



**KNOXVILLE/KNOX COUNTY METROPOLITAN PLANNING COMMISSION  
PLAN AMENDMENT/REZONING REPORT**

▶ **FILE #:** 7-M-17-RZ  
7-H-17-SP

**AGENDA ITEM #:** 58  
**AGENDA DATE:** 7/13/2017

▶ **APPLICANT:** MESANA INVESTMENTS  
OWNER(S): Scott Davis

TAX ID NUMBER: 117 076 & 077 [View map on KGIS](#)

JURISDICTION: Commission District 6

STREET ADDRESS: 11238 Yarnell Rd

▶ **LOCATION:** Southeast side Yarnell Rd., northeast of Lamons Quarry Ln.

▶ **TRACT INFORMATION:** 15.5 acres.

SECTOR PLAN: Northwest County

GROWTH POLICY PLAN: Rural Area

ACCESSIBILITY: Access is via Yarnell Rd., a major collector street with 24' of pavement width within 55' of right-of-way.

UTILITIES: Water Source: West Knox Utility District

Sewer Source: West Knox Utility District

WATERSHED: Hickory Creek

▶ **PRESENT PLAN DESIGNATION/ZONING:** AG (Agricultural) / A (Agricultural)

▶ **PROPOSED PLAN DESIGNATION/ZONING:** LDR (Low Density Residential) / PR (Planned Residential)

▶ **EXISTING LAND USE:** Residences and vacant land

▶ **PROPOSED USE:** Residential development

**DENSITY PROPOSED:** 5 du/ac

EXTENSION OF PLAN DESIGNATION/ZONING: No

HISTORY OF ZONING REQUESTS: None noted

SURROUNDING LAND USE, PLAN DESIGNATION, ZONING  
North: Yarnell Rd., houses, church and vacant land / AG / A (Agricultural)  
South: Vacant land / AG / A (Agricultural)  
East: Houses and vacant land / AG / A (Agricultural)  
West: Houses and vacant land / AG / A (Agricultural)

NEIGHBORHOOD CONTEXT: This area is developed with agricultural and rural residential uses under A zoning.

**STAFF RECOMMENDATION:**

▶ **ADOPT RESOLUTION #7-H-17-SP, amending the Northwest County Sector Plan to LDR (Low Density**

**Residential) and recommend that Knox County Commission also adopt the sector plan amendment. (See attached resolution, Exhibit A.)**

The subject property is surrounded by Agricultural zoning and an Agricultural sector plan designation. However, because the property is less than a half mile from the Planned Growth Area and PR development at 3 du/ac, it is appropriate to amend the sector plan map to allow low density residential development on this property, as long as consistent with the policies of the Growth Policy Plan.

**► RECOMMEND that County Commission APPROVE PR (Planned Residential) zoning at a density of up to 2 du/ac. (Applicant requested up to 5 du/ac.)**

PR zoning at the recommended density is consistent with the sector plan recommendation and the Growth Policy Plan and is compatible with surrounding development and zoning. Under PR zoning, a development plan would be have to be reviewed and approved by MPC as a use on review and concept plan. The requested density of up to 5 du/ac is not consistent with the policies of the Growth Policy Plan. The recommended density of up to 2 du/ac is also more compatible with the scale of the majority of residential development in the area.

**COMMENTS:**

SECTOR PLAN REQUIREMENTS FROM GENERAL PLAN (May meet any one of these):

CHANGES OF CONDITIONS WARRANTING AMENDMENT OF THE LAND USE PLAN:

INTRODUCTION OF SIGNIFICANT NEW ROADS OR UTILITIES THAT WERE NOT ANTICIPATED IN THE PLAN AND MAKE DEVELOPMENT MORE FEASIBLE:

No known improvements have been made recently to Yarnell Rd., but it has about 24' of pavement width and is classified as a major collector street. Yarnell Rd. is sufficient to handle the additional traffic that would be generated by low density residential development of the site. Utilities are available in the area, but may need to be extended to serve the site.

AN OBVIOUS OR SIGNIFICANT ERROR OR OMISSION IN THE PLAN:

The current sector plan appropriately proposes Agricultural uses for the site, consistent with the current A zoning and the Growth Plan designation as Rural Area.

CHANGES IN GOVERNMENT POLICY, SUCH AS A DECISION TO CONCENTRATE DEVELOPMENT IN CERTAIN AREAS:

Several properties within a mile to the east have been approved for low density residential uses and developed with subdivisions. This proposal continues that trend to the extent allowable with the Rural Area on the Growth Policy Plan.

TRENDS IN DEVELOPMENT, POPULATION OR TRAFFIC THAT WARRANT RECONSIDERATION OF THE ORIGINAL PLAN PROPOSAL:

Development has been very limited within this Rural Area designated corridor along Yarnell Rd. The recommended zoning and density will keep this development more compatible with the trends in the area.

REZONING REQUIREMENTS FROM ZONING ORDINANCES (must meet all of these):

THE PROPOSED AMENDMENT SHALL BE NECESSARY BECAUSE OF SUBSTANTIALLY CHANGED OR CHANGING CONDITIONS IN THE AREA AND DISTRICTS AFFECTED, OR IN THE CITY/COUNTY GENERALLY:

1. The property is located in the Rural Area on the Growth Policy Plan and is not adjacent to the existing Planned Growth Area, located about 1150 feet east of the subject property, at Carmichael Rd. The maximum density allowed by the Growth Plan in this particular situation is 2 du/ac. Staff is recommending approval of the associated sector plan amendment to LDR, which allows the recommended PR zoning and density.
2. The recommended PR zoning up to 2 du/ac allows the property to be developed with up to 31 dwelling units, which is consistent with the policies of the Growth Policy Plan. The current agricultural zoning would require minimum lot sizes of 1 acre and likely yield less than 15 lots, once legal access to the lots is established.
3. The PR zone requires use on review approval of a development plan by MPC prior to construction. This will provide the opportunity for staff to review the plan and address issues such as traffic circulation, lot layout, recreational amenities, drainage, types of units and other potential development concerns. It will also give the opportunity for public comment at the MPC meeting.

THE PROPOSED AMENDMENT SHALL BE CONSISTENT WITH THE INTENT AND PURPOSE OF THE

APPLICABLE ZONING ORDINANCE:

1. PR zoning is intended to provide optional methods of land development which encourage more imaginative solutions to environmental design problems. Residential areas thus established would be characterized by a unified building and site development program, open space for recreation and provision for commercial, religious, educational and cultural facilities which are integrated with the total project by unified architectural and open space treatment.
2. Additionally, the zoning states that each development shall be compatible with the surrounding or adjacent zones. Such compatibility shall be determined by the Planning Commission by review of development plans. PR zoning is required by the Growth Policy Plan in the Rural Area if the density is greater than 1 du/ac and staff maintains that PR is the most appropriate zone for this development.

THE PROPOSED AMENDMENT SHALL NOT ADVERSELY AFFECT ANY OTHER PART OF THE COUNTY, NOR SHALL ANY DIRECT OR INDIRECT ADVERSE EFFECTS RESULT FROM SUCH AMENDMENT:

1. In order to allow consideration of densities of up to 3 du/ac in the Rural Area of the Growth Policy Plan, the property must be zoned PR, sewer and water services must be available and the frontage road must connect to a collector or arterial. All of these conditions are met but the property is not adjacent to the Planned Growth Area to the east, so the recommended zoning and density are consistent with the policies of the Growth Policy Plan.
2. With the recommended sector plan amendment to LDR, the recommended PR zoning and density are consistent with the sector plan.
3. Sidewalks will be required on at least one side of each street within the development, and possibly along the Yarnell Rd. frontage.
4. The PR zoning district has provisions for preservation of open space and providing recreational amenities as part of the development plan. The applicant will be expected to demonstrate how these provisions are met as part of the required development plan review.
5. The proposed PR zoning at a density of up to 5 du/ac would allow for a maximum of 77 dwelling units to be proposed for the site. That number of detached units would add approximately 815 vehicle trips per day to the street system and would add approximately 32 children under the age of 18 to the school system. At the staff recommended density of up to 2 du/ac, a maximum of 31 dwelling units may be proposed for the site. That number of detached units would add approximately 353 vehicle trips per day to the street system and would add approximately 13 children under the age of 18 to the school system.

THE PROPOSED AMENDMENT SHALL BE CONSISTENT WITH AND NOT IN CONFLICT WITH THE GENERAL PLAN OF KNOXVILLE AND KNOX COUNTY, INCLUDING ANY OF ITS ELEMENTS, MAJOR ROAD PLAN, LAND USE PLAN, COMMUNITY FACILITIES PLAN, AND OTHERS:

1. Staff is recommending approval of an amendment to the Northwest County Sector Plan map to LDR, within which the recommended zoning and density are compatible. The applicant's requested density of up to 5 du/ac is not consistent with the policies of the Growth Policy Plan.
2. Approval of this request could lead to future requests for PR zoning in this area.
3. This proposal does not present any apparent conflicts with any other adopted plans.

Upon final approval of the rezoning, the developer will be required to submit a development plan for MPC consideration of use on review approval prior to the property's development. The plan will show the property's proposed development, landscaping and street network and will also identify the types of residential units that may be constructed. Grading and drainage plans may also be required at this stage, if deemed necessary by Knox County Engineering and MPC staff.

State law regarding amendments of the general plan (which include Sector Plan amendments) was changed with passage of Public Chapter 1150 by the Tennessee Legislature in 2008. The law provides for two methods to amend the plan at TCA 13-3-304:

1. The Planning Commission may initiate an amendment by adopting a resolution and certifying the amendment to the Legislative Body. Once approved by majority vote of the Legislative Body, the amendment is operative.
2. The Legislative Body may also initiate an amendment and transmit the amendment to the Planning Commission. Once the Planning Commission has considered the proposed amendment and approved, not approved, or taken no action, the Legislative Body may approve the amendment by majority vote and the amendment is operative.

ESTIMATED TRAFFIC IMPACT: 815 (average daily vehicle trips)

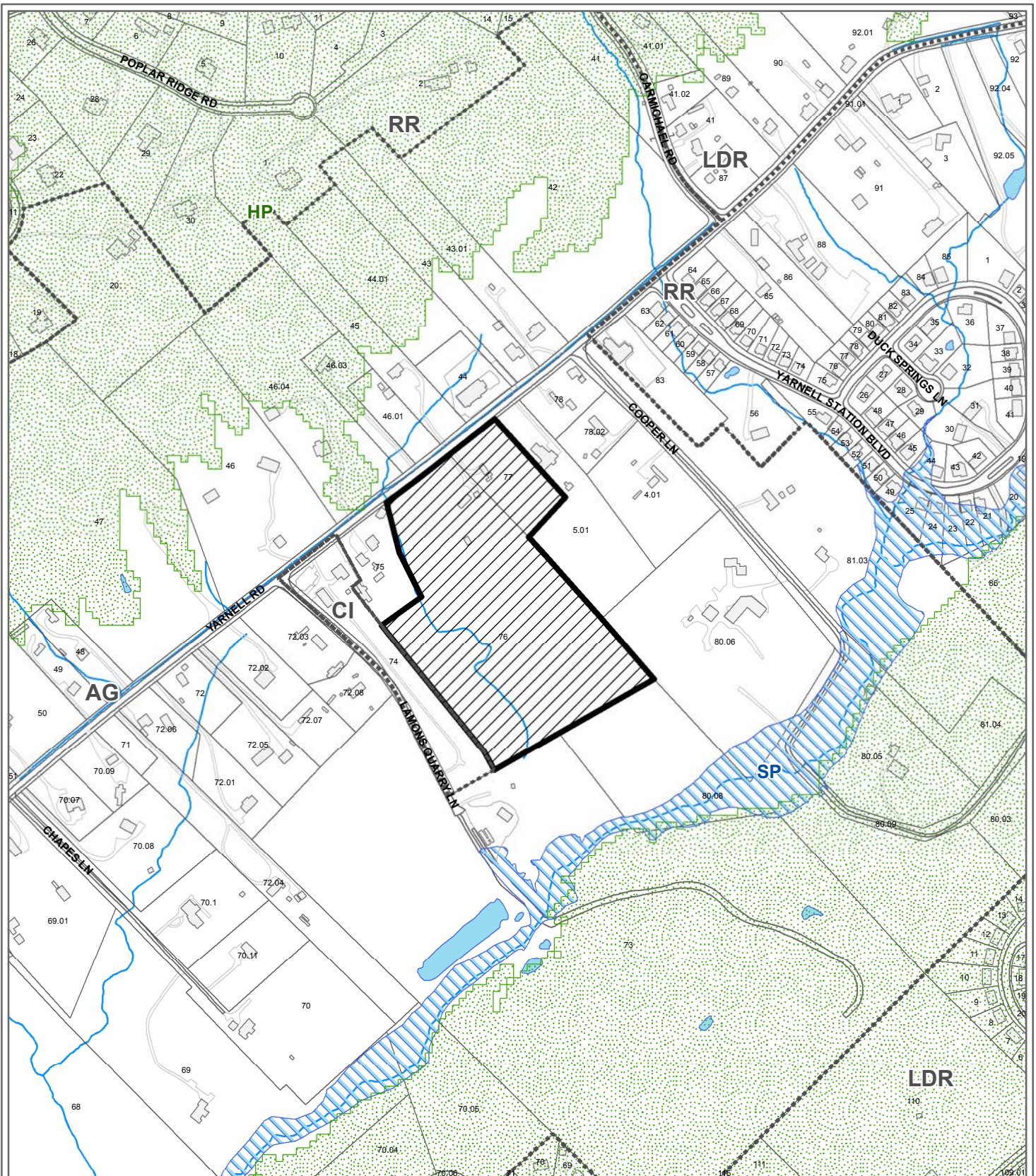
Average Daily Vehicle Trips are computed using national average trip rates reported in the latest edition of "Trip Generation," published by the Institute of Transportation Engineers. Average Daily Vehicle Trips represent the total number of trips that a particular land use can be expected to generate during a 24-hour day (Monday through Friday), with a "trip" counted each time a vehicle enters or exits a proposed development.

ESTIMATED STUDENT YIELD: 32 (public school children, ages 5-18 years)

Schools affected by this proposal: Hardin Valley Elementary, Karns Middle, and Hardin Valley Academy.

- School-age population (ages 5–18) is estimated by MPC using data from a variety of sources.
- Students are assigned to schools based on current attendance zones as determined by Knox County Schools. Zone boundaries are subject to change.
- Estimates presume full build-out of the proposed development. Build-out is subject to market forces, and timing varies widely from proposal to proposal.
- Student yields from new development do not reflect a net addition of children in schools. Additions occur incrementally over the build-out period. New students may replace current population that ages through the system or moves from the attendance zone.

If approved, this item will be forwarded to Knox County Commission for action on 8/28/2017. If denied, MPC's action is final, unless the action to deny is appealed to Knox County Commission. The date of the appeal hearing will depend on when the appeal application is filed. Appellants have 30 days to appeal an MPC decision in the County.



**7-H-17-SP / 7-M-17-RZ  
NORTHWEST COUNTY SECTOR PLAN AMENDMENT**

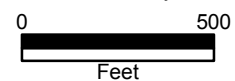
From: AG (Agricultural)  
To: LDR (Low Density Residential)



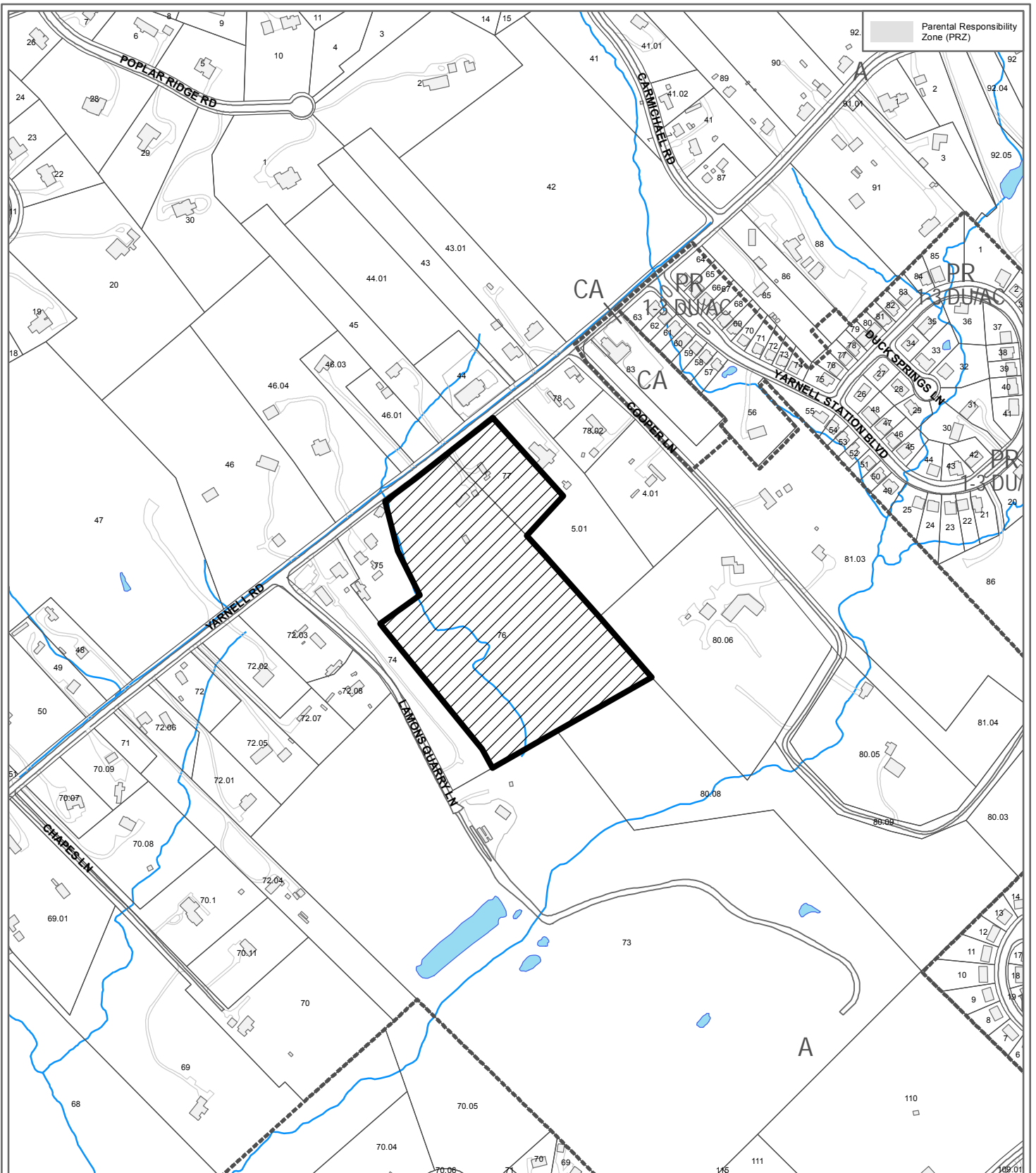
Petitioner: Mesana Investments

Map No: 117

Jurisdiction: County



Original Print Date: 6/14/2017      Revised:  
Metropolitan Planning Commission \* City / County Building \* Knoxville, TN 37902



**7-M-17-RZ  
REZONING**

From: A (Agricultural)

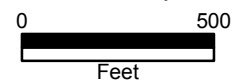
To: PR (Planned Residential)



Petitioner: Mesana Investments

Map No: 117

Jurisdiction: County



Original Print Date: 6/14/2017      Revised:  
Metropolitan Planning Commission \* City / County Building \* Knoxville, TN 37902

KNOXVILLE-KNOX COUNTY  
METROPOLITAN PLANNING COMMISSION  
A RESOLUTION AMENDING THE NORTHWEST COUNTY SECTOR PLAN

WHEREAS, the Knoxville-Knox County Metropolitan Planning Commission, a regional planning commission established pursuant to state statute, has the duty to make, adopt and amend plans for the physical development of Knoxville and Knox County; and

WHEREAS, the Metropolitan Planning Commission pursuant to state statute has prepared and adopted the Knoxville-Knox County General Plan 2033, as the official comprehensive plan for Knoxville and Knox County; and

WHEREAS, the Council of the City of Knoxville and the Commission of Knox County have adopted the Knoxville Knox County General Plan 2033, as the official comprehensive plan for Knoxville and Knox County; and

WHEREAS, the Metropolitan Planning Commission has prepared the Knox County Future Land Use Map, a portion of which is contained within the Northwest County Sector Plan, consistent with the requirements of the General Plan; and

WHEREAS, the Knoxville-Knox County General Plan 2033, provides criteria for periodic updates and amendments of the land use maps contained within plans initiated by the Planning Commission or in response to applications from property owners; and

WHEREAS, Mesana Investments, has submitted an application to amend the Sector Plan from Agricultural to Low Density Residential, for property described in the application; and

WHEREAS, the Metropolitan Planning Commission staff recommends approval of a revised amendment to the Northwest County Sector Plan, consistent with General Plan requirements that such amendment represents either a logical extension of a development pattern, or is warranted because of changing conditions in the sector as enumerated in the Plan; and

WHEREAS, the Metropolitan Planning Commission, at its regularly scheduled public hearing on July 13, 2017, after consideration of the staff recommendation and testimony from those persons in support and opposed to the plan amendment, approved the amendment for the subject property, as requested, and/or amended.

NOW, THEREFORE, BE IT RESOLVED BY THE KNOXVILLE-KNOX COUNTY METROPOLITAN PLANNING COMMISSION:

SECTION 1: The Planning Commission hereby adopts the revised amendment to the Northwest County Sector Plan, with its accompanying staff report and map, file #7-H-17-SP.

SECTION 2: This Resolution shall take effect upon its approval.

SECTION 3: The Planning Commission further recommends that The Knox County Commission likewise consider this revised amendment to the General Plan 2033.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary

# M P C METROPOLITAN P L A N N I N G C O M M I S S I O N

Suite 403 • City County Building  
400 Main Street  
Knoxville, Tennessee 37902  
865 • 215 • 2500  
FAX • 215 • 2068  
www.knoxmpc.org

## REZONING      PLAN AMENDMENT

Name of Applicant: Mecana Investments

Date Filed: 6-1-17 Meeting Date: 7-13-17

Application Accepted by: Sherry Michienzi

Fee Amount: 2200<sup>00</sup> File Number: Rezoning 7-M-17-RZ

Fee Amount: 1200<sup>00</sup> File Number: Plan Amendment 7-H-17-SP



**PROPERTY INFORMATION**

Address: 11232 Yarnell Rd.  
 General Location: S/S Yarnell Rd.  
west of Cooper Ln.  
 Parcel ID Number(s): 117077  
part of 117076  
 Tract Size: 15.5 acres  
 Existing Land Use: Vacant  
 Planning Sector: Northwest County  
 Growth Policy Plan: Rural Area J  
 Census Tract: 59.04  
 Traffic Zone: 237  
 Jurisdiction:  City Council \_\_\_\_\_ District  
 County Commission \_\_\_\_\_ District

PROPERTY OWNER     OPTION HOLDER

PLEASE PRINT  
 Name: Scott Davis  
 Company: Eagle Bend Development  
 Address: P.O. Box 11415  
 City: Knoxville State: TN Zip: 37939  
 Telephone: 865-806-8008  
 Fax: 865-643-7465  
 E-mail: swd444@gmail.com

**Requested Change**

**REZONING**

FROM: A

TO: PR 1-5 du/ac.

**PLAN AMENDMENT**

One Year Plan     NW County Sector Plan

FROM: A

TO: LDR

**APPLICATION CORRESPONDENCE**

All correspondence relating to this application should be sent to:

PLEASE PRINT  
 Name: Scott Davis  
 Company: Eagle Bend Development  
 Address: P.O. Box 11415  
 City: Knoxville State: TN Zip: 37939  
 Telephone: 865-806-8008  
 Fax: 865-643-7465  
 E-mail: swd444@gmail.com

**PROPOSED USE OF PROPERTY**

\_\_\_\_\_

\_\_\_\_\_

Density Proposed \_\_\_\_\_ Units/Acre

Previous Rezoning Requests: \_\_\_\_\_

**APPLICATION AUTHORIZATION**

I hereby certify that I am the authorized applicant, representing ALL property owners involved in this request or holders of option on same, whose signatures are included on the back of this form.

Signature: Mason Staten

PLEASE PRINT  
 Name: Mason Staten  
 Company: Eagle Bend Development  
 Address: P.O. Box 11415  
 City: Knoxville State: TN Zip: 37939  
 Telephone: 865-806-8008  
 E-mail: swd444@gmail.com



## REAL PROPERTY PURCHASE AGREEMENT

**THIS REAL PROPERTY PURCHASE AGREEMENT** (this "Agreement") is made and entered into this 25th day of May, 2017 by and between **Rebecca Seale Spangler** ("Seller"), and **Mesana Investments, LLC** and/or assigns ("Purchaser").

### WITNESSETH THAT

WHEREAS, Seller desires to sell and Purchaser desires to purchase, upon the terms and conditions hereinafter set forth, that certain tract or parcel of land containing **Fifteen and 50/100 (15.50) +/- acres** of land located at **11232 & 11238 Yarnell Road**, lying and being within Knox County, Tennessee and further described as **(CLT Map 117, Parcels 76 & 77)**, and being a part hereof, together with all rights, easements and appurtenances pertaining thereto and all improvements, trees bushes, landscaping and foliage thereon (the "Property"), and subject only to the following matters: (i) real estate taxes and assessments for the current and subsequent years that are not yet due and payable and (ii) general utility easements of record serving the Property which do not interfere with the intended use of the Property by Purchaser (the "Permitted Exceptions");

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are all hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

1. **Purchase Price.** Seller shall sell and transfer the Property to Purchaser and Purchaser shall, subject to the terms and conditions herein set forth, purchase the Property from Seller and pay to Seller the sum of ~~XXXXXXXXXXXXXXXXXXXX~~ ~~XXXXXXXXXXXX~~ per acre for the **approximately 15.50 acres**, by delivery of immediately available and collectable funds, less the Earnest Money and subject to adjustments, prorations and credits as herein provided.

2. **Closing Costs.** Sellers' attorney's fees shall be paid by Seller. Purchaser shall pay all title search costs, title insurance premium costs and recording fees on recordable documents, and its attorneys' fees.

3. **Prorations.** All real property ad valorem taxes shall be prorated (employing a 365-day year) between Purchaser and Seller as of the date of Closing based upon the most recently available property assessment. Seller shall pay all assessments levied against the Property in full on or before closing even if said assessments are due in installments subsequent to Closing.

(i) **Closing.** The consummation of the purchase and sale of the Property contemplated under this Agreement (the "Closing") shall be held **within 30 days of the final approval of the concept plan by the Knox County Metropolitan Planning Commission**. Closing shall be held at East Tennessee Title. Seller agrees to deliver possession of the Property to Purchaser at Closing in an unoccupied condition which is vacant, free of any right of possession, tenancies, licenses, or claims or rights of possession by any party other than Purchaser.

(ii) **Earnest Money.** Purchaser shall deposit with East Tennessee Title Company the sum of Ten Thousand and no/100 Dollars (\$10,000.00) as earnest money deposit (the "Earnest Money") within three (3) working days from the final signing of this contract. The \$10,000 will apply to purchase and is refundable if concept plan is not approved.

30 days RSS [Signature]

(i) Inspection Prior to Closing. Purchaser, its agents and representatives, shall have a period of sixty (60) days after execution of this Agreement (the "Inspection Period") in which to enter upon the Property and inspect, examine, and perform topographical surveys, soil tests, borings, percolation tests and other tests and studies necessary in the sole discretion of Purchaser in connection with the topography, demographics, marketing and suitability of the Property for development and improvement thereon. Seller hereby covenant to deliver to Purchaser, as soon as reasonably possible after execution of this Agreement, all documents, tests results, surveys, and other information which Seller has in connection with the Property. Notwithstanding anything to the contrary contained in this Agreement, Purchaser may, prior to the close of the Inspection Period, at its option, terminate this Agreement by giving written notice to Seller, whereupon all Earnest Money shall be refunded by Seller and this Agreement shall be deemed null and void and of no further force of effect with Purchaser and Seller having no further rights, obligations or liabilities hereunder. Copies of any and all inspection reports and/or environmental studies will be provided to Seller.

(ii) Conveyance of Title. Seller shall convey good and marketable fee simple title to the Property to Purchaser pursuant to a recordable general warranty deed. "Good and marketable title" as used herein shall mean ownership which, when acquired by Purchaser, will be insurable by a title insurance company designated by Purchaser (the "Title Insurance Company") under its standard ALTA owner's form title insurance policy at standard rates and free and clear of all liens, encumbrances, and other exceptions to title except the Permitted Exceptions. Seller shall deliver to Purchaser at Closing an affidavit acceptable to the Title Insurance Company, that either (i) there have been no improvements, additions, alterations, repairs or any changes of any kind whatsoever made to the Property during the last ninety-five (95) days immediately preceding Closing (or such longer period as may give rise to liens under applicable law), or (ii) if there have been any such improvements or repairs, that all lienors or potential lienors in connection with such improvements or repairs have been paid in full. Seller shall also execute and deliver in connection with the Closing documents as reasonably required by the Title Insurance Company, including without limitation, affidavits, certificates and other information sufficient to satisfy requirements of the Internal Revenue Code (including Sections 1445 and 6045 thereof). Seller covenants and agrees with Purchaser that Purchaser shall have until the close of the Inspection Period to examine the title to the Property and notify Seller of any "Additional Exception" which for the purposes of this Agreement, shall be defined as any obligation or defects which affect the marketability or insurability of the title to the Property. In the event, however, Seller elects not to remove such defects or is unable through the exercise of its good faith best efforts, which shall include the payment of money with respect to any existing deeds of trust or other monetary encumbrances to title or with regard to any other Additional Exceptions which are created by Seller or which Seller permits to be created from and after the Effective Date hereof, to cure any Additional Exceptions prior to Closing, then, at Purchaser's option, Purchaser may either (i) take title to the Property despite the existence of the uncured Additional Exceptions as if such uncured Additional Exceptions had not existed, or (ii) terminate this Agreement, in which event all Earnest Money paid by Purchaser shall be refunded by Seller to Purchaser, and neither Purchaser nor Seller shall have any further liabilities, obligations or rights with regard to this Agreement which shall then become null and void and of no further force of effect. Notwithstanding anything herein contained to the contrary, any existing deeds of trust, mortgages, mechanic's or materialmen's liens and similar monetary liens and encumbrances shall be automatically deemed "Additional Exceptions" to which objection is made by Purchaser, regardless of whether Purchaser gives written notice of objection thereto Seller, and Purchaser under no circumstances shall be deemed to have waived any such Additional Exceptions unless such waiver shall be an express waiver in writing executed by Purchaser.

(iii) Agreement Assignable by Purchaser. The rights and interests of Purchaser in and to this Agreement may be assigned or transferred by Purchaser at any time provided (i) the assignee agrees to be specifically bound by the terms hereof and (ii) Purchaser remains liable hereunder.

(iv) Survival of Closing. All warranties, covenants and representations made herein by either Seller or Purchaser shall survive Closing.

(v) Seller Representations and warranties. Seller represents, warrants and covenants to Purchaser as of the date hereof, and shall again represent and warrant to Purchaser as of the date of closing, that:

(vi) Seller has complete and full authority to (i) execute this Agreement and to convey to Purchaser good and marketable fee simple title to the Property.

B. To the best of Seller's Knowledge, all assessments that are liens against the Property are shown in the official records of the taxing authorities in whose jurisdiction the Property is located.

C. Seller has received no notice of, nor has any knowledge of, any pending or threatened taking or condemnation of the Property or any portion thereof.

D. Seller will not sell, convey, assign, pledge, encumber or lease all or any part of the Property, nor restrict the use of all or any part of the Property, nor take or cause to be taken any action in conflict with this Agreement at any time between the date of execution of this Agreement and (i) Closing or (ii) the earlier termination of this Agreement pursuant to its terms. Seller additionally hereby represents and warrants that no rights of first refusal or similar agreements exist in connection with the Property which would in any way interfere with Purchaser's ability to purchase the Property as provided herein, or which are in any way in contravention of the spirit and intent of this Agreement.

E. Seller has no knowledge of, nor has Seller received any notice of, any actual or threatened action, litigation, or proceeding by any organization, person, individual or governmental agency (including governmental actions under condemnation authority or proceedings similar thereto) against the Property or Seller, nor has any such organization, person, individual or governmental agency communicated to Seller anything which Seller believes to be a threat of any such action, litigation, or proceeding.

F. Seller has not received notice of any violations of law, municipal or county ordinances, or other legal requirement with respect to the Property or with respect to the use, occupancy or construction thereon.

(i) To the best of Seller's knowledge, there are no cemeteries, gravesites or burial sites or grounds located on the Property.

(ii) Seller is in sole and exclusive possession of the Property and no person or entity claims any right of possession to all or any portion thereof, except for the Permitted Exceptions. Notices. All notices, requests, demands or other communications hereunder shall be in writing addressed as follows:

If to Seller:

Rebecca Seale Spangler  
220 Paulette Circle  
Lynchburg, VA 24502

Purchaser:

Mesana Investments, LLC  
P.O. Box 11315  
Knoxville, TN 37939

or to such other address as the parties may from time to time designate by notice in writing to the other parties and shall be delivered as follows: Either (a) personally, or (b) deposited in the U.S. mail, by registered or certified mail, return receipt requested, postage prepaid, (c) facsimile.

11. **Amendment.** Neither this Agreement nor any provision hereof may be changed, amended, modified, waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by both parties.

12. **Legal Fees.** In the event legal action is instituted by any of the parties to enforce the terms of this Agreement or arising out of the execution of this Agreement, the prevailing party will be entitled to receive from the other party or parties reasonable attorney's fees to be determined by the court in which the action is brought.

13. **Brokers.** Each party represents to the other that Rebecca Seale Spangler is represented by Mr. Jim Justice in this transaction and Rebecca Seale Spangler agrees to pay commission to Mr. Jim Justice and his brokerage firm a fee as per a separate agreement between the Seller and Mr. Justice.

14. **Default.** In the event the purchase and sale contemplated hereby is not consummated because of the inability, failure or refusal, for whatever reason whatsoever, by Seller to convey the Property in accordance with the terms and conditions provided herein, once all contingencies herein have been satisfied, other than inability due to unmarketable title, or because of other fault of Seller or reason provided herein for Purchaser's not consummating this transaction, all Earnest Money paid in connection with this agreement shall be refunded to purchaser, without prejudice to any other legal or equitable right or remedy of seller against purchaser. If Purchaser declines to Purchase said property after the 30 day inspection period, all Earnest Money shall be non-refundable.

15. **Applicable Law.** This agreement shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee.

16. **Waiver.** Failure of either Purchaser or Seller to exercise any right given hereunder or to insist upon strict compliance with regard to any term, condition or covenant specified herein, shall not constitute a waiver of Purchaser's or Seller's right to exercise such right or to demand strict compliance with any term, condition or covenant under this agreement.

17. **Severability.** The invalidity or enforceability of a particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

18. Time of the Essence: Entire Agreement. Time is of the essence. This Agreement constitutes the sole and entire agreement of the parties and is binding upon and shall insure to the benefit of Seller and Purchaser, their heirs, successors, legal representatives and assigns.

19. Survey: Seller agrees to provide Purchaser with a copy of the survey if available.

Should any of the foregoing conditions not be satisfied or waived in writing by Purchaser on or before the end of the Inspection Period or such later date as may be provided for satisfaction of same, then Purchaser may thereafter, at its option, terminate this Agreement by giving written notice to Seller, whereupon all Earnest Money shall be refunded by Seller and this Agreement shall be deemed null and void and of no further force or effect with Purchaser and Seller having no further rights, obligations or liabilities hereunder.

This contract is null and void if not responded to within 10 days from date of Purchaser's signing.

IN WITNESS WHEREOF, the parties have executed the Agreement as of the Effective Date.

**SELLER:**  
Rebecca Seale Spangler

By: Rebecca Seale Spangler  
Date: May 31, 2017

**PURCHASER:**  
Mesana Investments, LLC

By: [Signature]  
Date: 5/25/17

*BUYER AGREES TO TERMS  
ON EXHIBIT "A"  
SEE ATTACHED*

*[Signature]*  
5/25/17

*[Signature]*

EXHIBIT "A" dtd 5/25/17

Rebecca Seale Spangler, 220 Paulette Circle, Lynchburg, VA 24502

(Agreed by Rebecca Spangler, May 22, 2017)

1. LOCATION/ACREAGE - Parcel of land at 11232 & 11238 Yarnell Road, Knoxville, TN Acreage 17.8 acres or as determined by survey to be paid for by Purchaser.
2. PURCHASE PRICE - \$38,000 per acre
3. CLOSING— To be held within 30 days of the final approval of the Knox County Metropolitan Planning Commission. Closing at East Tennessee Title.
4. INSPECTION PERIOD - Purchaser has a 30 day Inspection Period from the date of execution of the agreed signed contract. During this time he has access to the property and deeds for his inspection. If exception to the 30 days is required, written notice must be agreed to by both parties.
5. EARNEST MONEY - \$10,000 paid by Purchaser deposited with East Tennessee Title Company within 3 working days from the final signing of this contract. The \$10,000 will apply to the purchase of property.

Conditions of Refund/Default -

- a. Should Seller default in anyway – full \$10,000 Earnest Money would be returned to Purchaser.
  - b. Purchaser would be refunded the full \$10,000 Earnest Money should the Knox County Metropolitan Planning Commission not approve the concept plan.
  - c. In addition, Purchaser has 30 days "Inspection Period Prior to Closing" for inspections of property, deeds, etc. Within that period, should Purchaser determine this property does not fit his needs, he would be refunded the full \$10,000 Earnest Money.
  - d. AFTER THE 30 day INSPECTION PERIOD, should the Purchaser determine he is not interested in pursuing the purchase of the property, the full \$10,000 Earnest Money is non-refundable to the Purchaser and becomes the property of the Seller. The only exception would be if the Planning Commission should not approve the plan to move forward. (See #b above).
6. BROKERS – Rebecca S. Spangler is represented by Mr. Jim Justice and she agrees to pay him and his brokerage firm a fee according to a separate agreement between the two.
  7. It should be acknowledged by the Purchaser, that prior to the signing of the contract, a log cabin and barn were sold and removed from the property in question.
  8. A large safe is located in the existing garage located on property. This safe is not a part of the sale and will be removed prior to closing.

I stand by these amendments made on May 22, 2017, should there be any question as to interpretation of the attached contract. 5/31/2017

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