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Rand Bouldin, MAI, SRA, AI-GRS, CCIM

**APPRAISAL REPORT
OF PART OF THE
PORTER-LEATH CHILDREN'S CENTER PROPERTY
LOCATED AT
890 MANASSAS STREET NORTH
MEMPHIS, SHELBY COUNTY, TENNESSEE 38107**

TAX PARCEL: PART OF 027013 00002

**PREPARED FOR
MEMPHIS AND SHELBY COUNTY COMMUNITY REDEVELOPMENT AGENCY
ATTN: ROSALYNN WILLIS, PRESIDENT
170 MAIN STREET NORTH, FLOOR 6
MEMPHIS, TENNESSEE 38103**

**EFFECTIVE DATE OF THE APPRAISAL: OCTOBER 12, 2020
DATE OF THE REPORT: OCTOBER 23, 2020**

**PREPARED BY
RAND BOULDIN, MAI, SRA, AI-GRS, CCIM
BOULDIN & ASSOCIATES
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October 23, 2020

Rosalynn Willis, President
Memphis and Shelby County Community Redevelopment Agency
170 Main St. N., Fl. 6
Memphis, TN 38103

Re: Part of the Porter-Leath Children's Center Property
890 Manassas Street North
Memphis, Shelby County, TN 38107

Dear Ms. Willis:

At your request, we have prepared an appraisal of part of the Porter-Leath Children's Center Property located at 890 Manassas Street North in Memphis, Tennessee. The property consists of approximately 6.0 acres located on the east side of Manassas Street, approximately 190 feet south of Chelsea Avenue. It includes the original Porter-Leath Home building and an office building known as Gould Cottage. The total gross building area of the buildings is 33,455 square feet. The Porter-Leath Home building is in fair condition. The Gould Cottage is in average condition. The property is more specifically described in the attached report.

The purpose of this appraisal is to estimate the all cash market value of the fee simple estate, in as is condition, for sale purposes. The property was inspected on October 12, 2020 which is the effective date of the as is value in this appraisal. Attached is our report and addenda to substantiate our findings.

This appraisal has been completed in accordance with the Uniform Standards of Professional Appraisal Practice. It also complies with the Standards of Professional Appraisal Practice and the Code of Professional Ethics of the Appraisal Institute. This appraisal report is classified as an Appraisal Report. The intended user of this report is the Memphis and Shelby County Community Redevelopment Agency. No other user is intended and possession of this report by another party does not create any right to use or rely upon this report.

Limiting Conditions and Assumptions which may limit or qualify the expressed value estimates and the Certification of the Appraisers are included in this report. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan. The person signing this report has the knowledge and experience to complete the assignment competently. He is duly licensed by the State of Tennessee to perform this level of appraisal under certificate number CG-645.

The Scope of Work section of this report should be carefully reviewed. The Scope of Work section specifically describes the type and extent of research and analysis performed during the course of this assignment. It includes the extent to which the property was identified, the extent to which the property was inspected, the type and extent of data researched, and the type and extent of analysis applied to arrive at the estimated value in this appraisal. A full understanding of this section of the report is necessary prior to relying upon the value included in this appraisal report. The Scope of Work section of this report is provided on Page 15.

This appraisal reflects the appraiser's best effort to estimate the actual market value of the subject property as of the effective date of this appraisal. Any user of this report should be aware that future economic conditions could vary widely. The economy is currently changing rapidly due to efforts to control the coronavirus. Market values could be affected as a result. Although the most recent and similar sales available have been analyzed, the available sales occurred prior to the effective date of this appraisal and may not accurately reflect actual market conditions as of the effective date of this report. However, they are considered to be the most reliable indicators of value that were available. Any party relying on this appraisal should realize that property values do fluctuate.

The opinion of value provided in this report is considered to be a reasonable estimate of the market value of the subject property based on all factors. However, any user of this report should recognize that the number of potential purchasers is very limited.

The site area is based on an estimate by the appraiser utilizing available plats. The actual site area could vary. A current survey is strongly recommended. Also, this appraisal assumes that ingress/egress easements will be provided in order to provide adequate access.

This appraisal is to be used for sale purposes by the client (intended user) only. No other use of this appraisal is authorized.

This transmittal letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

The exposure time is estimated to be less than five years. After careful consideration of the pertinent facts and analysis of the information gathered, the estimated all cash market value of the fee simple estate, in as is condition, as of October 12, 2020, is as follows:

SIX HUNDRED TWENTY THOUSAND DOLLARS
\$620,000

**Rand
Bouldin,
MAI, SRA, AI-
GRS, CCIM**

Digitally signed by Rand
Bouldin, MAI, SRA, AI-GRS, CCIM
DN: cn=Rand Bouldin, MAI, SRA,
AI-GRS, CCIM, o=Bouldin and
Associates, ou,
email=rbmai@bellsouth.net,
c=US
Date: 2020.10.23 11:18:12
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Sincerely,



Rand Bouldin, MAI, SRA, AI-GRS, CCIM
State Certified General Real Estate Appraiser
No. CG-645

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Part of the Porter-Leath Children's Center Property

890 Manassas Street North

Memphis, Shelby County, Tennessee 38107

Type of Property:	Former children's home and office building
Location:	East side of Manassas Street North, approximately 190 feet south of Chelsea Avenue Memphis, Shelby County, TN 38107
Purpose of the Appraisal:	To estimate the all cash market value of the fee simple estate, in as is condition, for sale purposes.
Property Rights Appraised:	Fee simple estate
Neighborhood Highlights:	The subject neighborhood is located in the northwest portion of Memphis. Land uses in the neighborhood include residential and commercial. Residential uses are predominant. Lower income residential uses are common in the area. The subject is located at the east end of the neighborhood known as the Uptown area of Memphis. Much of the Uptown area has been redeveloped over the last few years.
Site:	The subject site is an irregular shaped parcel containing a total of approximately 6.0 acres. The topography is generally level. All public utilities are present. The site is not situated within the 100 year flood plain. It has road frontage on two sides.
Zoning:	MDR District
Improvements:	The subject property includes two buildings with a total gross building area of approximately 33,455 square feet. The main building includes 26,860 square feet and was originally built in 1854. It is in fair condition. The office building includes 6,595 square feet and was built in 1927. It was renovated in 2001 and is in average condition. Other existing improvements include the parking areas and fencing.
Highest and Best Use, As Vacant:	Remain vacant until market conditions improve
As Improved:	Redevelopment

Value Indicated by the Sales Comparison Approach:	\$620,000
Final Estimate of Market Value:	\$620,000
Exposure Time:	Five years
Date of the Inspection:	October 12, 2020
Effective Date of the Appraisal:	October 12, 2020
Date of the Report:	October 23, 2020

IMPROVEMENTS ANALYSIS

The subject improvements consist of two buildings. The main building is the Porter-Leath Home which includes approximately 26,860 square feet. The original part of the building was built in 1854. The building is not currently utilized and is in fair condition. The second building is known as Gould Cottage and is currently designed for office use. It includes 6,595 square feet. It was built in 1927 and was renovated in 2001. It is in average condition. Each building is described below.

BUILDING A – PORTER-LEATH HOME

Building A is the Porter-Leath Home building which fronts on Manassas Street. The building includes one, two, and three story sections. It includes a total gross building area of 26,860 square feet. The original section of the building is a two story structure which was built in 1854. A three story section was built in 1874. The north one story addition was reportedly built in 1923. The south two story addition was reportedly constructed in 1912. A sketch of the building and aerial photographs are provided on the following pages.

The building was originally designed and utilized as an orphanage. It was last utilized as predominantly office space. It is not currently utilized by the owner and is in only fair condition.

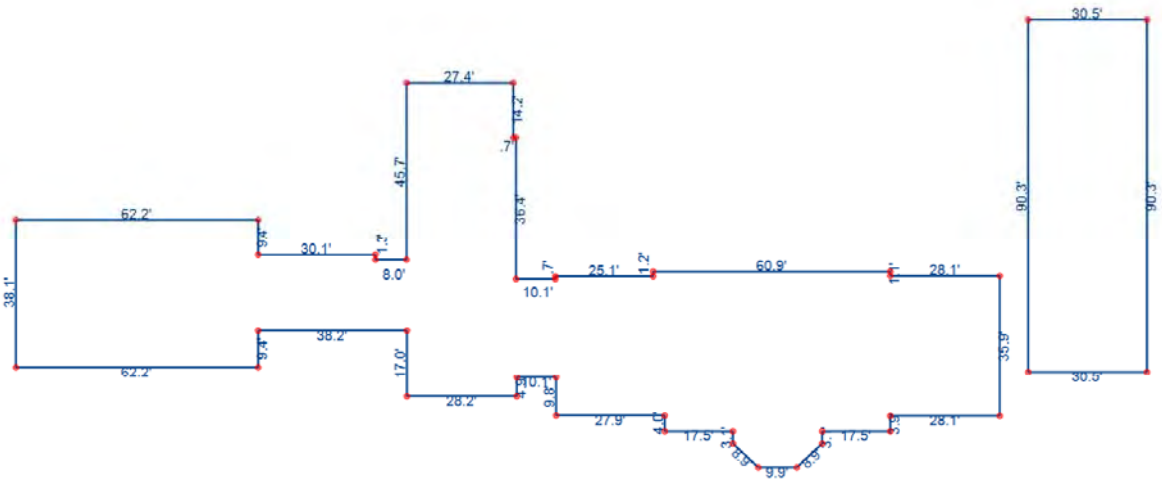
The building includes three floors. The area of each floor is as follows:

<u>Floor</u>	<u>Area (SF)</u>
1	12,915
2	9,390
3	<u>4,555</u>
Total	26,860

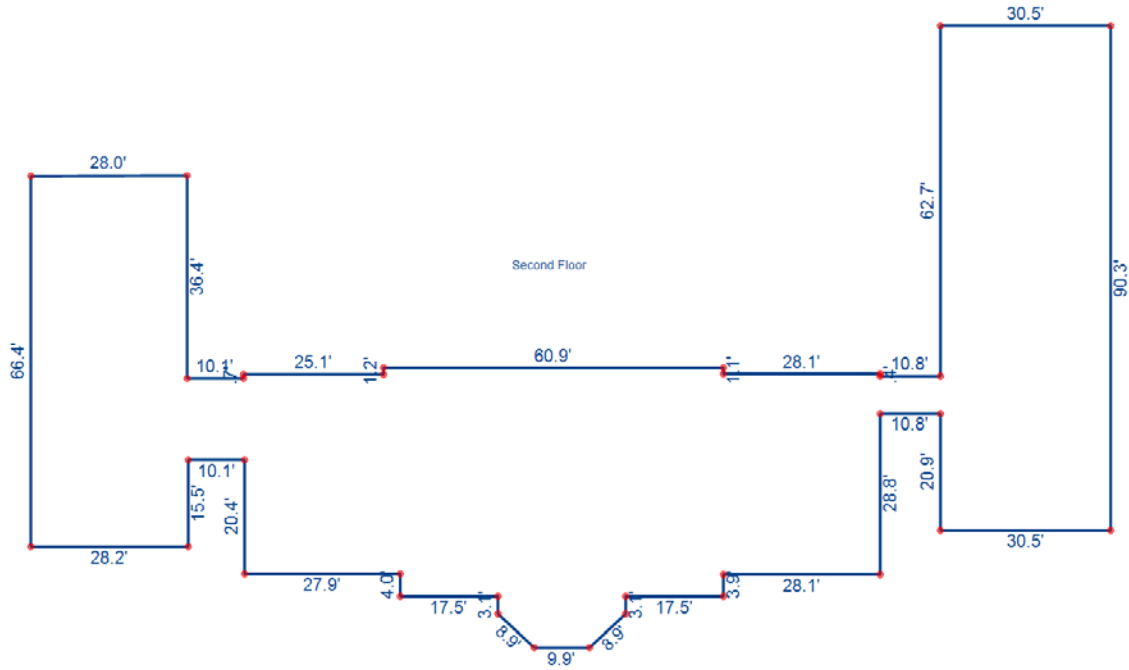
The basic construction of the building is described below:

- Stories: Three story
- Foundation: Conventional
- Frame: Masonry
- Roof: Metal roof on much of the building. Composition shingles on the north addition.
- Exterior Walls: Brick
- Interior Walls: Painted plaster and sheetrock
- Windows: Double hung wood frame windows.

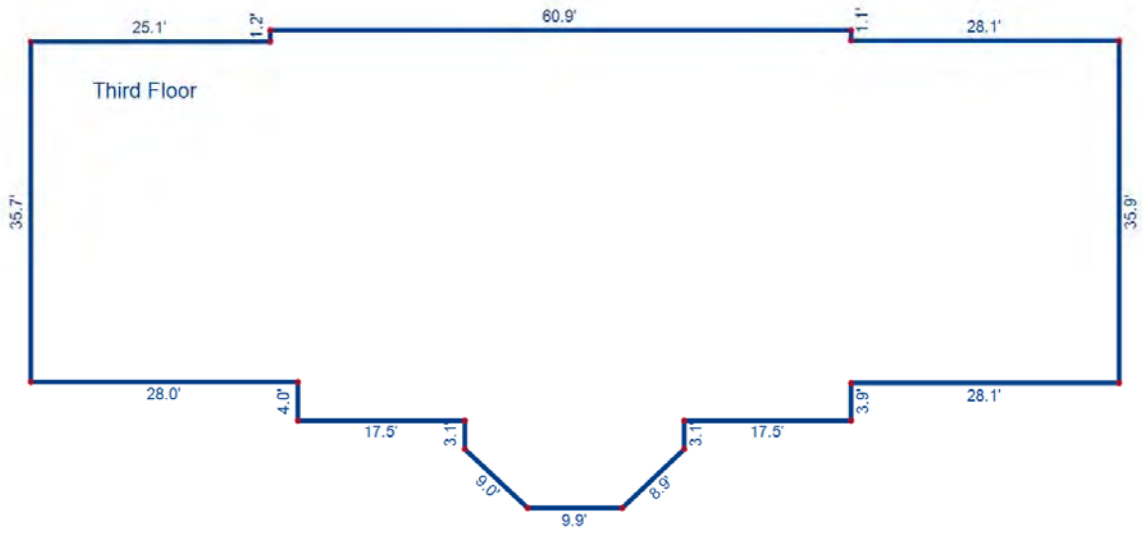
Sketch – First Floor



Sketch – Second Floor



Sketch – Third Floor



Aerial Photograph – Looking East



Aerial Photograph – Looking West



Ceilings:	Suspended tile ceilings in most areas of the building covering the original plaster ceilings. Sheetrock ceiling with a sprayed finish in the north addition. Ceiling heights range from 8 feet to 12 to feet tall. The third floor is in a shell condition and has 12 feet plaster ceilings.
Lighting:	Recessed and surface mounted fluorescent lights
Floors:	Hardwood and carpet in most areas
Heating and Air:	Forced warm air and package unit air conditioning.
Sprinkler System:	No
Restrooms:	Restrooms are scattered throughout the building. A total of 12 restrooms are present.
Elevators:	None

The building was originally designed as an orphanage. The first and second floors were last utilized as office space. The third floor is in a shell condition and has not been recently utilized.

The original section of the building is a two story section which was built in 1854. Due to settlement and deterioration, the floor of the first floor was rebuilt approximately seven years ago. The roof was replaced with a new metal roof in recent years.

The three story main part on the building was built in 1874. The roof was replaced with a metal roof in 2002. Parts of this section of the building have been affected by past water damage. Access to the second and third floor is by two large stairwells. The first and second floors were last utilized as office area. The third floor is in a shell condition.

The north addition is a one story section which was reportedly constructed in 1923. Some floor settlement was observed.

The south addition is a two story structure. It was reportedly built in 1912. It includes a basement area which was not accessible.

The Porter-Leath Home building is in fair condition overall. Parts of the building range from poor to average condition. It will need a substantial amount of repairs and remodeling to be utilized again. According to the owner's representative, past estimates of the cost of repairs and remodeling have been approximately \$4,000,000.

The Porter Leath Home is on the National Register of Historic Places. It was listed on the register in 1979.

Additional photographs of Building A are provided at the end of this section of the report and in the Addenda section of this report.

BUILDING B – GOULD COTTAGE BUILDING

Building B is located to the south of the Porter-Leath Home building. It is known as Gould Cottage. It was originally built in 1927 as part of the orphanage. It was extensively remodeled in 2001 for use as an office and training facility. The building is a two story structure which includes approximately 6,595 square feet of gross building area including the rear storage room. A sketch of the building and aerial photograph are provided on the following page.

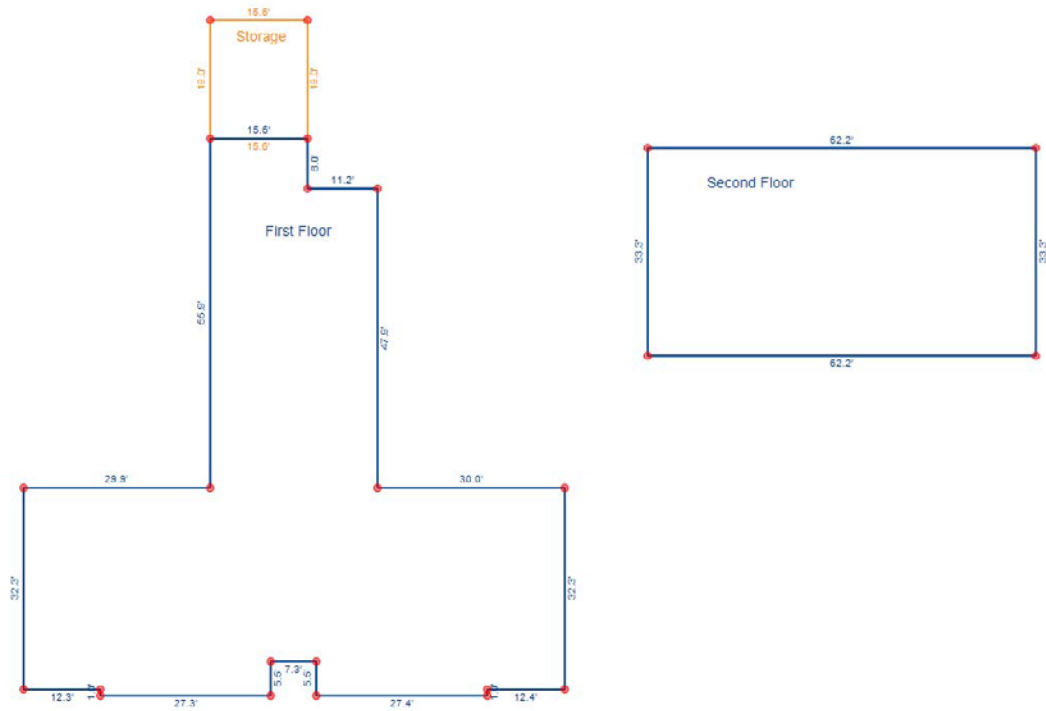
The basic construction of the building is described below:

Stories:	Two
Foundation:	Conventional
Frame:	Wood
Roof:	Wood frame gable roof with composition shingles. Gutters are not present.
Exterior Walls:	Stucco
Interior Walls:	Painted sheetrock in most areas
Windows:	Double hung wood frame windows
Ceilings:	10 feet tall sheetrock ceilings with a smooth finish
Lighting:	Surface mounted fluorescent lights in most areas. Recessed incandescent lights in the reception area.
Floors:	Hardwood in the reception area. Carpet and laminated hardwood in other areas.
Heating and Air:	Forced warm air and package unit air conditioning units
Sprinkler System:	No
Restrooms:	Two restrooms on each floor of the building, for a total of four restrooms.
Elevators:	None

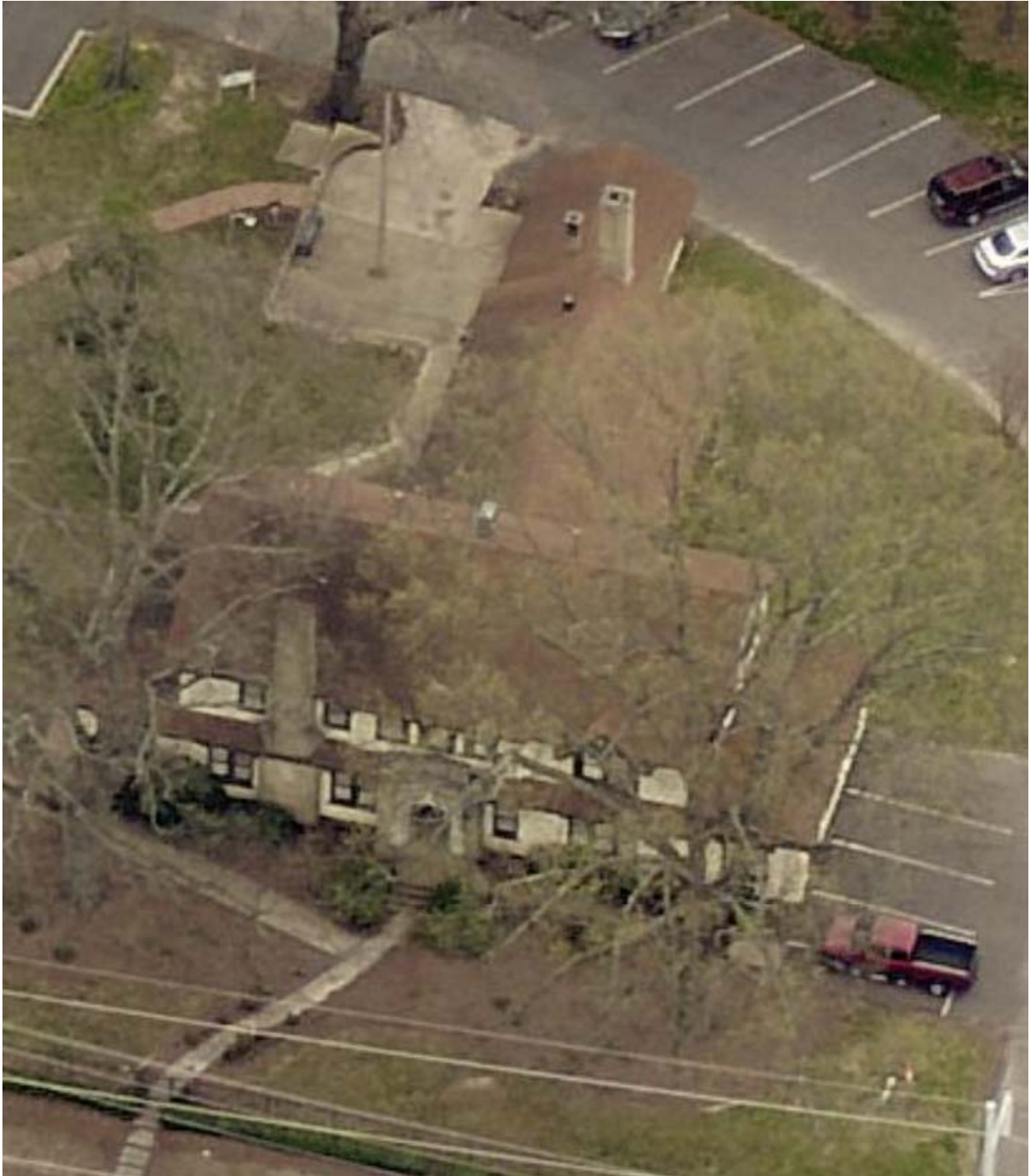
The Gould Cottage is currently designed for offices and training. The first floor includes a large reception area, a conference room, six offices, a training room, and a kitchen. Approximately 295 square feet of the rear of the first floor is utilized as storage area and is only accessible from the exterior.

The second floor includes offices and two restrooms. Access to the second floor is by a stairwell. Stairs also provided access to the attic.

Sketch – Building B



Aerial Photograph – Building B Looking East



Aerial Photograph – Building B Looking West



The building is 93 years old. It was completely renovated in 2001 and is generally in average condition.

The effective age of Building B, in as is condition, is estimated to be approximately 25 years. The building has an estimated total life of 60 years, indicating a remaining physical life of 35 years.

Additional photographs of Building B are provided at the end of this section and in the Addenda section of this report.

SITE IMPROVEMENTS

The two buildings utilize the north part of the site. The south part of the site is predominantly vacant land.

Site improvements include asphalt paved parking areas, fencing, and landscaping. The main parking area is situated on the east side of the main building. Another parking area is located along the south side of Building B. Approximately 70 parking spaces are present on the subject site. The asphalt is in average condition. A wrought iron fence is present along the Manassas Street frontage in front of the buildings. The south part of the site along Manassas Street and Keel Avenue and along the rear of the site is fenced with a six foot chain line security fence. Landscaping is adequate.

Conclusion:

The subject includes two buildings. The total gross building area is approximately 33,455 square feet.

The main building is the original orphanage building which was last utilized as office area. It includes 26,860 square feet. It was built in sections and ranges from 97 years old to 166 years old. The building is in fair condition and needs extensive remodeling.

The Gould Cottage was originally built in 1927 and was extensively remodeled in 2001. It is currently in average condition. It is utilized as office and training area. It includes approximately 6,595 square feet including the rear storage room.

Additional photographs of the subject property, including representative interior photographs, are provided on the following pages and in the Addenda section of this report.