "Property"), to wit: TRACT ONE: SITUATED in District No. 6 of Knox County, Tennessee, with a portion being located in Loudon County, Tennessee, and being more fully described as follows: BEGINNING at an iron pin found in the South line of Buttermilk Road, said iron pin being located South 50 deg. 20 min. West, 525.6 feet, more or less, from the centerline intersection of Buttermilk Road and Everett Road: thence from said point of BEGINNING, and with the South line of Buttermilk Road, South 76 deg. 53 min. 04 sec. West, 58.15 feet to an iron in corner to Ann Smith Pickell (Deed Book 2255, page 345, Knox County; thence leaving Buttermilk Road and with the line of Pickell, two calls and distances as follows: South 41 deg. 45 min. 29 sec. East, 425.64 feet to an iron pin set; thence South 51 deg. 41 min. 33 sec. West, 159.22 feet to an iron pin found corner to Jeffrey J. Fields (Deed Book 2211, page 126, Knox County); thence with the line of Fields, South 32 deg. 48 min. 52 sec. East, 23.41 feet to an iron pin set; thence continuing with the line of Fields, South 41 deg. 22 min. 43 sec. West, 19.79 feet to an iron pin found corner to Everett R. and Alice Noble Bolden and Tracy Morgan and Kimberly Jones Roberts; thence with the line of Roberts, South 38 deg. 49 min. 52 sec. West, 280.52 feet to an iron pin found corner to Bobby and Joyce Tallent; thence with the line of Tallent, and continuing with the line of Brian and Leslie Bean, South 36 deg. 54 min. 51 sec. West, 580.53 feet to an iron pin corner to Grace Pierce, et. al. (Deed Book 233, page 831, Loudon County); thence with the line of Pierce, South 41 deg. 45 min. 01 sec. East, 436.57 feet to an iron pin found corner to Carol McNeal (Deed Book 216, page 255, Loudon County); thence with the line of McNeal, South 45 deg. 24 min. 39 sec. East, 241.02 feet to an iron pin found corner to Iva P. and Othniel L. Ramsey (Deed Book 2133, page 1079, Knox County); thence with Ramsey, North 58 deg. 22 min. 48 sec. East, 336.63 feet to an iron pin found corner to Home Development, L.P.; thence with the line of Home Development, L.P., two calls and distances as follows: North 03 min. 04 sec. 00 sec. West, 1,172.55 feet to an iron pin found; thence North 41 min. 49 sec. 17 sec. West, 394.72 feet to the point of BEGINNING. The foregoing description was prepared from the survey of Benjamin J. Moorman, RLS No. 1501, dated July 19, 1999. The Surveyor's address is 201 Center Park Drive, Suite 1150, Knoxville, TN 37922. BEING the same property conveyed to Home Development, L.P., from Clari E. Kowalczyk by Warranty Deed dated November 27, 2000, and recorded as Instrument Number: 200011300037157, in the Register's Office for Knox County, Tennessee. Knox County Page: 1 of 4 REC'D FOR REC 12/11/2013 1:24:46PM RECORD FEE: \$23.00 M. TAX: \$9.08 T. TAX: \$1,850.00 201312110036298

The above description is the same as the previous deed of record, no boundary survey having been made at the time of this conveyance.

TRACT TWO:

Part I

SITUATED in District No. Six of Knox County, Tennessee and being more fully described as follows:

TO FIND THE POINT OF BEGINNING, commence at an iron pin located in the South line of Buttermilk Road, said iron pin being located South 29 deg. 58 min. West, 115.1 feet from the point of intersection of the centerline of Buttermilk Road and the centerline of Everett Road; thence leaving Buttermilk Road, South 22 deg. 19 min. 50 sec. East, 104.96 feet to an iron pin, marking the point of BEGINNING herein; thence from said point of BEGINNING and with line of property of Danny R. and Sandra B. Wiles (Deed Book 2272, page 545), South 22 deg. 18 min. 50 sec. East, 79.21 feet to an iron pin; thence continuing with Wiles, North 70 deg. 29 min. 12 sec. East 105.47 feet to an iron pin corner to property of Mary E. Lane (Deed Book 2190, page 600); thence with the line of Lane, South 19 deg. 21 min. 37 sec. East 323.71 feet to an iron pin corner to property of Karl and Becky Fillauer (Deed Book 2080, page 1181); thence with the line of Fillauer, South 20 deg. 01 min. 45 sec. East, 184.51 feet to an iron pin corner to property of Iva P. and Othniel P. Ramsey (Deed Book 2133, page 1079); thence with the line of Ramsey, South 19 deg. 46 min. 57 sec. East, 750.51 feet to an iron pin; thence continuing with Ramsey, South 58 deg. 09 min. 26 sec. West, 722.84 feet to an iron pin corner to property of Clara E. Kowalczyk (Deed book 1797, page 758); thence with the line of Kowalczyk, North 03 deg. 04 min. 00 sec. West 1,172.55 feet to an iron pin; thence continuing with Kowalczyk, North 41 deg. 49 min. 17 sec. West, 394.72 feet to an iron pin in the South line of Buttermilk Road, thence with the South line of Buttermilk Road, North 73 deg. 32 min. 28 sec. East, 125.60 feet to an iron pin corner to Tract II herein; thence leaving Buttermilk Road and with the line of Tract II, South 43 deg. 04 min. 21 sec. East, 34.80 feet to an iron pin; thence North 61 deg. 52 min. 55 sec. East, 274.12 feet to the point of BEGINNING.

Part II

SITUATED in District No. Six of Knox County, Tennessee, and being more fully described as follows:

BEGINNING at an iron pin located in the South line of Buttermilk Road, said iron pin being located South 29 deg. 58 min. West, 115.1 feet from the point of intersection of the centerline of Buttermilk Road and the centerline of Everett Road; thence from said point of beginning with the South line of Buttermilk Road, South 39 deg. 46 min. 54 sec. West, 135.08 feet to a point, thence with the arc of a curve to the right having a radius of 320.79 feet, a chord bearing and distance of South 55 deg. 07 min. 12 sec. West, 169.71 feet, and an arc distance of 171.75 feet to an iron pin, corner to Tract I, thence leaving Buttermilk Road and with the line of Tract I, two calls and distances as follows: South 43 deg. 04 min. 21 sec. East, 34.80 feet to an iron pin; thence North 61 deg. 52 min. 55 sec. East 274.12 feet to an iron pin in the line of property of Danny R. and Sandra B. Wiles (Deed Book 2272, page 545); thence with the line of Wiles, North 22 deg. 19 min. 50 sec. West, 104.96 feet to the point of BEGINNING.

The foregoing descriptions were prepared from survey of Benjamin J. Moorman, Tennessee RLS #1501, of Benchmark Associates, Inc., dated March 29, 1999, and bearing Project #99-033. The surveyor's address is 201 Center Park Drive, Suite 1150, Knoxville, TN 37922.

BEING the same property conveyed to Horne Properties, Inc., a Tennessee corporation, from Barry F. Cummings and wife, Claudia Cummings, by Warranty Deed recorded as dated and recorded June 14, 1999, as WB 2322 Page 965, in the Register's Office for Knox County, Tennessee.

The above description is the same as the previous deed of record, no boundary survey having been made at the time of this conveyance.

THIS CONVEYANCE IS MADE SUBJECT TO ANY AND ALL RESTRICTIONS, SETBACK LINES AND EASEMENTS OF RECORD IN THE REGISTER'S OFFICES FOR KNOX COUNTY AND LOUDON COUNTY, TENNESSEE AND FURTHER SUBJECT TO THE FOLLOWING RESERVATION OF EASEMENT:

SUBJECT to a perpetual access and maintenance easement reserved for all buildings and structures and



improvements necessary for the operation of a radio station ("Radio Station"), including but not limited to a transmission tower, and all guy wires, cables, ropes, etc. necessary therefor, and whether as currently located upon, over, under or within the Property or as may be relocated upon, over, under or within the Property from time to time, to a location mutually agreeable to the parties, all for the benefit of First Parties, the tenants and affiliates thereof (including the current tenant and affiliate operating the Radio Station, Horne Radio, LLC), and all of their successors and assigns. Once the Radio Station is relocated to a site that is not upon, over, under or within the Property, or, in the event the Radio Station ceases to exist, the foregoing Access and Maintenance Easement shall be terminated and extinguished. Each party hereto agrees it will not unnecessarily interfere with the normal operations of the other for the duration of this Easement, and any actions by the parties that affects the others shall be done in such a manner so as to minimize any such impact of the other's operations.

TO HAVE AND TO HOLD THE said premises to the said Second Parties, their heirs and assigns forever.

And said First Parties, for themselves and for their heirs, executors, successors, administrators and assigns do hereby covenant with said Second Parties, their heirs, executors, administrators, representatives, successors and assigns, that First Parties are lawfully seized in fee simple of the premises above conveyed and have full power, authority and right to convey the same, and that they will forever warranty and defend the title thereto against the lawful claims of all persons claiming the same by, through, or under a written instrument executed by the First Parties, and that said premises are free from all encumbrances EXCEPT those set out above and the lien of current ad valorem property taxes to be prorated through closing.

Whenever in this instrument a pronoun is used it shall be construed to represent either singular or plural, as the case may demand.

IN WITNESS WHEREOF the said First Parties hereunder set their hands and seals the day and year first above written.

HORNE DEVELOPMENT, L.P. a Tennessee limited partnership

By: Horne Properties, Inc.,

General Partner

By: Douglas A, Horne Its: President

HORNE PROPERTIES, INC. a Tennessee corporation

By: Douglas'A. Horne Its: President



STATE OF TENNESSEE

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COUNTY OF KNOX

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, DOUGLAS A. HORNE, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged himself to be the President of HORNE PROPERTIES, Inc., the General Partner of HORNE DEVELOPMENT, L.P., a Tennessee limited partnership, within named bargainor, a limited partnership, and the he as such President, being authorized to do so, executed the within instrument for the purposes therein contained, by signing the name of the limited partnership by himself as President of HORNE PROPERTIES, Inc., the General Partner of HORNE DEVELOPMENT, L.P., a Tennessee limited partnership.

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partnership.			
Witness my hand and official seal at office, in Knox County, Tennessee, this $\frac{187}{1000}$ day of Decembe 2013.			
My Commission Expires: 11/4/17 Notary Public			
STATE OF TENNESSEE }			
SS. COUNTY OF KNOX }			
Personally appeared before me, the undersigned authority, a Notary Public in and for said County an State, DOUGLAS A. HORNE, with whom I am personally acquainted, or proved to me on the basis or satisfactory evidence, and who acknowledged himself to be the President of HORNE PROPERTIES, Inc., Tennessee Corporation, the within named bargainor, and that he as such President, being authorized to do so executed the within instrument for the purposes therein contained, by signing the name of the corporation by himself as President of HORNE PROPERTIES, Inc. Witness my hand and official seal at office, in Knox County, Tennessee, this Witness my hand and official seal at office, in Knox County, Tennessee, this Witness my hand and official seal at office, in Knox County, Tennessee, this President of HORNE PROPERTIES, Inc. Witness my hand and official seal at office, in Knox County, Tennessee, this THE NAME AND ADDRESS OF A PROPERTY OWNER DWNER I-40/75 BUSINESS PARK, LLC, a Tennessee Limited Liability Company IOI Dalfow WAY KNOK ville TA 3 791-			
PERSON OR ENTITY RESPONSIBLE FOR PAYMENT OF TAXES-Same 101 Nation Way Know Ile, TN 37912			
Fax Identification Numbers: 141-028.05 141-028.06			
I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, in 500,000.00 which amount is equal to or greater than the amount which the property transferred would command at fair and voluntary sale.			
201312110036298			

#### IVICK INICHTICE REGISTER OF DEEDS KNOX COUNTY

PREPARED BY: First Priority Title Company, Inc. 100 Dalton Place Way, Suite 103 Knoxville, TN 37912 File No. 21-1299



Knox County, TN Page: 1 of 3 REC'D FOR REC 12/2/2022 10:34 AM RECORD FEE: \$17.00 T20220059043 M. TAX: \$0.00 T. TAX: \$0.00 202212020032522

#### FULL RELEASE AND QUIT CLAIM OF TVA RURAL RIGHT OF WAY

THIS INDENTURE, made this 30 day of November, A.D., 2022, between

City of Lenoir City, Tennessee, a municipal corporation duly created, organized, and existing under and by virtue of the laws of the State of Tennessee, acting by and through Lenoir City Utilities Board, First Party,

AND

I-40/75 Business Park, LLC, a Tennessee limited liability company, Second Party,

WITNESSETH: that said First Party, for and in consideration of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration to us in hand paid by Second Party, the receipt of which is hereby acknowledged,

has bargained, sold, released, remised, and QUIT-CLAIMED, conveying all their right, title, interest, and claim, unto the said Second Parties the following described premises, to wit:

SITUATED in District Six (6) of Knox County, Tennessee, and without the corporate limits of the City of Knoxville, and being the:

TVA Rural Right of Way, as shown on a plat to be recorded in the Register's Office for Knox County, Tennessee, a copy of which is attached hereto as Exhibit A, and which right of way is further described in Deed Book 631, Page 572, in said Register's Office.

BEING the same property conveyed transferred to Tennessee Valley Authority, from R. V. Pickell and Kate Pickell, by Rural Line Right of Way dated April 30, 1938, and recorded as Deed Book 631, Page 572, in the Register's Office for Knox County, Tennessee (the "Power Line Easement"), and later Tennessee Valley Authority assigned its rights to said TVA Rural Right of Way to Lenoir City Utilities Board.

WHEREAS, First Party declares that it is the true and lawful owners and holders of the Power Line Easement recorded as Deed Book 631, Page 572, in the Register's Office for Knox County, Tennessee, and for a valuable consideration in hand paid does hereby release, terminate, and cancel of record any and all rights it has in the said Power Line Easement IN FULL and does hereby **RELEASE** said instrument IN FULL. IN WITNESS WHEREOF, we have hereunto subscribed our name this the 3D day of AOUEmber, 2022.

CITY OF LENOIR CLATY, TENNESSEE, A MUNICIPAL CORPORATION ACTING BY AND THROUGH THE LENOIR CITY UTILITIES BOARD

BY: M. SHANNAN LITTLETON ITS: Coneral MANAGER

STATE OF TENNESSEE}

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, <u>Managon Li Herch</u>, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged himself/herself to be the <u>General Managon</u> CITY OF LENOIR CLITY, WTENNESSEE, A MUNICIPAL CORPORATION ACTING BY AND THROUGH THE LENOIR CITY UTILITIES BOARD, the within named bargainor, a municipal corporation, and the he/she as such <u>eneral Manager</u>, being authorized to do so, executed the within instrument for the purposes therein contained, by signing the name of the municipal corporation by himself/herself as <u>CONTRA MANAGER</u>.

in Loudor Witness my hand and official seal at office, County, , this 30 day of / leven be Tennessee 2022 My Commission Expires: THE NAME AND ADDRESS OF A PROPERTY OWNER OWNER I-40/75 Business Park, LLC, a Tennessee limited liability company ADDRESS: PERSON OR ENTITY RESPONSIBLE FOR PAYMENT OF TAXES I-40/75 Business Park, LLC, a Tennessee limited liability company

100 Dalton Place Way, Ste 105 Knoxville, Tennessee 37912

ID# PART OF 141-028.06

I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$ 1.60. Affiant <u>Jinni B. Redmond</u>. Subscribed and sworn to before me this <u>30</u> day of <u>August</u>, 2022. Juli B. Rod Notary Public My Commission Expires: 9/28/2025 AIIIIIII

This	Instrument	Prepared	By:	
------	------------	----------	-----	--

First Priority Title Company, Inc. 101 Dalton Place Way Knoxville, TN 37912 File No. 14-193

BK/PG: D368/566-568	
14002446	
3 PGS:AL-WARRANTY DEED TAMMY BATCH: 105535	
04/16/2014 - 12:36:44 PM VALUE 951000.00	
MORTGAGE TAX 0.00	
RECORDING FEE 15.00	
DP FEE 2.00 REGISTER'S FEE 1.00	
TOTAL AMOUNT 3538.70 STATE OF TENNESSEE, LOUDON COUNTY	
TRACIE LITTLETON REGISTER OF DEEDS	
REGISTER OF DEEDS	
veen	
ility Limited Partnership,	
NNESSEE, First Parties,	
ability Company,	
NNESSEE, Second Parties,	
of the sum of One and No/100 Dollar	
y Second Parties, the receipt of which is	
d does hereby grant, bargain, sell, and	
editaments and appurtenances thereto in, the following described premises, to	
ini, ine tono wing deserve o provide si i	
•	
ssee, and within the Sixth Civil	
of any municipality, and being more	
being 2,290' from the intersection of	
f 50.45' to an iron pin; thence with the	
distance of 1109.25' to an iron pin; 7°36'55" E a distance of 132.25' to an	
5" W a distance of 1322.28' to an iron	
" W a distance of 655.39' to an iron	
of Robert and Suzanne Pierce, Joseph	
e of 18.09' to an iron pin; thence N	

### WARRANTY DEED

THIS INDENTURE, made this 10th day of April A.D., 2014, between

FOWLERS' HOLDINGS, LLLP, a Georgia Limited Liabili With its principal place of business in KNOX COUNTY, TENN

And

I-40/75 BUSINESS PARK, LLC, a Tennessee Limited Liab With its principal place of business in KNOX COUNTY, TENN

WITNESSETH: that said First Parties, for and in consideration of (\$1.00) and other good and valuable consideration to us in hand paid by S hereby acknowledged, has granted, bargained, sold and conveyed and d convey unto the said parties of the second part, together with the hered appertaining, hereby releasing all claims to homestead and dower therein wit:

SITUATED in the Fifth (5th) Civil District of Loudon County, Tennesse District of Knox County, Tennessee, and without the corporate limits of particularly bounded and described as follows:

Beginning at iron pin in the right of way of El Camino Lane, said pin be Watt Road, thence with said right of way S 58°09'48" W a distance of 5 line of Star Development, Inc. the following 3 calls N 37°33'07" W a di thence S 52°25'53" W a distance of 199.92' to an iron pin; thence S 37° iron pin; thence with the line of Fowlers' Holdings, LLLP. S 56°06'15" pin; thence with the line of Ronald and Barbara Isenberg N 24°52'18" V pin, said iron pin on a ridge top; thence with the ridge to and the line of Pierce and Susan Horn the following 7 calls N 29°28'19" E a distance of 10°14'41" E a distance of 129.90' to a point; thence N 19°52'18" E a distance of 123.49' to a point; thence N 36°28'25" E a distance of 175.29' to a point; thence N 42°53'01" E a distance of 163.54' to a point; thence N 61°09'45" E a distance of 95.36' to a point; thence N 68°19'36" E a distance of 52.02' to a point; thence N 71°24'55" E a distance of 152.00' to a point; thence continuing with the ridge top and the line of I-40/75 Business Park, LLC the following 17 calls N 30°38'24" E a distance of 91.01' to a point; thence N 22°31'20" E a distance of 144.89' to a point; thence N 48°17'00" E a distance of 84.98' to a point; thence N 70°59'43" E a distance of 51.68' to a point; thence N 72°52'22" E a distance of 90.95' to a point; thence N 84°10'34" E a distance of 67.33' to a point; thence N 60°23'28" E a distance of 50.36' to a point; thence N 43°33'29" E a distance of 75.88' to a point; thence N 43°54'20" E a distance of 41.28' to a point; thence N 57°43'34" E a distance of 67.91' to a point; thence N 81°07'52" E a distance of 50.68' to a point; thence N 85°18'51" E a distance of 67.50' to an iron pin; thence N 71°54'33" E a distance of 50.76' to a point; thence N 48°22'00" E a distance of 9.00' to a point; thence leaving the ridge top S 74°28'25" E a distance of 78.50 to an iron pin; thence S 17°43'00" E a distance of 133.06' to an iron pin; thence S 24°14'18" E a distance of 579.95' to an iron pin in a 2" pipe; thence S 73°49'41" E a distance of 159.80' to a pipe; thence S 42°06'11" E a distance of 54.46' to an iron pin; thence S 52°30'28" W a distance of 254.01' to an iron pin; thence S 37°33'07" E a distance of 884.80' to the Point of Beginning, having an area of 1,569,953.02

square feet of 36.04 acres, more or less, as shown on the survey by Scott W. Umstead, RLS# 1861, dated April 05, 2014, bearing drawing number: 14019.

BEING part of the same property conveyed to Fowlers' Holdings, LLLP, by Warranty Deed dated November 10, 2004, and recorded as WD 290 Page 49 and corrected in WD 309 Page 502, and by Warranty Deed dated September 05, 2006, and recorded in Book D312 Page 783, and Warranty Deed dated November 29, 2006, and recorded in WD 314 Page 716, and Quit Claim Deed dated November 29, 2006 and recorded as Book D314 Page 714, in the Register's Office for Loudon County, Tennessee, and BEING the same property conveyed to Fowlers' Holdings, LLLP, from Randy A. Steadman, Sr., Married, by Warranty Deed dated September 06, 2006, and recorded as Instrument Number: 200612050046800, in the Register's Office for Knox County, Tennessee.

ALSO CONVEYED HEREWITH AND SUBJECT TO, all interests in the 50 feet non-exclusive access easement and non-exclusive joint use access easement, as described in Corrected Warranty Deed Book D309 Page 502, in the Register's Office for Loudon County, Tennessee, and conveys interests in any easements or rights of ways shown on property pursuant to the survey by Scott W. Umstead, RLS# 1861, dated April 05, 2014, bearing drawing number: 14019.

TOGETHER WITH a non-exclusive access easement 50 feet in width upon the "B P Oil" tract, except for a 5,015 square foot triangular sliver of land fronting 18.03 feet of El Camino Lane and running 557.43 feet of the Western line of the "B P Oil" tract, said sliver, owned in fee simple by the owner of the "B P Oil" tract, not being subject to this easement but with said 50 foot easement being located immediately Northeast of said 5,015 square foot easement.

TOGETHER WITH and SUBJECT to a non-exclusive joint use access easement, subject to relocation by Randy A. Steadham, as set forth below, the initial location being described as follows:

THIS EASEMENT 50 foot South of the line described as starting at a pipe in the Northwestern corner of B P Oil (WD 154 Page 737); thence running in a straight line access a portion of a certain 18.87 acres parcel described at WD 277 Page 48, across a portion of that property described at WD 290, Page 49, across a portion of a certain 9.97 acre tract (part of tract 5, George Holbert, Plat Book 211) and across a certain 4.31 acre parcel (part of tract 5, George Holbert, Plat Book 211) and across a certain 4.31 acre parcel (part of tract 5, George Holbert, Plat Book 211) said line and easement ending at the Western boundary line of the 4.31 acre parcel with the line specifically intersecting with an iron pin located North 36 deg. 17 min. West 739.58 feet from the Southwestern corner of the 4.31 acre parcel. Said easements Northern line is composed of said line from the pipe at BP Oil corner to the iron pin in the Western line of the 4.31 acre tract, with the easement being 50 feet in width, South of said line, and connecting to the 50 foot easement located upon B P Oil and running from El Camino Lane generally along the Western line of BP Oil, from its frontage on El Camino to its terminus approximately 1085 feet opposite line to its frontage line.

TOGETHER WITH AND SUBJECT TO an easement for ingress and egress as shown in Book D290 Page 51, in the Register's Office for Loudon County, Tennessee.

TOGETHER WITH AND SUBJECT TO an permanent easement for ingress and egress for the benefit of Bessie Bradley Webb, et al. as shown in Agreed Amended Judgment in the Chancery Court for Loudon County, Tennessee, Docket No: 7892.

THIS CONVEYANCE IS MADE SUBJECT TO ANY AND ALL RESTRICTIONS, SETBACK LINES AND EASEMENTS OF RECORD IN THE REGISTER'S OFFICE FOR LOUDON AND KNOX COUNTY, TENNESSEE. TO HAVE AND TO HOLD THE said premises to the said Second Parties, their heirs and assigns forever.

And said First Parties, for themselves and for their heirs, executors, successors, administrators and assigns do hereby covenant with said Second Parties, their heirs, executors, administrators, representatives, successors and assigns, that First Parties are lawfully seized in fee simple of the premises above conveyed and have full power, authority and right to convey the same, and that they will forever warranty and defend the title thereto against the lawful claims of all persons claiming the same by, through, or under a written instrument executed by the First Parties, and that said premises are free from all encumbrances EXCEPT the lien of current ad valorem property taxes to be prorated through closing.

Whenever in this instrument a pronoun is used it shall be construed to represent either singular or plural, as the case may demand.

IN WITNESS WHEREOF the said First Parties hereunder set their hands and seals the day and year first above written.

FOWLERS' HOLDINGS, LLLP, a Georgia Limited Liability Limited Partnership BY: BONITAG, FOWLER ITS: **General Partner** 

STATE OF TENNESSEE} }SS. COUNTY OF KNOX }

Ð

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, BONITAC FOWLER, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged herself to be the General Partner, the within named bargainor, Fowlers' Holdings, LLLP, a Georgia limited liability limited partnership, and that she as General Partner of Fowlers' Holdings, LLLP, being authorized to do so, executed the within instrument for the purposes therein contained, by signing the name of the Georgia limited liability limited partnership by herself as General Partner.

Public

NICOle Tro

State of enness Notary Public

mission Expl

Witness my hand and official seal at office, in Knox County, Tennessee

My Commission Expires: 11217

THE NAME AND ADDRESS OF A PROPERTY OWNER OWNER I-40/75 Business Park, LLC,

101 Dalton Place Way Knoxville, TN 37912

ID 004-004 SI 001 004-004.00 004-004-P-001

I hereby swear or affirm that the actual consideration or true value when transfer, whichever is greater, is \$951,000.00, which amount is equal to or greater than the amount which the property from for the property from the second at fair and voluntary safe.

and voluntary sale. State d Affi day of April Subscribed and sworn to before me this Notary Public My Commission Expire

of April, 2014.

Prepared by:

r: First Priority Title Company, Inc. A. Nicole Troutt, Attorney 101 Dalton Place Way Knoxville, TN 37912 File No.13-610

#### SPECIAL WARRANTY DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged SYNOVUS BANK (Grantor"), has bargained and sold, and hereby transfers and conveys to I-40/75 BUSINESS PARK, LLC, (Grantees"), their successors, heirs and assigns, certain land in Loudon and Knox Counties, Tennessee, ("Property"), being more particularly described as follows:

SITUATED in District No. Five of Loudon County, Tennessee, and without the corporate limits of any municipality, being described as follows:

TRACT NO. ONE: BEGINNING on a stone in the Buttermilk Road near the H.L. law house; thence, North 28 ¼ East 32 poles with the Buttermilk Road to a stake; thence, North 37 East, with the said Road, 22 poles (in all 54 poles) to a small wainut on the East side of said Road; thence, South 41 ½ East 29 poles to a stone in the field; thence, South 36 ¼ West, 54 poles to a stone in the line of W. A. Sheror; thence, North 41 ¼ West, with said Sherer line, 24 1/2 poles to the beginning, containing 9 acres, more or less. Also another lot or parcel on or near the line between Knox and Loudon Counties and bounded as follows: BEGINNING on the same stone as Buttermilk Road as the foregoing described tract and thence with said Road and the line of the foregoing tract, North 36 1/2 East 6 poles to a stone, corner to J. S. Everett; thence with said Everett line, North 45 West, 12 poles to a pile of rocks, corner to J. E. Alexander and J. S. Everett; thence with Alexander South 43 1/4 West, 8 poles and 20 links to a stake in the pond; thence, South 62 East 14 poles and 20 links to the beginning, containing 1/4 acre, more or less. THIS BEING the same property conveyed to J. Harvey Hawkins by deed dated December 18, 1974, from Eva Julia Pickel, the only child and sole heir at law of Jake (J.M.) Pickel, duly recorded in Deed Book 119, page 525, in the Register's Office for Loudon County, Tennessee.

TRACT TWO: Located in the Second Civil District of Loudon County, Tennessee, and being more particularly described as follows: BEGINNING on a stone on a line of W. A. Sherer, and corner to J. M. Pickel; thence with J. M. Pickel (1) Northeast 20 feet to a stone corner to H. L. Law; thence with Law (2) South 41 ½ East 30 ½ poles to a stone (3) South 48 ½ East 60 ½ poles to a stone on the Knox and Loudon County line, corner to W. A. Sherer, thence with his line (4) South 57 West, 43 poles to a poplar in a sink; (5) North 59 ½ West, 47 poles to a walnut near the corner of the field; (6) North 45 ½ East, 24 ½ poles to a Hickory; (7) North 28 East, 14 poles to a rock; (8) North 41 ½ West, 30 ½ poles to the beginning, containing 13 ½ acres, more or less. BEING the same property conveyed to J. Harvey Hawkins by deed dated December 18, 1974, from Eva Julia Pickel, the only child and sole heir at law of Jake (J.M.) Pickel, duly recorded in Deed Book 1710, page 896, in the Register's Office for Knox County, Tennessee.

TRACT THREE: Located in the Ninth (9th) Civil District of Knox County, Tennessee, and being more particularly described as follows: BEGINNING on a stake in the corner of the new graded road where it crosses the old Buttermilk Road in Jake Pickel's line and thence with the old Buttermilk Road, and the line between the Everett and Jake Pickel place, 660 feet to a persimmon bush; thence back with the new graded road to the beginning being that portion or strip of land cut off the Everett place on the Southeast side of the new Road along the Jake Pickel Place and containing by estimation one acre, more or less. BEING the same property conveyed to J. Harvey Hawkins by deed dated December 18, 1974, from Eva Julia Pickel, the only child and sole heir at law of Jake (J.M.) Pickel, duly recorded in Deed Book 1710, page 896, in the Register's Office for Knox County, Tennessee.

TRACT FOUR: Located in District No. Two of Loudon County, Tennessee, and more particularly described as follows: BEGINNING at a twin poplar in a hollow, an original corner of the old W. B. Hope and G. F. Simpson lands; thence running up the Brewer Ridge - a parallel ine to Sherer's East line of this same tract - to a point on top of Ridge in Hope's line at or near a spotted oak; thence with the Hope line on top of Ridge Eastwardly to the Sherer and Pickel corner on top of Ridge; thence with the Sherer and Pickel line to their corner on the side of the Ridge; thence continuing with their original line to the beginning, containing by estimation 10 acres, more or less. BEING the same property conveyed to J. Harvey Hawkins by deed dated December 18, 1974, from Eva Julia Pickel, the only child and sole heir at law of Jake (J.M.) Pickel, duly recorded in Deed Book 119, page 525, in the Register's Office for Loudon County, Tennessee.

THERE IS EXCEPTED from the above described tracts the follow:

(1) A deed to Bobby Tallent and wife, Florence Tallent, by deed recorded in Deed Book 1310, page 106, and Deed Book 1310, page 666, in the Register's Office for Loudon County, Tennessee.

(2) A deed to Glen Mattox, et al, dated April 3, 1962, at 1:05 p.m. and recorded in Deed book 72, page 92, containing % acre, more or less.

(3) A deed to Brian Bean dated February 18, 1981, and being 18 acres, more or less, recorded in Deed Book 143, page 36, in the Register's Office for Loudon County, Tennessee. See also Deed Book 184, page 310, in said Register' Office.

(4) A deed to Bobby G. Tallent and wife, Joyce A. Tallent, dated July 14, 1980, recorded in Deed Book 1711, page 389, in the Register's Office for Knox County, Tennessee, and corrected by Corrective Quit Claim Deed in Deed Book 2148, page 396, in the Register's Office for Knox County, Tennessee.

BEING the same property conveyed to Carol M. McNeal by deed from Mauseleum Builders, Inc., recorded in Deed Book 216, page 255, in the Register's Office for Loudon County, Tennessee, and recorded as Instrument Number 19941122004744, in the Register's Office for Knox County, Tennessee.

AND BEING the same property conveyed to Synovus Bank, by Trustee's Deed dated March 12, 2013, recorded in Deed Book 360, page 399, in the Register's Office for Loudon County, Tennessee, and recorded as Instrument Number 201303210061683, in the Register's Office for Knox County, Tennessee.

The above description is the same as the previous deed of record, no boundary survey having been made at the time of this conveyance.

THIS CONVEYANCE IS MADE SUBJECT TO ANY AND ALL RESTRICTIONS, SETBACK LINES AND EASEMENTS OF RECORD IN THE REGISTER'S OFFICE FOR LOUDON COUNTY, TENNESSEE.

TO HAVE AND TO HOLD the property with all appurtenances, estate, title and interest thereto belonging to Grantees, their successors, heirs, and assigns forever.

This conveyance of the Property and all covenants and warranties contained herein, are made expressly subject to the following:

Subject to restrictions, setback lines and easements shown of record in the Register's Office for Loudon County, Tennessee.

Grantor covenants with Grantees that the Property is free from all encumbrances made by Grantor, except as may be set forth herein.

Grantor further covenants to warrant and forever defend title to the Property to Grantees, their successors, heirs, and assigns against the lawful claims of all persons claiming, by, through, or under Grantor, but not otherwise.

Grantor makes no representation or warranties of any kind or character expressed or implied as to the condition of the material and workmanship in the dwelling house located on said property. The Grantees have inspected and examined the property and are purchasing same based on no representation or warranties expressed or implied, made by Grantor, but on their judgment.

Executed this the auth day of September, 2013. SYNOVUS BANK neresa m. Date Teresa M. BY: D ITS: Manaacd STATE OF Malamas COUNTY OF MONTEONER Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State, **Deress M. Oaks**, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged himself to be the M.A.O. of SYNOVUS BANK, the within named bargainor, a corporation, and the he as such M.A.O. , being authorized to do so, executed the within instrument for the nurposes therein contained, by signing the name of the corporation by himself as  $M \cdot \lambda \cdot O \cdot$ Witness my hand and official seal at office, in MONT COMPY County, 200 , this 200 day of September, 2013. mma Notary Public My Commission Expires: 939014 THE NAME AND ADDRESS OF A PROPERTY OWNER OWNER 140/75 BUSINESS PARK, LLC ADDRESS 0 BUTTERMILK ROAD, LOUDON, TN 37774 PERSON OR ENTITY RESPONSIBLE FOR PAYMENT OF TAXES 140/75 BUSINESS PARK 101 DALTON PLACE WAY, KNOXVILLE, TN 37912 ID# 004-003.00 I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$83,500,00. The Tatas nurusa Affiant Subscribed and sworn to before me this day of September, 2013. Notary Public My Commission Expires: 9-27-2014 BK/PG: D364/769-771 13008882 3 PGS : AL - WARRANTY DEED TAMMY BATCH: 101923 09/27/2013 - 12:53:28 PM 3500.00 0.00 MORTGAGE TAX 08.95 TRANSFER TAX 15.00 RECORDING FE 2.00 DP FEE 1.00 REGISTER'S 326.95 TOTAL AMOUN INT TRACIE LITTLETON REGISTER OF DEEDS OF TENNESSEE, LC

#### **II. Project Description**

11. Indicate the total amount of TIF assistance requested (in current dollars), to be paid from TIF Revenues: <u>\$ 8,900,000.00</u>

Also provide a breakdown of the capital costs and the financing costs to be paid by TIF Revenues.

- 12. Number of years TIF assistance is requested: <u>20</u> (Existing policy is that TIF transaction will have a maximum term of 15 years).
- 13. Has any other government assistance (funds, tax incentives, or other economic benefits) been provided to the Applicant or the property? (Check one): Yes <u>No</u>

If yes, describe the type, source, and amount of assistance provided:

14. Provide a list of all properties comprising the plan area by (CLT), along with the most recent tax bill for each parcel. Copies of tax bills can be obtained from the City of Knoxville, Senior Director of Finance and Accountability, 400 Main Street, Suite 6, phone (865) 215-2084, Knox County Trustee's Office, 400 Main Street, Suite 418, phone (865) 215-2305.

CLT # (Parcel Identification Number)	Assessed Value	Taxes	
<u>141 02806</u>	<u>\$198,680.00</u>	<u>\$3,087.00</u>	
<u>141 028</u>	<u>\$30,325.00</u>	<u>\$471.00</u>	
<u>141 02802</u>	<u>\$300,000.00</u>	<u>\$4,662.00</u>	
141 03304	\$271,280.00	<u>\$4,216.00</u>	
<u>141 033</u>	<u>\$504,520.00</u>	<u>\$7,840.00</u>	
141 02805	\$107,075.00	<u>\$1,664.00</u>	
<u>141 03306</u>	<u>\$738,500.00</u>	<u>\$4,590.52</u>	
<u>141 03302</u>	<u>\$1,182,500.00</u>	<u>\$7,350.42</u>	
<u>141 03301</u>	<u>\$295,700.00</u>	<u>\$1,838.07</u>	

15. Project Narrative: Write a brief description of the project. Be as specific as possible about timing, scope of work, type of construction and financing. Attach additional sheets if necessary. Provide interior and exterior photographs.

The overall project is a 169+/- acres sports and commercial use development designed to increase the needed availability of multi sports/multi use turf fields & indoor sports and the accompanying training & medical complexes to be used for local schools, league teams, practices, and regional tournament play. "A study to determine the feasibility of indoor and outdoor sports facilities in Knox County", (copy attached), contracted for by Knox County, shows the tremendous need and viability of such facilities. The study also shows this site as the very best location in the area due to its relationship to the I-40 and I-75 Junction and interstates traversing the region through Knoxville and the immediate proximity to the Exit 369 from these two prominent Interstate Highways. The development of this project also opens up this end of the county with new road access, increased electric, water and sewer supply and much needed access into the southwestern end of Hardin Valley, the fastest growing area of Knox County and a major access route to Oak Ridge and North West Knoxville.

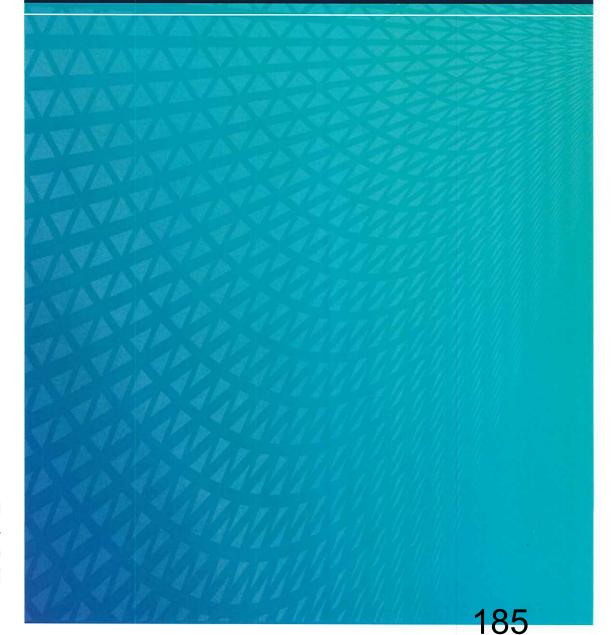
The sports fields make up 50 acres of the development and are the impetus for other supporting uses such as hotels, restaurants, retail, and the aforementioned medical. These uses provide the increase in the tax base for the repayment of the TIF and conservatively generate \$2 to 3 million annually in the form of sales and hotel and other use taxes. The uses for the TIF are for grading the site and the roads into the facilities. The roads and the utilities and other infrastructures mentioned will all be dedicated to the County or the appropriate Utility.

The construction for these improvements will begin on or about April 15<sup>th</sup> to May 1<sup>st</sup>. The excavation to the pad ready sites for the ball fields, the utilities and the roads, curbs, sidewalks, and landscaping is projected to take 18 months. The Sports facilities, ball fields, concessions and other improvements will be able to begin their work in about 10 to 12 months while the roads and utilities are being installed, see the attached engineered site plan in Exhibit C. This remaining 6-month time frame should conclude with all improvements and infrastructure coming in together, ready for occupancy and use.



# A study to determine feasibility of indoor and outdoor sports facilities in Knox County.

Prepared for Visit Knoxville Sports Commission



February 2019

Prepared by DSA Sports LLC

# TABLE OF CONTENTS

ā

Introduction1
Executive Summary2
Background4
Review of Existing Facilities
Potential New Projects8
Competitive Facilities9
Case Histories
Demographics
Development Concept - Outdoor Facility19
Projections for Outdoor Complex21
Development Concept – Indoor Facility
Projections for Indoor Complex
Sports Medicine
Conclusions

### Appendix

Prosperity Crossing	I
Phast Center of Knoxville	II
Rocky Top Sports World	
Ripkin Experience	IV
TNT Sportsplex	v
Big Radius Tool	VI
Round Rock Sports Center	
Myrtle Beach Sports Center	VIII
Pacer's Athletic Center	IX
Courts4Sports	X
Boo Williams Sportsplex	XI
Mike Rose Soccer Complex	XII
North Myrtle Beach Park and	
Sports Complex	XIII
Goebel Soccer Complex and Deaconess	
Sports Center	XIV
Scheels Overland Park Soccer Complex	XV
WRAL Soccer Park	XVI
National Sports Center/Grand Park	
Get More Out of Your Field	XVIII
Natural Grass Athletic Fields	XIX
Facility Policies	XX
Photos of Round Rock Sports Center	XXI
	186

This report is the result of an agreement between the Visit Knoxville Sports Commission (VKSC) with offices at 301 S. Gay Street, Knoxville, TN 37902 and DSA Sports LLC (DSA) with offices at 9880 Forestglen Drive, Cincinnati, OH 45242 and dated September 17, 2018.

DSA agreed to conduct a sports facility feasibility study, which has effectively become Phase Two of an overall project that began with a sports facilities audit (Phase One) in 2017. This study examines the factors needing consideration when and if new sports facilities (or modifications to existing facilities) are built in Knox County.

Two overriding consideration have driven both phases. One is the impact on local sports programs (practices, games, playoffs, etc.) and the other is the potential for increased visitor spending and resulting economic benefit. Interestingly, both benefit residents: in the first instance quality of life issues are addressed and in the second increased economic impact benefits residents because the visitor spending and taxes are added to what a resident supports through their taxes.

DSA agreed to perform no less than the following under the terms of the Phase Two agreement:

- A second review of the competition quality outdoor fields.
- Discussions with indoor sports organizers on programming needs.
- Interviews with area sports organizers with an emphasis on amateur sports clubs and leagues, high school and university athletic directors, and park and recreation officials. The purposes will be to determine how facilities could serve the needs of these programs, including projections on how they might expand participation.
- Interviews with key stakeholders from the hospitality and business communities and public officials.
- Research on the number and kind of multi-field and court facilities within about 300 miles, including performance indicators wherever available. The Rocky Top Sports Complex is a key regional competitor, and DSA has visited the complex.
- Selection of between four and six sports complexes as case histories that will provide information on types, sizes and numbers of fields and/or courts, playing surfaces, lighting and electronic scoring, additional features and costs and results.
- A SWOT analysis that will assist in your determination of what the proposed complex could contribute to your already strong position in the sport tourism industry.
- Projections on additional room nights, lodging and sales taxes and estimated direct visitor spending and what this spending would represent in terms of total economic impact.
- Comments/suggestions on ways to phase in the projects over time. This would provide a "crawl-walk-run" option to full development at the outset.
- Three-year projections of estimated revenues and expenses.

Importantly, efforts to increase the number of visitors increases the taxes collected on sales to these visitors. Knox County can expect more sales tax and hotel occupancy taxes as a result of new facilities.

VKSC worked with DSA to decide on the numbers of sites to visit and interviews that were needed to permit DSA to accomplish these tasks.

It has been determined that Knox County does not have sufficient fields, diamonds and courts to satisfy local needs, let alone those from sport tourism. In the interviews it was determined that more teams, players and coaches would participate in team sports if facilities were available. This report observes that players who cannot practice usually drop the sport. It is difficult if not impossible for athletes to improve on the basis of game time only. So, there is a significant opportunity to better serve the needs of area residents if new indoor and/or outdoor sports facilities can be provided.

This report concludes that having new facilities can also contribute an estimated \$19 million a year in additional visitor spending. These visitors will pay hotel taxes and sales taxes. On page 42 it is reported that total sales taxes on \$19 million could approach \$1.8 million annually, along with about a \$700,000 increase in the hotel tax.

Competition for sport travel visitors has become intense. Despite Rocky Top Sports World, it is anticipated many potential new visitors will choose to hold their events much closer to downtown. The issues with mountain traffic are well known, as is on-site traffic and parking, particularly during simultaneous indoor and outdoor events. At present VKSC has been very successful scheduling court events at the convention center. If there were more courts in another location, much larger basketball or volleyball events could be held...or, the new facility could host a sports event while the center holds a meeting, convention or trade show.

Either way, more visitors could be accommodated.

Projections are provided for an outdoor complex of 10 to 12 rectangular fields and a 6-court basketball facility that would also hold 12 volleyball courts. At present it appears the outdoor facility would probably produce more visitors. This is partially due to competition.

There is an interesting possibility with the outdoor fields. Many complexes have built their fields for a baseball/softball diamond and a rectangular field across the outfields. This approach has led to disappointed teams: soccer may feel baseball is getting preference, for example. DSA feels this is a local decision. Grand Park in Myrtle Beach has fields built this way, and any issue has been manageable. This could be due to a much smaller location population (about 45,000 year-round residents compared to more than 460,000 in Knox County).

It is estimated that about \$15 million will be required to build either the outdoor or indoor facility. The outdoor fields might cost another \$5 million if they are in a park setting.

The outdoor complex could run a deficit of close to \$400,000 a year, at least in the first years. It generally takes 3 to 4 years to reach a stabilized level of operation. On the other hand, it might produce another \$12 million in new visitor spending.

An indoor, 6 court facility would also run a deficit, but much smaller than outdoors. Here, the shortfall could be in the range of \$100,000 a year based upon 15 events a year (many sites ultimately hold more). These events could produce an additional \$7 million in visitor spending.

Combined, the shortfall could run \$500,000 a year against \$19 million in new visitor spending. And, local programming would benefit greatly!

#### The report also suggests that because the \$19 million estimate is of direct spending only. application of a conservative multiplier of 1.7 could mean the economic impact of these new dollars could approach \$32.3 million a year.

These estimates are based on what other destinations have discovered, competitive factors, and past experience in the industry. Knox County has been a leader since the early 90's and has the expertise and experience to maximize the positive economic benefit these facilities could produce.

Two groups have recognized the potential for sports complexes. Both have approached the VKSC and public officials. One concept would be at I-75 and Watts Road and the other at I-75 and Raccoon Valley Road. Both are in the concept stage. DSA met with representatives from both.

#### Watts Road and I-75 (Prosperity Crossing)

This concept imagines a mix of commercial, retail, apartments, and sports facilities. Please refer to <u>Appendix I – Prosperity Crossing</u> for details. The property is partly in Knox County (160 acres) and partly in Loudon County (70 acres). The current concept shows how 15 180 x 330-foot rectangular fields could be included. It also shows two youth baseball fields.

This property is elevated above I-75 and has already been terraced to facilitate development. According to the development team these terraces can be modified to better suit different varieties of fields.

The location is favorable: there are a large number of hotels just to the east, and the interchange is close to the junction of I-75 and I-40.

This area has seen a great deal of development, including significant residential. It is also important to note the site is only fifteen minutes from Oak Ridge, an area experiencing rapid development that needs more recreation facilities.

#### Raccoon Valley Road and I-75 (Phast Center of Knoxville)

Although this is primarily envisioned as a sports complex, space for retail has been included. The current concept shows 12 diamonds of different sizes (some showing rectangular fields across the outfields), two additional rectangular fields, and a multipurpose indoor building.

Please refer to Appendix II - Phast Center of Knoxville.

DSA understands this possibility has been discussed for several years. The site is in a rural area without hotels and restaurants. The organizers are considering dormitories for teams, and they also intend to focus on week long camps and some tournaments.

These are concepts, not fully developed plans. They are intended to indicate ways of developing the sites. Either concept can be modified to better suit specific requests.

The Racoon Valley Road possibility is within 50 miles of the Ripkin Experience (six baseball fields) and Rocky Top Sports World (six indoor courts and access to as many as seven rectangular fields). The Watts Road location is west of downtown, probably closer to 75 miles and more (and a considerable drive in season) from these competitive facilities.

Both offer public officials the opportunity to invest in projects that could serve visitors, but only the Watts Road site is accessible to residents and visitors. It also offers more than twenty hotels and a wide rage of restaurants and is convenient to Oak Ridge.

### SPORTS MEDICINE

Partnerships between sports medicine providers and sports facilities are common. These can take the form of a formal relationship/sponsorship and/or co-location at the facility. The facility receives income to offset operations and the provider has access to athletes and their families.

In many cases rehabilitation therapy takes place on-site.

The presence of therapists and athletic trainers can lead to clinics on injury prevention and participation in camps.

Most indoor facilities in particular have a relationship with a sports medicine provider.

DSA believes this is an area to pursue early, during the initial planning stages. Modifications or additions to what was originally envisioned can easily be accommodated at this stage.

### CONCLUSIONS

The outdoor and indoor complexes are unlikely to break even on annual operations. They should, however, produce substantial new visitor spending and improve the quality of life for residents. And, Knox County and the State of Tennessee will collect more taxes. *Estimated visitor spending could exceed the \$15 million projected in Phase One of the studies, or \$19 million. This level of new spending would produce about \$1.8 million in increased sales tax collections and perhaps another \$700,000 in bed taxes.* 

All projections are in direct dollars. <u>A conservative multiplier of 1.7 means the economic impact</u> of \$19 million would actually reach about \$32.3 million in estimated economic impact. The multiplier accounts for the way a new dollar turns over in the local economy.

If either or both of these facilities are built, the quality of the management, its ability to impact the local community with meaningful new programs, and an aggressive and continual sales effort will be of the highest importance. It has been seen that failing to properly plan and execute leads to underutilization or a focus on local/regional uses rather than the travel market.

Competition in the sport travel industry is intense. Knox County has competitors nearby, within the state, and certainly within the key radius of 300 miles. Teams will be able to chose where to go on the same dates. Rocky Top Sports World, Kingsport, Chattanooga, Nashville and a number of other communities are active in the industry.

The southeast is the single busiest area of the country. Weather plays an important role, as do extended growing seasons. Because the Midwest is more densely populated, cities in the northern portion of the south tend to do very well attracting large numbers of teams.

As the industry has grown there has been a shift from national events to more emphasis on regional competitions and championships. At the same time emphasis has also been placed on developing locally owned events that invite visiting teams.

Attracting regional and national events will be the focus of the VKSC. At the same time, VKSC should work with area leagues, clubs and organizations to produce these locally owned events.

A major partner will be the Department of Parks and Recreation. The expertise to plan and provide local sports programming and to connect with local sports organizations already exists. The department will be a major partner to the VKSC...and might become the facility manager.

The upfront investment is significant. Both facilities will cost at least \$15 million, and the outdoor fields should be in a park-like setting that offers more active pursuits and plenty of passive outdoor opportunities for residents. This will probably result in another \$5 million or more for the outdoor park.

Knox County has not invested in the number and variety of parks, fields, diamonds and courts found elsewhere in your competitive set. From this point of view, substantial new investment might be regarded as catching up rather than adding to the county's financial burden. These investments will produce meaningful levels of new spending and taxes while better serving young people of all ages.

16.	Land Area of Project Area (in square feet or acres): <u>169 Acres</u>		
	Zoning Classification of Project Area (by parcel): <u>CB &amp; RB</u>		
	Land Area of Plan Area (in square feet or acres): 212.50 Acres		
	Zoning Classification of Plan Area (by parcel): <u>CB</u>		

17.	Use of Funds (Entire Project):	Amount	Percent
	Land Acquisition Site Development Public Improvements Building Costs (Hard) Soft Costs	$\frac{13,365,268.00}{16,268,613.00}$ $\frac{17,603,566.00}{2,486,181.00}$ $\frac{49,723,628.00}{2,486,181.00}$	$     \frac{\frac{28\%}{33\%}}{\frac{35\%}{0\%}}     \frac{0\%}{4\%} $
	TOTAL:	\$49,725,000.00	100%
	Sources of Funds:	Amount	Percent
	Owner's Equity Construction Loan Mezzanine Seller Financing Tax Increment Other	\$ <u>21,600,000.00</u> \$ <u>17,000,000.00</u> \$ <u>0</u> \$ <u>0</u> \$ <u>8,900,000.00</u> \$ <u>2,225,000.00</u>	$     \frac{43\%}{34\%}     \frac{34\%}{0\%}     \frac{0\%}{1\%}     \frac{1\%}{1\%} $
	TOTAL:	\$ <u>49,725,000.00</u>	100%

Total Estimated Project Cost: \$49,725,000.00

18.	When will construction start (Month/Year)?	05/2023

19. When will construction be completed (Month/Year)? <u>05/2025</u>

20. Please list what public improvement(s) are eligible for tax increment financing and estimated cost:

Category A	<u>0</u>	uantity	Estimated Cost
Site Work / Grading:	1,362,59	8 cu yds	\$ <u>7,812,988.00</u>
Storm Sewers:			\$
	Pipes:	9,000 ft	\$ <u>1,315,700.00</u>
	Structures:	80	\$ <u>578,181.00</u>
Stormwater Facilities:			\$ <u>58,000.00</u>
Flood Control:	_		\$
Retaining Walls/Tunnels:	_		\$
Sanitary Sewer Lines:			\$
	Pipes: <u>4,8</u>	00 ft	\$ <u>375,988.00</u>
	Structures: 32		\$ <u>190,786.00</u>
Water Lines:	Ę	5,500 ft	\$ <u>641,025.00</u>
Paving / Driveways:	<u>3,600 ft</u>		\$ <u>1,241,879.00</u>
Street, Curbs, Gutters:			\$ <u>138,000.00</u>
Ramps/Roads/Bridges:			\$
Off-Street Parking Structure	es:		\$
Sidewalks:	_		\$ <u>300,000.00</u>
Landscaping / Fencing:			\$ <u>200,000.00</u>
Artificial Lighting:			\$ <u>504,000.00</u>
Greenways/Walking Trails:	_		\$
Mass /Public Transit Faciliti	es:		\$
Traffic Signals:			\$ <u>190,000.00</u>
Signage:			\$ <u>100,000.00</u>

#### TOTAL CATEGORY A \$<u>13,646,547.00</u>

Category B	<u>Quantity</u>	Estimated Cost
Electrical Services:		\$
Utility Infrastructure:	WTR 10,500ft	\$ <u>2,600,000.00</u>
Utility Under-grounding:	SWR	\$ <u>611,100.00</u>
Telecom Services:		\$
Utility Relocation:		\$ <u>300,000.00</u>
Other Items:		\$ <u>446,000.00</u>

TOTAL CATEGORY B \$<u>3,957,100.00</u>

#### \$17,603,647.00

Other public improvements (provide a description and breakdown of costs in sufficient detail for an engineering review of cost estimates):\_\_\_\_\_

#### 21. Development Team

Please list the business name, contact person, address, work and fax phone numbers, and email address for the following members of the Development Team:

Contractor: <u>Southern Site Contractors, Gary Wyatt, 1301 Spring Hill Road, Knoxville, TN</u> <u>37914; Work (865)567-2257, gary.wyatt@southernsitecontractors.com</u>

Architect/Engineers: <u>Robert G. Campbell & Associates, Robert G Campbell, 7523</u> <u>Taggart Lane, Knoxville TN 37938; Work (865) 947-5996, Fax (865) 947-7556</u> <u>rcampbell@rgc-a.com</u>

Accountant: Andy Edmonds, CPA; 629 Redmill Lane, Knoxville, TN, 37934; Work (865)310-6682, Fax (865) 966-5404; eae123eae@aol.com

Project Manager: <u>Maddox Companies, Steven Maddox, 100 Dalton Place Way, Suite 105,</u> Knoxville, TN 37912, Work (865) 522-9910 x 101 Fax (865) 364-1616

Construction Manager: <u>Maddox Construction Company Inc., Steven Maddox, 100 Dalton</u> <u>Place Way, Suite 105, Knoxville, TN 37912, Work (865) 522-9910 x 101 Fax (865) 364-1616</u>

Development Consultant:

#### III. Supplemental Information

<u>Note to Applicant</u> – All Exhibits from the checklist <u>must</u> be complete before IDB staff will submit your request for tax increment financing for initial consideration by the Knox County Commission and/or City Council.

22. Submit the following as Exhibits to the Application that will include the information set forth in the following checklist:

Exhibit A – Tax Increment Application Affidavit

Exhibit B – History of the Development Entity

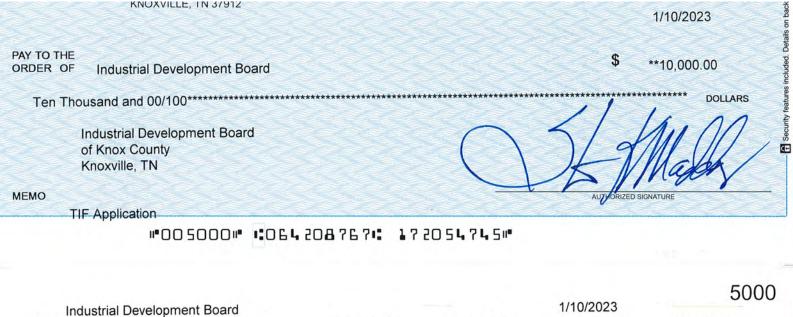
Exhibit C – Site Plan and Rendering (identify public improvements eligible for TIF)

Exhibit D - List and Breakdown of Sources and Uses of Funds to undertake project

#### **Checklist**

Exhibit A – Tax Increment Application Affidavit (submitted for preliminary qualification):

Applicant will pay IDB Application Fee of \$<u>10,000.00</u>



Date Type Reference 1/9/2023 Bill 192023

Original Amt. 10,000.00 Balance Due 10,000.00 Discount Check Amount

Payment 10,000.00 10,000.00

196

Applicant will list and specify all Eligible TIF Costs in detail

Applicant will acknowledge the maximum tax incentive available for the Project (See <u>Sections</u> <u>4.1 through 4.3 for guidance</u>)

Applicant and/or the lead financing entity will sign an affidavit that the project would not be financially feasible, if it were not for the Tax Increment Financing.

Exhibit B – Declaration of Development Team and Disclosure of Principals and Entity, including:

History of the Development Entity Resumes of all principals and key individuals' Organizational structure of the development entity

Exhibit C – Description and Narrative of the Development Project, including:

Copies of Project Contracts and/or Memoranda of Understanding Detailed Performance/Construction Schedule Site Plan and Rendering w/qualifying public improvements identified Copies of Deeds, Leases, and Option Contracts FIRMette from FEMA issued Flood Insurance Rate Maps (FIRMs) <u>www.msc.fema.gov</u> Photographs of Property Tax Bills Survey Maps of the Plan Area and the Project Area

Exhibit D – Project Funding and Financial Information, including:

List and breakdown of Sources and Uses of Funds to undertake Project Detailed projections of TIF Revenues by parcel for the term of the requested TIF and narrative describing the basis and assumptions for the projections Pro-forma financial statement for five (5) years (if multiple entities are involved, the pro forma statements should be prepared on an entity basis and on a consolidated basis) Current financial statements (2 yrs.); P & L (2 yrs.); and Balance Sheet (2 yrs.)

(if newly formed, a copy of a balance sheet as of the most recent month-end)

Current banking relationships

Evidence of bonding capacity or letter of credit

#### VII. Signature

I, the undersigned, affirm that the project descriptions, numerical and financial estimates, and all other information I have provided in this Application are true and complete to the best of my knowledge. I have read and understood the requirements described in this Application, including the Tax Incentive Financing Program of The Industrial Development Board of the County of Knox. Furthermore, I certify that I am authorized to initiate the TIF application process on behalf of the Applicant and the Project described.

The undersigned, furthermore, agrees to provide such additional information and documentation, from time to time, as the Board may consider necessary or convenient to determine the advisability of providing tax increment financing to the Applicant.

The undersigned agrees to pay or reimburse the Board for all costs, fees and expenses, including

attorneys' fees, incurred by the Board in considering, evaluating, and enforcing the provisions of the Application and the Policies and Procedures of the Tax Increment Financing Program. In certain instances, the Board may require that principals of the Applicant guarantee the payment of the above costs and supply the Board with financjal statements of such principals.

Signed

Date: 1-5-,2023

Title: Managing Member

Legal Disclaimer

COMPLETION OF THIS APPLICATION DOES NOT ENTITLE THE APPLICANT TO FINANCIAL ASSISTANCE. ANY SUCH ASSISTANCE MUST BE APPROVED BY THE KNOX COUNTY COMMISSION OR CITY COUNCIL FOR THE CITY OF KNOXVILLE, TENNESSEE.

11

#### RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX AND KNOX COUNTY, TENNESSEE FOR THE SWAP OF CERTAIN REAL PROPERTY

WHEREAS, The Industrial Development Board of the County of Knox (the "IDB") is a nonprofit public corporation organized by Knox County (the "County") as an industrial development board pursuant to Tenn. Code Ann. §7-53-301 et seq. (the "Act") and as such is a public instrumentality of Knox County performing a public function;

WHEREAS, purposes of the IDB are to promote industrial development, to provide additional job opportunities in Knox County and the surrounding area, and to pursue the statutory objectives for industrial development corporations authorized under the Act, and in connection therewith, the IDB is authorized to acquire, improve, and convey projects, including, without limitation, public buildings or real property, for any city, county or metropolitan government, or any public authority, agency or instrumentality of the state of Tennessee or of the United States of America; and

**WHEREAS**, the IDB owns in fee the Karns Valley Business Park located at 0 Production Lane (Parcel ID 09010201), within which sits a 15.74 acre tract known as Lot 2 (the "Karns Valley Business Park Lot 2 Property"); and

WHEREAS, the County owns in fee and operates the Knox County Regional Forensic Center located at 2761 Sullins Street (Parcel ID 108BD004) consisting of approximately 1.68 acres (the "Forensic Center Property"); and

**WHEREAS**, the County has outgrown the existing Regional Forensic Center located on the Forensic Center Property and desires to design and construct a new Regional Forensic Center; and

WHEREAS, the County and IDB agree that the Karns Valley Business Park Lot 2 Property should be transferred to the County for the design, construction, and operation of a new Knox County Regional Forensic Center; and

**WHEREAS**, the County and IDB agree that, upon the closure of the current Regional Forensic Center at the Forensic Center Property, the Forensic Center Property should be transferred from the County to the IDB to be used as a technology center and laboratory; and

WHEREAS, there has been submitted to the IDB at a regular called meeting on February 13, 2024, a Memorandum of Understanding (the "MOU") which sets forth the proposed terms of the transfers of the Karns Valley Business Park Lot 2 Property and the Forensic Center Property and the transactions related thereto, a copy of the MOU shall be filed with the records of the Board: and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Industrial Development Board of the County of Knox ("Board"), as follows:

1. It is hereby found and determined that the purchase of the Forensic Center Property by the IDB, and the sale of the Karns Valley Business Park Lot 2 Property to the County, will promote the economy and development in the State of Tennessee and Knox County, Tennessee and the welfare of the citizens thereof.

2. The form and substance of the MOU as presented to the IDB is hereby approved. The Chair or Vice Chair of the IDB is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the MOU to each party thereto in substantially the form presented to the IDB together with such changes as may be approved by legal counsel to the IDB and the officers executing such MOU.

4. The officers of the IDB are, and each of them is, furthermore hereby authorized to do all acts and things and execute and attest all documents, from time to time, as may be deemed necessary by legal counsel to the IDB to carry out and comply with the provisions of the MOU and this Resolution, including, without limitation, execution, delivery and acceptance of any and all agreements, instruments, deeds, and other documents as legal counsel to the IDB shall deem necessary and convenient to evidence the transfers of the real property and the other transactions described in the MOU ("Transaction Documents"). The form of all such Transaction Documents must be acceptable to legal counsel to the IDB.

5. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

ADOPTED: February 13, 2024

[The remainder of this page intentionally left blank.]

Presented at this meeting of the Board, held on February 13, 2024, and passed and approved on the same date.

# THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

Chair

Dated: February 13, 2024

#### CERTIFICATE

As Secretary of The Industrial Development Board of the County of Knox, I hereby certify that the above Resolution was presented at the meeting of the Board of Directors of said corporation on the 13<sup>th</sup> day of February, 2024; that a quorum was present; that the vote on the adoption of the Resolution was taken openly and the Board of Directors duly approved the resolution; that said meeting was held at a specified time and place; that notice was duly given, and that the meeting was called and held in strict accordance with the provisions of the charter and bylaws of said corporation and in accordance with applicable law.

**IN WITNESS WHEREOF**, I have executed this Certificate, this \_\_\_\_\_ day of February, 2024.

Tiffany E. Gardner, Secretary

# 

#### <u>MEMORANDUM OF UNDERSTANDING BY AND BETWEEN KNOX COUNTY,</u> <u>TENNESSEE, AND THE INDUSTRIAL DEVELOPMENT BOARD OF KNOX</u> <u>COUNTY, TENNESSEE</u>

Transfer of Karns Valley Business Park Lot 2 from the Industrial Development Board to Knox County for the design, construction, and operation of a new Knox County Regional Forensic Center and Transfer of the existing Knox County Regional Forensic Center property at 2761 Sullins Street from Knox County to the Industrial Development Board.

This Agreement is made and entered into this 1<sup>st</sup> day of March, 2024 between Knox County, a political subdivision of the State of Tennessee, a Home Rule Public Corporation and Charter Government ("County") and the Industrial Development Board of Knox County, Tennessee ("IDB").

#### WITNESSETH

**WHEREAS,** the IDB owns in fee the Karns Valley Business Park located at 0 Production Lane. Lot 2 (Parcel ID 09010203) is a 15.74 acre tract within the Karns Valley Business Park as highlighted on Exhibit A; and

WHEREAS, the County owns in fee and operates the Knox County Regional Forensic Center located at 2761 Sullins Street (Parcel ID 108BD004) consisting of approximately 1.68 acres; and

**WHEREAS**, the County has outgrown the existing Regional Forensic Center and desires to design and construct a new Regional Forensic Center; and

WHEREAS, the County and IDB agree that the Karns Valley Business Park Lot 2 property should be transferred to the County for the design, construction, and operation of a new Knox County Regional Forensic Center; and

**WHEREAS,** the County and IDB agree that, upon the closure of the current Regional Forensic Center at 2761 Sullins Street, the property should be transferred from the County to the IDB to be used as an innovation space.

NOW, THEREFORE, the County and IDB do hereby mutually agree as follows:

- 1. No later than the 30th day of April, 2024, the IDB shall transfer the Karns Valley Business Park Lot 2 property (Exhibit A) to the County for the design, construction, and operation of the new Knox County Regional Forensic Center.
- 2. Upon the completion of the new Knox County Regional Forensic Center and closure of the existing Knox County Regional Forensic Center, the County shall transfer the property at 2761 Sullins Street to the IDB for use as an innovation space.

- 3. Nothing in the performance of this Agreement shall impose any liability for claims against the County or IDB other than claims for which liability may be imposed by the Tennessee Governmental Tort Liability Act.
- 4. The County and IDB will each be responsible for its own actions in providing services under this Agreement and shall not be held liable for any civil liability that may arise from the furnishing of the services by the other.
- 5. By entering into this Agreement, the parties do not intend to create any obligations expressed or implied other than those set out herein. Further, this Agreement shall not create any rights in any party not a signatory hereto.
- 6. This Agreement shall be exclusively construed, governed, and controlled by the laws of the State of Tennessee without regard to principles of law, including conflicts of law, of any other jurisdiction, territory, country, and/or province. Any dispute arising out of or relating to this Agreement shall exclusively be brought in the Chancery Court or the Circuit Court of Knox County, Tennessee. Each party consents to personal jurisdiction thereto and waives any defenses based on personal jurisdiction, venue, and inconvenient forum.

**IN WITNESS WHEREOF,** the County and IDB have caused this Agreement to be executed by their duly authorized representatives.

#### KNOX COUNTY, TENNESSEE

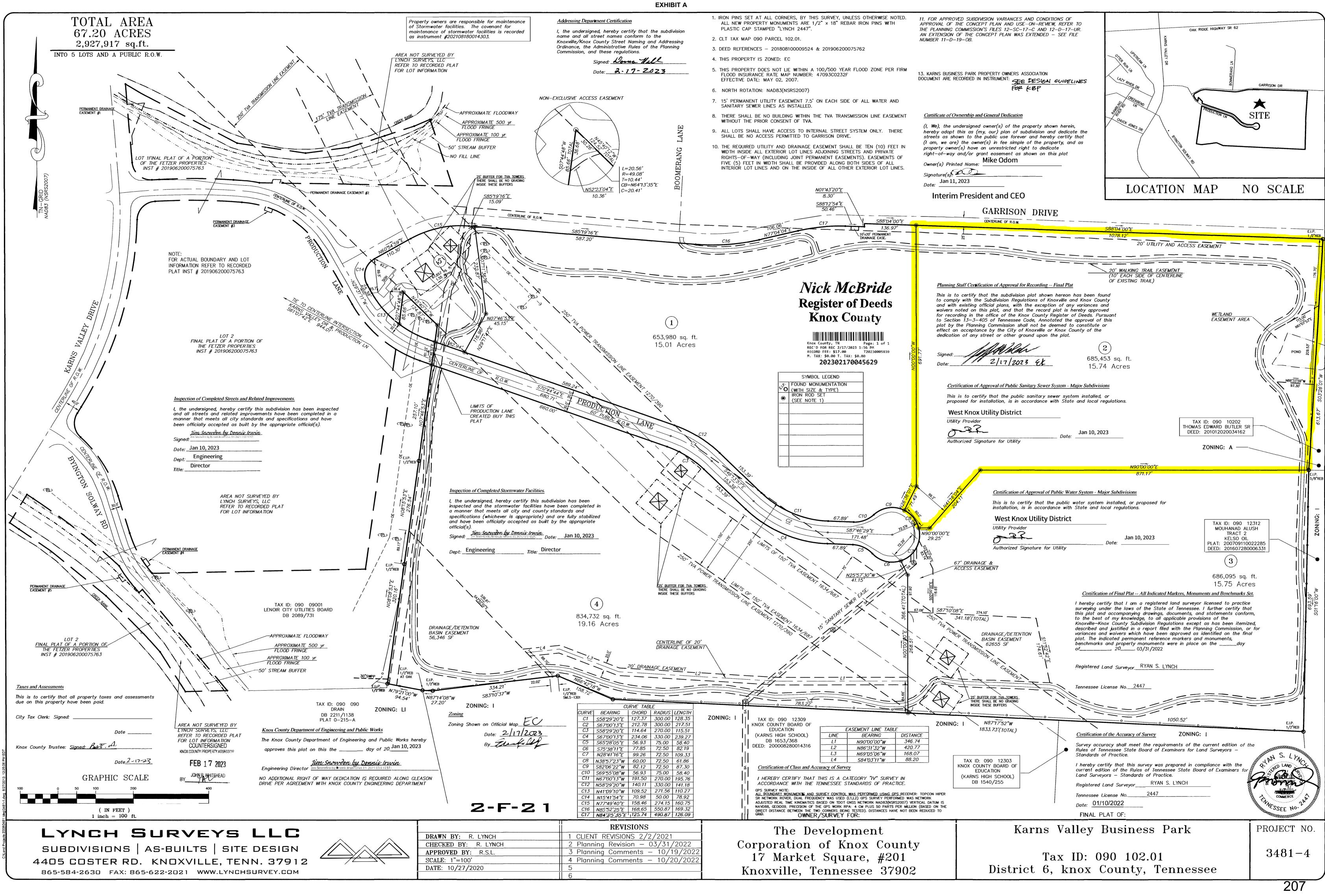
#### INDUSTRIAL DEVELOPMENT BOARD OF KNOX COUNTY, TENNESSEE

by:	by:	
Glenn Jacobs Knox County Mayor	Print name:	
Date:	Date:	

Contract #: \_\_\_\_\_ Approved as to Legal Form:

Knox County Law Director's Office

Date: \_\_\_\_\_



Legal Description

Karns Valley Business Park

SITUATED, LYING AND BEING in the Sixth (6th) Civil District of Knox County, Tennessee, and being all of Lot 2 of the Final Plat of Karns Valley Business Park as shown on plat filed of record as Instrument No. 202302170045629 in the Knox County Register of Deeds Office, reference being made thereto for a more particular description.

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#### RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT FOR THE FAIRVIEW TECHNOLOGY CENTER BY AND BETWEEN THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX AND KNOX COUNTY, TENNESSEE

WHEREAS, The Industrial Development Board of the County of Knox (the "IDB") is a nonprofit public corporation organized by Knox County (the "County") as an industrial development board pursuant to Tenn. Code Ann. §7-53-301 et seq. (the "Act") and as such is a public instrumentality of Knox County performing a public function;

WHEREAS, purposes of the IDB are to promote industrial development, to provide additional job opportunities in Knox County and the surrounding area, and to pursue the statutory objectives for industrial development corporations authorized under the Act, and in connection therewith, the IDB is authorized to acquire, improve, and convey projects, including, without limitation, public buildings or real property, for any city, county or metropolitan government, or any public authority, agency or instrumentality of the state of Tennessee or of the United States of America;

WHEREAS, the County owns certain real property in Knox County, Tennessee, more commonly known as the Fairview Technology Center (the "Fairview Technology Center"); and

**WHEREAS**, the County and the IDB have agreed for the IDB to lease the Fairview Technology Center from the County on the terms and conditions of that certain Lease Agreement by and between the IDB and the County (the "Lease"), a copy of which has been presented to the Board in connection with this resolution; and

WHEREAS, the Board of Directors of the Industrial Development Board of the County of Knox ("Board") desires to approve the Lease; and

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. It is hereby found and determined that the lease of the Fairview Technology Center by the IDB will promote the economy and development in the State of Tennessee and Knox County, Tennessee and the welfare of the citizens thereof.

2. The form and substance of the Lease as presented to the IDB is hereby approved. The Chair or Vice Chair of the IDB is hereby authorized and directed to execute, and, if requested, its Secretary or Assistant Secretary is hereby authorized to attest, and either is authorized and directed to deliver the Lease to each party thereto in substantially the form presented to the IDB together with such changes as may be approved by legal counsel to the IDB and the officers executing such Lease.

4. The officers of the IDB are, and each of them is, furthermore hereby authorized to do all acts and things and execute and attest all documents, from time to time, as may be deemed necessary by legal counsel to the IDB to carry out and comply with the provisions of the Lease and this Resolution, including, without limitation, execution, delivery and acceptance of any and all agreements, instruments, and other documents as legal counsel to the IDB shall deem necessary and convenient to evidence the lease of the Fairview Technology Center ("Transaction Documents"). The form of all such Transaction Documents must be acceptable to legal counsel to the IDB.

5. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

ADOPTED: February 13, 2024

[The remainder of this page intentionally left blank.]

Presented at this meeting of the Board, held on February 13, 2024, and passed and approved on the same date.

# THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

Chair

Dated: February 13, 2024

#### CERTIFICATE

As Secretary of The Industrial Development Board of the County of Knox, I hereby certify that the above Resolution was presented at the meeting of the Board of Directors of said corporation on the 13<sup>th</sup> day of February, 2024; that a quorum was present; that the vote on the adoption of the Resolution was taken openly and the Board of Directors duly approved the resolution; that said meeting was held at a specified time and place; that notice was duly given, and that the meeting was called and held in strict accordance with the provisions of the charter and bylaws of said corporation and in accordance with applicable law.

**IN WITNESS WHEREOF**, I have executed this Certificate, this \_\_\_\_\_ day of February, 2024.

Tiffany E. Gardner, Secretary

# FAIRVIEW TECHNOLOGY CENTER

This LEASE AGREEMENT, made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2024 by and between KNOX COUNTY, a political subdivision of the State of Tennessee, ("Knox County"), and THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, a Tennessee nonprofit corporation ("IDB").

# **RECITALS:**

A. Knox County is the owner of certain real property located in Knox County, Tennessee, more commonly known as the Fairview Technology Center (the "Premises" or "Fairview"), and more particularly described on Attachments A, B, & C attached hereto; and

B. The parties have agreed for IDB to lease the Premises from Knox County under the terms and conditions contained herein to better operate and manage Fairview.

# AGREEMENTS:

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and agreements contained herein, the parties agree as follows:

1. <u>Term</u>. Knox County does hereby lease to IDB, and IDB does hereby lease from Knox County, the Premises for a term of ten (10) years commencing on November 27, 2023, and terminating on November 26, 2033, unless sooner terminated or extended as provided herein.

2. <u>Rent</u>. IDB covenants and agrees to pay to Knox County an annual rental payment of One Dollar (\$1.00), due on or before the first day of each year.

3. <u>Taxes, Assessments and Other Charges</u>. IDB shall pay all taxes assessed and levied against the Premises, or any improvements, by the state, city and county or other municipal taxing authorities.

4. <u>Use of the Premises.</u> IDB shall use the Premises to lease office space in Fairview, and for any purpose associated therewith. In its use of the Premises, IDB shall comply with all applicable federal, state and local statutes, regulations, and/or other laws.

5. <u>Insurance</u>. IDB shall maintain general liability insurance protecting Knox County and IDB against liability for injury to third parties and property damage, regardless of how such liabilities arise, in the amount of \$1,000,000.00 per incident, and \$3,000,000.00 in the aggregate. Such policies shall provide Knox County with a certificate of insurance demonstrating compliance with this paragraph. IDB shall name Knox County as additional named insured on said policies. Knox County will maintain insurance on the building, the personal property of Knox County, and contractor's equipment located and/or maintained on the Premises. IDB will reimburse Knox County for any and all premiums for said insurance. 6. <u>Subleases</u>. In its operation of Fairview, IDB shall have the right and authority to sublease office space to prospective tenants without the prior written consent of Knox County. Said subleases shall require the sublessees to maintain general liability insurance and insurance for the sublessees' own contents. IDB shall not sublease the premises in its entirety to any third party or parties, and shall not assign or transfer this Lease Agreement to any third party or parties without the prior written consent of Knox County.

7. <u>Events of Default</u>. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease Agreement by IDB:

- (a) Abandonment of the Premises for a period of sixty (60) days or more;
- (b) Failure by IDB to make any payment required under this Lease Agreement as and when due, where such failure shall continue for a period of thirty (30) days after written notice from Knox County; or
- (c) Failure by IDB to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement, other than the making of any payment, where the failure shall continue for a period of ninety (90) days after notice of the failure from Knox County or such additional period of time as is reasonably necessary to cure the failure, provided IDB diligently prosecutes the cure.

8. <u>Termination</u>. This Lease Agreement may be terminated by either party upon written notice where the other party commits a material breach hereof. This Lease Agreement may be terminated upon:

- (a) Any event of default; or
- (b) Failure of Knox County to fund IDB through the Knoxville Chamber for any one budget year.

9. <u>Waiver</u>. Failure of either party to insist upon the strict performance by the other party of any term, condition, or covenant on the other party's part to be performed pursuant to the terms of this Lease Agreement or to exercise any of its options, rights, powers, or remedies contained herein shall not be deemed nor construed as a waiver of such performance or relinquishment of such right now or subsequent hereto.

10. <u>Notices, Demands and Other Instruments</u>. All notices, demands, requests, consents, and other instruments required or permitted to be given pursuant to the terms of this Lease Agreement shall be in writing and shall be deemed to have been properly given (i) upon personal delivery, or (ii) upon deposit in the United States Mail, if sent by registered or certified United States Mail, return receipt requested, or (iii) forwarded by a nationally recognized overnight courier service, addressed to the other party as follows:

Knox County:	Knox County Mayor 400 Main Street Suite 615, City-Co. Building Knoxville, TN 37902
The Industrial Development	
Board of the County of Knox:	The Industrial Development
	Board of the County of Knox
	17 Market Square
	Suite 201
	Knoxville, TN 37902-1447

or at such other address in the United States as either party may designate in writing delivered to the other party.

11. <u>Governing Law; Venue</u>. This Lease Agreement shall be exclusively construed, governed, and controlled by the laws of the State of Tennessee without reference to its choice of law rules and without regard to principles of law, including conflicts of law, of any other jurisdiction, territory, country, and/or province. Any dispute arising out of or relating to this Lease Agreement shall exclusively be brought in the Chancery Court or the Circuit Court of Knox County, Tennessee. Each party consents to personal jurisdiction thereto and waives any defenses based on personal jurisdiction, venue, and inconvenient forum.

12. <u>Amendment or Modification</u>. No amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by the parties in writing hereto in the same manner as the execution of this Lease Agreement.

13. <u>Independent Contractor</u>. IDB acknowledges that it and its employees serve as independent contractors and that Knox County shall not be in any manner responsible for any payment, insurance, or incurred liability.

14. <u>Indemnification/Hold Harmless</u>. IDB shall indemnify, defend, save, and hold harmless Knox County, its officers, agents, and employees from all suits, claims, actions, or damages of any nature brought because of, arising out of, or due to breach of the Lease Agreement by IDB, its subcontractors, suppliers, agents, or employees or due to any negligent act or occurrence or any omission or commission of IDB, its subcontractors, suppliers, agents, or employees.

IN WITNESS WHEREOF, Knox County and IDB hereby execute this Lease Agreement as of the day and year first above written.

# KNOX COUNTY:

By	•	

Its:\_\_\_\_\_

# THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX:

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

Its: \_\_\_\_\_

# STATE OF TENNESSEE ) COUNTY OF KNOX )

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, personally appeared <u>GLENN JACOBS</u>, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the <u>COUNTY MAYOR</u> of Knox County, a political subdivision of the State of Tennessee, the within named bargainor, and that he, as such <u>COUNTY MAYOR</u>, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the municipality by himself as <u>COUNTY MAYOR</u>.

Witness my hand and seal on this the \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_.

NOTARY PUBLIC

My Commission Expires:

# STATE OF TENNESSEE ) COUNTY OF KNOX )

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, personally appeared \_\_\_\_\_\_\_, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged herself/himself to be the \_\_\_\_\_\_\_ of THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX, a nonprofit corporation of the State of Tennessee, the within named bargainor, and that she/he, as such \_\_\_\_\_\_\_, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of said bargainor by herself/himself as \_\_\_\_\_\_.

Witness my hand and seal on this the \_\_\_\_\_ day of \_\_\_\_\_, 20 .

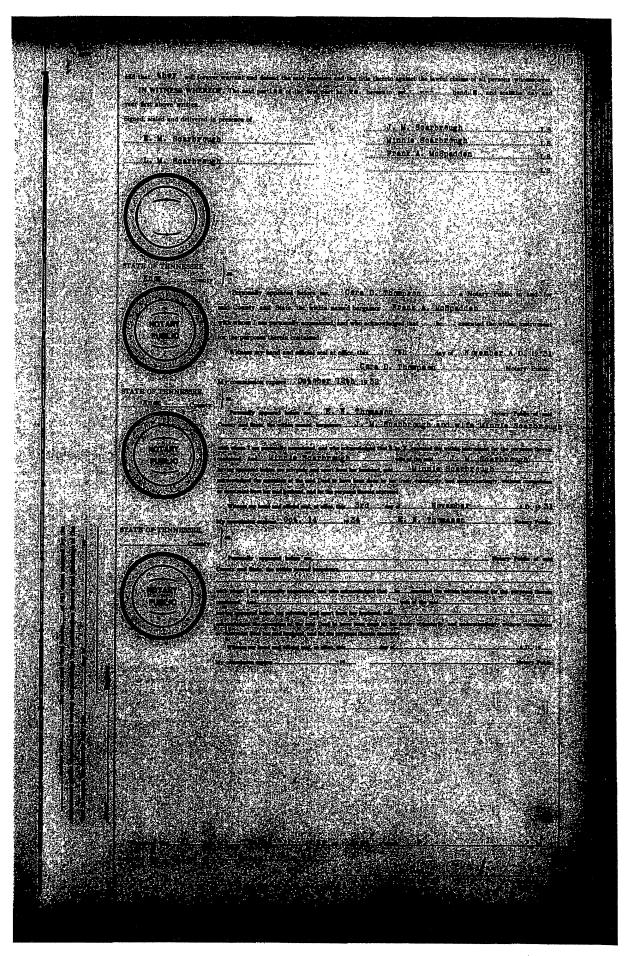
NOTARY PUBLIC

My Commission Expires:

# **ATTACHMENT A**

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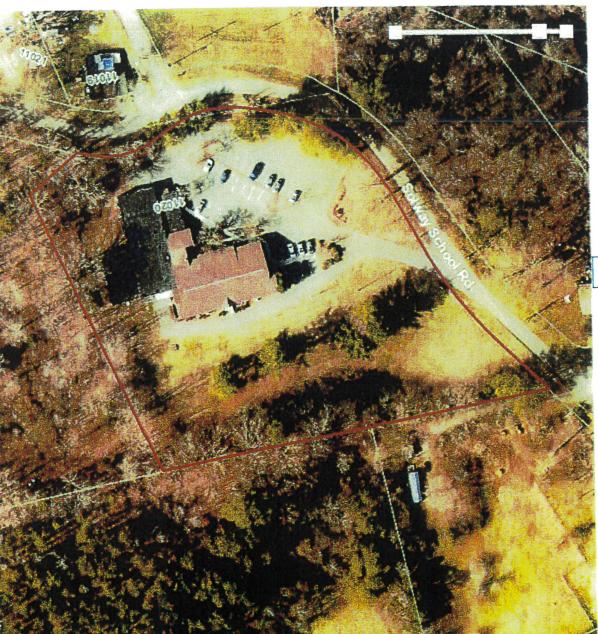


Location Address: Parcel ID: Parcel Type: District: Ward: City Block:	The owner information s not necessarily reflect th for Last Year's property to the Knox County Pro (865) 215-2365. <b>Parcel Information:</b>	KNOX COUNTY BOARD OF EDUCATION SCHOOL-SOLWAY 0 NA KNOXVILLE TN 37902	Owner Information:	Site Name:	Address Type:	Site Address:	Address Information:	🔔 Owner Card 🛐 I	Details	Search Results	Intro Maps Re
11020 SOLWAY SCHOOL RD <u>089_062</u> NORMAL W6	The owner information shown in this section does not necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365. Parcel Information:	ARD OF EDUCATION		FAIRVIEW TECHNOLOGY CENTER	KNOXVILLE - 37931 PRIMARY BUILDING ADDRESS	11020 SOLWAY	11	Property Report			Results Legend
	÷							,			Help
	Carton Contraction	IT .	-			*					

8/30/23, 12:18 PM

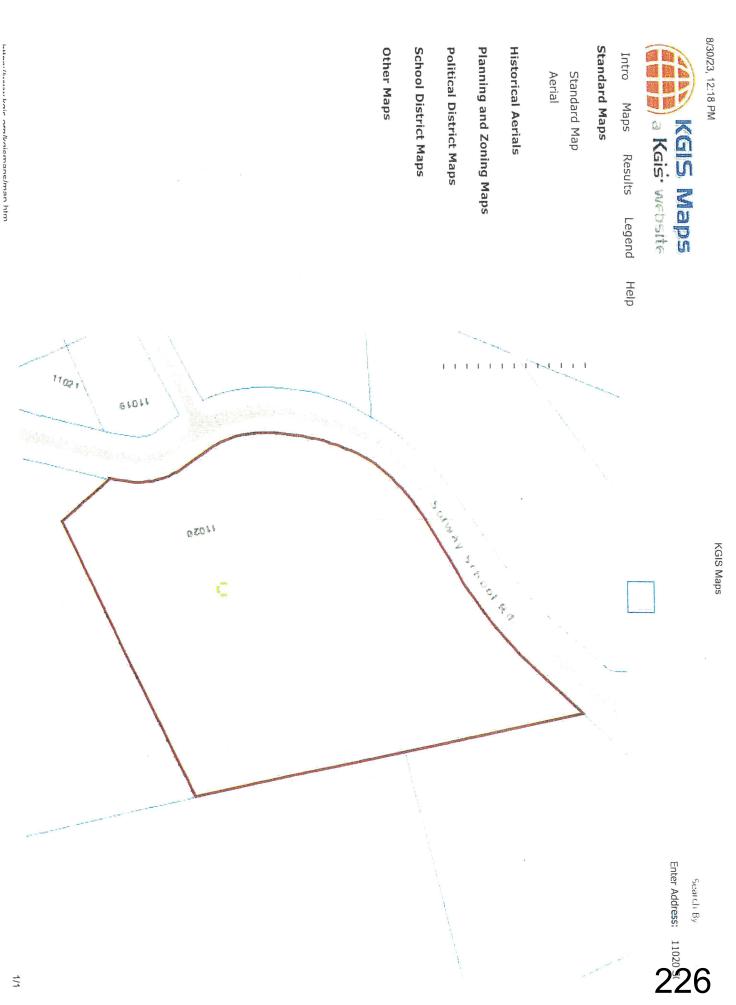
a Keis' website

https://www.kais.ora/kaismaps/map.htm	]	Calc. Acreage:	Rec. Acreage:	Subdivision:	City Block:	Ward:	District:	Parcel Type:	Parcel ID:	Location Address.	
s/map.htm		3.10	0				W6	NORMAL	089 062	SCHOOL RD	11020 SOLWAY



KGIS Maps

Scarch By Enter Address: 11020

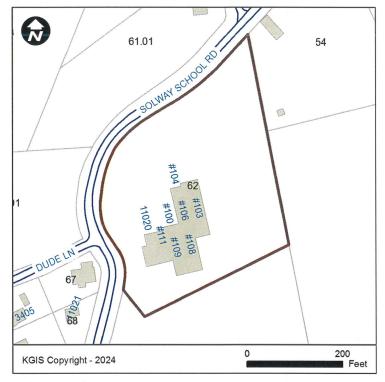


# ATTACHMENT C

Lathan . The

names brain

### Parcel 089 062 - Property Map and Details Report



#### Address Information

Site Address:	11020 SOLWAY SCHOOL RD KNOXVILLE - 37931
Address Type:	PRIMARY BUILDING ADDRESS
Site Name:	FAIRVIEW TECHNOLOGY CENTER
Please contact Knoxville-Kr have questions.	nox County Planning at (865) 215-2500 if you

#### **Jurisdiction Information**

County: KNOX COUNTY City / Township:

### **Political Districts**

#### Voting Precinct: 64 Voting Location: Pellissippi State College **10915 HARDIN** TN State House: 89 TN State Senate: 5 County Commission: 6 Terry Hill (at large seat 10) Larsen Jay (at large seat 11) Kim Frazier School Board: 6 Betsy Henderso Please contact Knox County Election Commission at (865) have questions.

#### **Property Information**

Parcel ID:	089 062
Location Address:	11020 SOLWAY SCHOOL RD
CLT Map:	89
Insert:	
Group:	
Condo Letter:	
Parcel:	62
Parcel Type:	NORMAL
District:	W6
Ward:	
City Block:	
Subdivision:	
Rec. Acreage:	0
Calc. Acreage:	3.10
Recorded Plat:	-
Recorded Deed:	20231206 - 0028495
Deed Type:	QC:Quit Claim D
Deed Date:	12/6/2023

#### **Owner Information**

# KNOX COUNTY

## 400 MAIN ST STE 615 CITY-COUNTY BLDG

KNOXVILLE, TN 37902

The owner information shown in this section does **not** necessarily reflect the person(s) responsible for Last Year's property taxes. Report any errors to the Knox County Property Assessor's office at (865) 215-2365.

#### **Other Information**

Census Tract:	59.07
Planning Sector:	Northwest County
Please contact Knoxville-Kr have questions.	ox County Planning at (865) 215-2500 if you

#### **School Zones**

	Elementary:	
e Community	K - 2nd:	MILL CREEK ELEMENTARY
econinunity		
VALLEY RD	3rd - 5th:	HARDIN VALLEY ELEMENTARY
	Intermediate:	
	Middle:	HARDIN VALLEY MIDDLE
	High:	HARDIN VALLEY ACADEMY
on	will be for grades K-2	
215-2480 if you	Starting with the 202 K-5.	4-2025 school year, it will become

Please contact Knox County Schools Transportation and Zoning Department at (865) 594-1550 if you have questions.

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### **RESOLUTION**

A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE, ACCEPTING THE RESIGNATION OF MIKE GEORGE AS A DIRECTOR ON THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX (IDB) AND THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE COUNTY OF KNOX (HEALTH & ED. BOARD) AND APPOINTING WILLIAM F. FOX TO COMPLETE THE UNFULFILLED TERM OF MIKE GEORGE ON THE IDB AND HEALTH & ED. BOARD, WHICH TERM EXPIRES JULY 15, 2024.

#### RESOLUTION: R-24-1-111

**REQUESTED BY:** 

THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF KNOX

# PREPARED BY:

KNOX COUNTY LAW DIRECTOR'S OFFICE

APPROVED AS TO FORM AND CORRECTNESS:

DIRECTOR OF LAW

APPROVED:

VETOED:

DATE

VETO	
<b>OVERRIDE:</b>	

DATE

MINUTE BOOK\_\_\_\_\_PAGE\_\_\_\_ WHEREAS, pursuant to Tenn. Code Ann. §§ 7-53-301 *et seq.*, the Commission of Knox County, Tennessee (the "Commission") has the authority to appoint the members and directors of The Industrial Development Board of the County of Knox (the "IDB"); and

WHEREAS, pursuant to Tenn. Code Ann. §§ 48-101-301 *et seq.*, the Commission has the authority to appoint the members and directors of The Health, Educational, and Housing Facility Board of the County of Knox (the "Health & Ed. Board"); and

WHEREAS, the Commission has determined over the years to appoint the same Directors to the IDB and the Health & Ed. Board; and

WHEREAS, the term of office for Mike George will expire July 15, 2024; and

WHEREAS, Mike George has submitted his resignation to the IDB and the Health & Ed. Board.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF KNOX COUNTY AS FOLLOWS:

The Commission of Knox County hereby accepts the resignation of Mike George on the IDB and Health & Ed. Board and appoints William F. Fox as Director of the IDB and the Health & Ed. Board to complete the unfulfilled term of Mike George, effective immediately, with such term to expire July 15, 2024.

BE IT FURTHER RESOLVED, that if any notifications are to be made to effectuate this Resolution, then the County Clerk is hereby requested to forward a copy of this Resolution to the proper authority.

BE IT FURTHER RESOLVED, that this Resolution is to take effect from and after its passage, as provided by the Charter of Knox County, Tennessee, the public welfare requiring it.

126/2024 ficer of the Commission Date Prestding Af **County Clerk** Approved Date

Vetoed: **County Mayor** Date

### THE INDUSTRIAL DEVELOPMENT BOARD OF THE <u>COUNTY</u> OF KNOX and the HEALTH, EDUCATIONAL & HOUSING FACILITY BOARD OF THE COUNTY OF KNOX

# Paul Fortunato, Chair

12327 Bonnybridge Lane Knoxville, TN 37922 Cell: (865) 806-2646 Email: <u>pmfortunato5@gmail.com</u> Term Expires: July 15, 2024

### **Terry Henley**

Allstate Insurance 1312 Morrell Rd Knoxville, TN 37919 Phone: (865) 694-4191 Fax: Email: terryhenleyallstate@gmail.com Term Expires: July 15, 2026

## Lisa Rottmann

Stowers Machinery Corporation 6301 Old Rutledge Pike Knoxville, TN 37924 **Phone:** (865) 595-1040 **Cell:** (865) 406-1408 **E-Mail:** <u>Irottmann@stowerscat.com</u> **Term Expires:** July 15, 2028

## Tiffany E. Gardner, CTP, Vice Chair

First Horizon 800 S. Gay St. Knoxville, TN 37929 Phone: (865) 971-2874 (Direct) Cell: (865) 771-2535 Email: tegardner@firsttennessee.com Term Expires: July 15, 2024

# Anthony Wise

Pellissippi State Community College 10915 Hardin Valley Rd. Knoxville, TN 37933 Phone: (865) 805-3288 (cell) Email: <u>lawise@pstcc.edu</u> Term Expires: July 15, 2028

# Lou Moran, III , Asst. Secretary/Treas.

Inter-Agency Insurance Service 6209 Baum Dr. Knoxville, TN 37919 Phone: (865) 292-1017 Cell: (865) 207-6095 Email: <u>Imoraniii@inter-agencyins.com</u> Term Expires: July 15, 2028 Alvin J. Nance LHP Development 900 South Gay St., Suite 2000 Knoxville, TN 37902 Phone: (865) 549-7457 Cell: (865) 361-6773 Email: anance@lhp.net Term Expires: July 15, 2026

## Shannon Coleman Egle, Secretary/Treas. Kramer Rayson LLP 800 Gay Street, Suite 2500

Knoxville, TN 37929 **Phone:** (865) 525-5134 **Email:** <u>scoleman@kramer-rayson.com</u> **Term Expires:** July 15, 2026

# **Charley Bible**

KaTom Restaurant Supply 3835 Kingston Pike Knoxville, TN 37919 Phone: (423) 329-1544 E-Mail: <u>CBible@katom.com</u> Term Expires: July 15, 2028

# Ford Little

Woolf, McClane, Bright, Allen & Carpenter, LLC 900 S. Gay Street, Suite 900 Knoxville, TN 37902 Phone: (865) 215-1000 Direct: (865) 215-1027 Email: <u>flittle@wmbac.com</u> Term Expires: July 15, 2026

# **Bill Fox**

University of Tennessee 815 Andy Holt Tower Knoxville, TN 37996 **Phone:** (865) 207-0870 **Email:** <u>billfox@utk.edu</u> **Term Expires:** July 15, 2024

# **R.** Christopher Trump

Legal Counsel to the Board Egerton, McAfee, Armistead & Davis, P.C. 900 South Gay Street Suite 1400, Riverview Tower Knoxville, TN 37902 **Phone:** (865) 546-0500 Fax: (865) 525-5293 **Email:** <u>CTrump@emlaw.com</u>