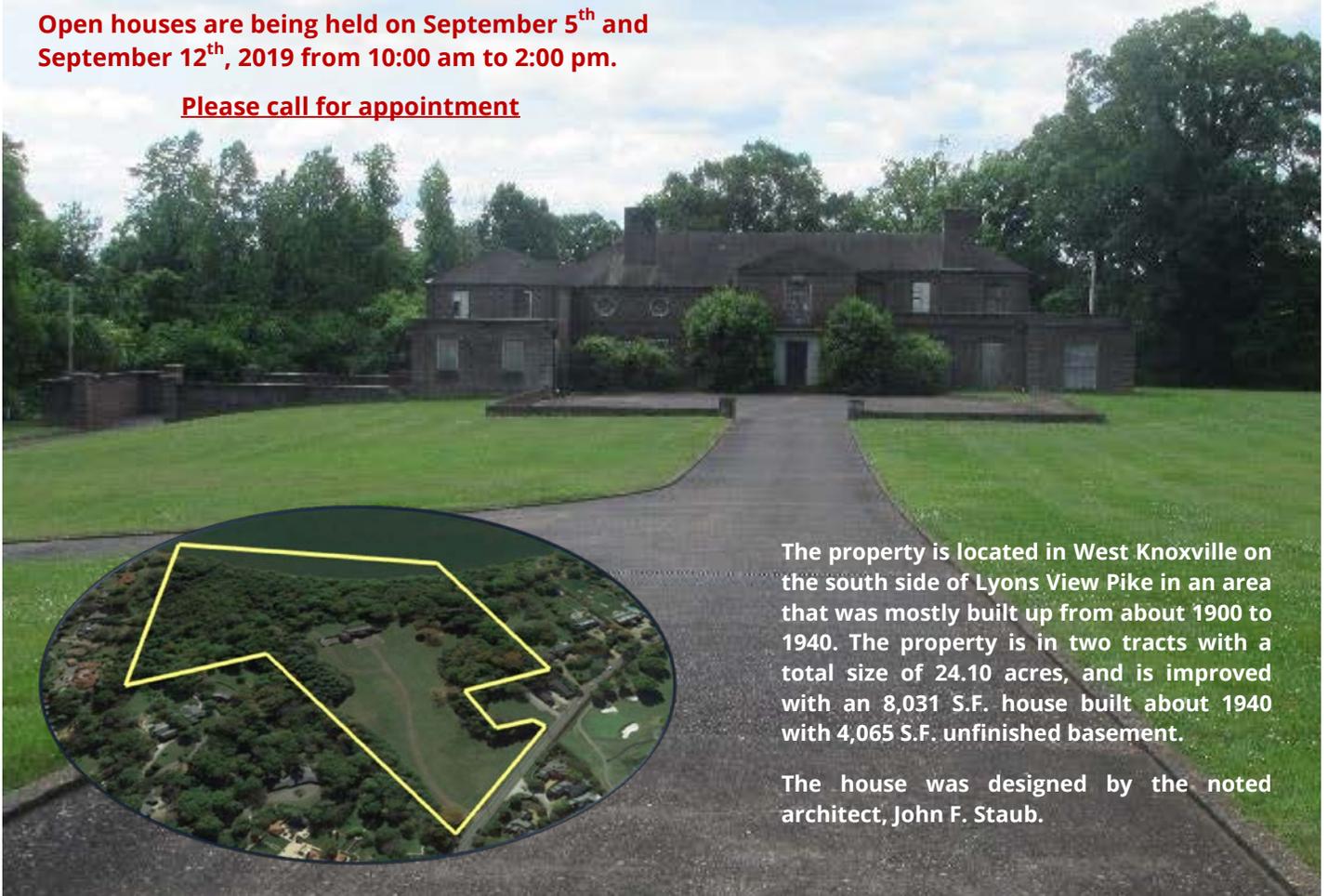


FOR SALE - Sealed Bids Coming Due

Open houses are being held on September 5th and September 12th, 2019 from 10:00 am to 2:00 pm.

Please call for appointment



The property is located in West Knoxville on the south side of Lyons View Pike in an area that was mostly built up from about 1900 to 1940. The property is in two tracts with a total size of 24.10 acres, and is improved with an 8,031 S.F. house built about 1940 with 4,065 S.F. unfinished basement.

The house was designed by the noted architect, John F. Staub.

4848 Lyons View Pike - Knoxville, TN

Offering Memorandum

CONTACT US

Bruce Nelson at 615-651-4677
Mike Berry at 615-761-8097
Brannon Butler at 615-354-3448

State of Tennessee Real Estate Asset Management
Department of General Services
WRS Tennessee Tower, 24th Floor
312 Rosa L. Parks Ave., Nashville, TN 37243

The State of Tennessee requests sealed bids for the purchase of 4848 Lyons View Pike – Knoxville, TN. Please see Terms of Offering contained herein. The State will accept sealed bids until 1:30 pm Central Time on September 26, 2019. The State of Tennessee reserves the right to refuse and/or reject any and all bids.

TABLE OF CONTENTS

➤ SUMMARY

- Highlights
- Property Photographs
- Location Map
- Location Aerial

➤ PROPERTY INFORMATION

- Physical Description
- Floor Plan(s)

➤ MARKET AREA OVERVIEW

- Tax Map
- Local Area Overview

➤ TERMS OF OFFERING

➤ BID FORM

➤ EXHIBITS

- Preservation Easement (See Exhibit A-1)
- Court Ordered Deed Restriction (See Exhibit B-1)

CONFIDENTIALITY AND DISCLAIMER AGREEMENT

CONFIDENTIALITY - The enclosed information ("Presentation") is provided to you, strictly for your own personal use in determining whether to pursue negotiations to acquire certain properties (defined as the "Property") in which The State of Tennessee, on behalf of its Agencies (both defined as "Seller") own. Further distribution of the information contained herein without prior written permission from Seller is strictly prohibited. If you decide not to pursue an acquisition of the Property, please return this Presentation immediately to Seller.

INFORMATION DEEMED CORRECT, THOUGH NOT WARRANTED - This Presentation contains select information that Seller believes to describe the Property adequately. We do not present this information as being all-inclusive or as containing all pertinent information necessary to a prudent acquisition decision. Interested parties are advised to confirm all facts, figures, and representations contained herein for themselves. Any prudent buyer should include an independent investigation of this Presentation and the Property.

INDEPENDENT INVESTIGATION REQUIRED - This Presentation should not be considered an all-inclusive representation of the state of affairs of the Property. The fact that errors, omissions, and changes are possible, require that a prudent buyer **MUST** independently confirm all information pertinent to the condition and affairs of the Property.

PACKAGE DELIVERED SUBJECT TO PRECEDING CONDITIONS - In accepting this package, you agree to be bound by the conditions and requirements detailed in this Confidentiality And Disclaimer Agreement.

SUMMARY

The property is improved with a large house built in the 1940's, as well as a small stable at the rear corner of the tract. The house has a size of 4,517 S.F. on the first floor plus 3,514 S.F. on the second floor for a total of 8,031 S.F. It also has an unfinished basement of 4,065 S.F. that includes a three-car garage.

The main floor includes a living room on the west side of the house, which is fronted by a gallery that leads to the library on the far west side of the house. A wide central hall with a winding staircase is in the center part of the house. In the east part of the house there is a dining room with large serving pantry, beyond which is a large kitchen. There are two housekeeper's rooms, a housekeeper's bathroom, and a service entrance.

The second floor includes the wide central hall to the west of which is the master bedroom, which adjoins the large master bath and the boudoir. To the eastern side of the central hallway are two more bedrooms, each with large private baths, as well as laundry and housekeeping areas.

There is a three-quarter basement under the house with a size of 4,065 S.F. This includes unfinished areas for storage, space that could be used for a recreation room, some service, furnace room areas, and a laundry room.

There is a three-car garage in the east part of the basement. Also, A small stable is found behind the house, near the rear of the property. This approximately +/- 1,250 sf building once housed the owner's horses and provided storage for necessary landscaping equipment and materials. The stable, like the house, is built of brick with a slate roof in the English style and resembles an outbuilding at a country house.

The house has been vacant since the early 1980s, though it was maintained into the late 1990s. For about the past 20 years, it has been vacant. The house was not built with air conditioning.

Outside improvements are limited to some landscaping, consisting mostly of large sweeping areas of lawn.



Front West Side



Front East Side



Back West Side



Back East Side



Front Entrance Hall



Back Entrance Hall



Living Room



Gallery



Library



Dining Room



Serving Pantry



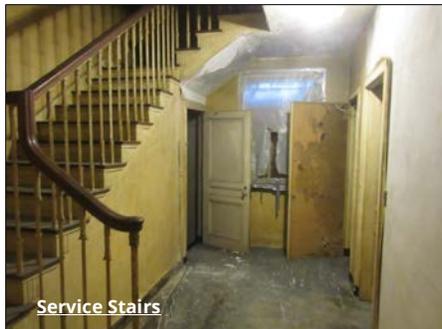
Kitchen



Housekeeper's Room



Housekeeper's Bathroom



Service Stairs



Second Floor Stairs



Mechanical-Basement



Basement



Basement 3-Car Garage



Bedroom #1



Bedroom #1 - Bathroom



Bedroom #2



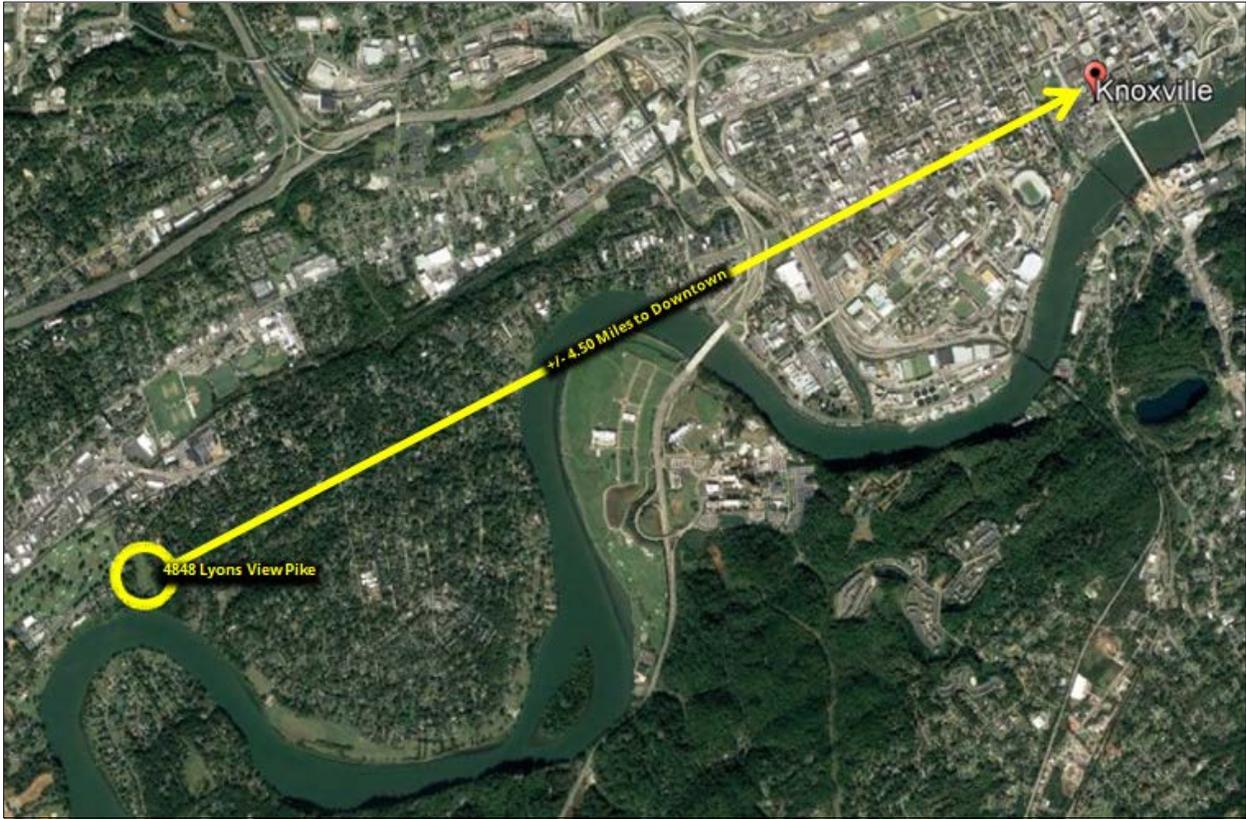
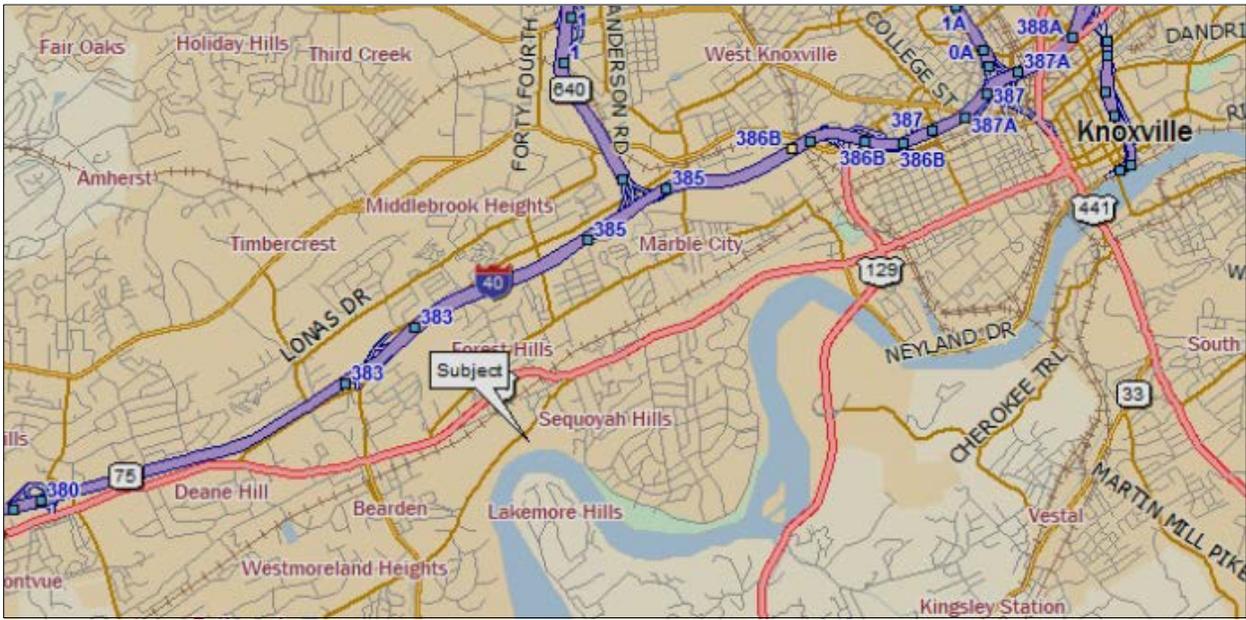
Bedroom #2 - Bathroom



Bedroom #3



Bedroom #3 - Bathroom



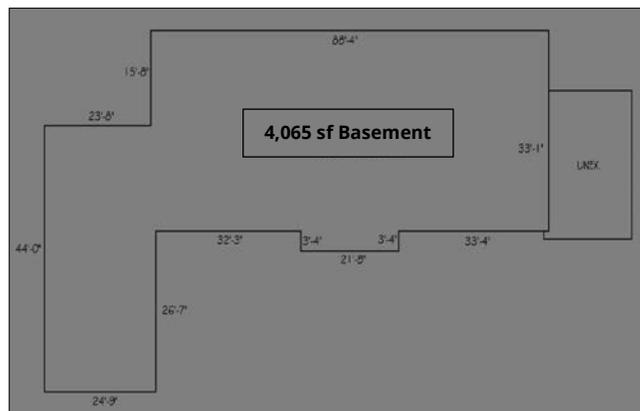
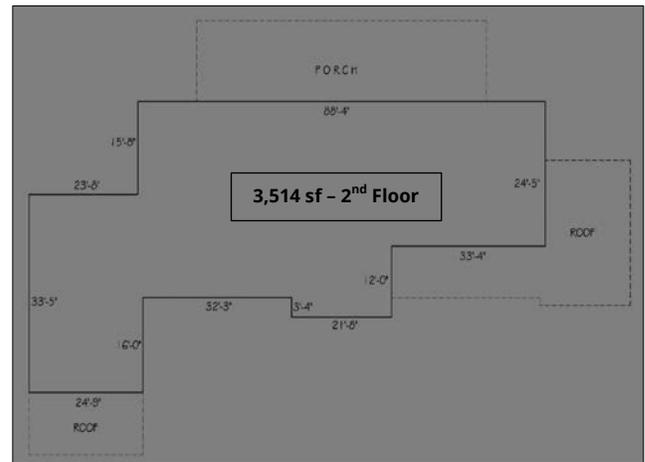
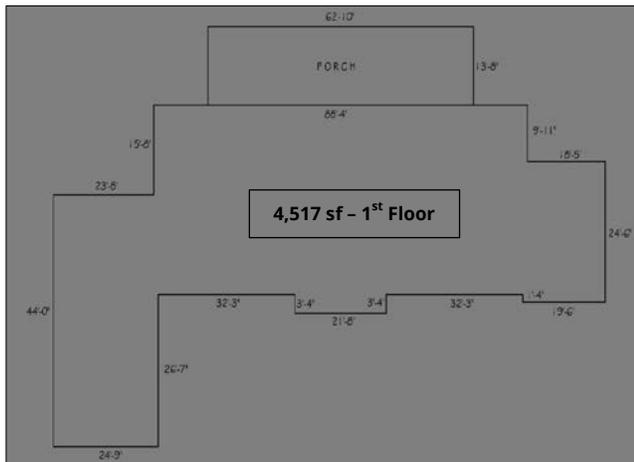
PROPERTY INFORMATION

The property consists of two tracts. It fronts +/- 500' on the south side of Lyons View Pike. It has an irregular shape. Along the front of the property, there is a wall. Most of the property falls gently to the south and is predominantly cleared to the house. Behind the house, the property becomes heavily wooded and falls steeply to the Tennessee River. Water frontage is estimated at +/- 885'.

The house was built in the 1940's. It was designed by John F. Staub, a well-regarded Houston architect, who was originally from Knoxville. The house was designed in the Regency style and is of masonry construction with all brick walls. It has extensive, high quality fenestration, which has been boarded up for many years.

Property Address:	4848 Lyons View Pike Knoxville, TN 37919
Tax Map Reference:	107 N-G-2 - House on 21.9 acres (see note below) 121C-A-29 - 2.2 acres
Total Site Area:	24.10 Acres
Improvement Description:	8,031 sf house with a 4,065 sf unfinished basement built in the 1940's. Also, there is a 1,250 sf small stable behind the house
Flood Map Information:	FEMA Map 47093C, Panel 0286G dated August 5, 2013
Utilities:	All utilities are available or very close to subject including electricity, water, telephone, gas and sewer service. All City and Knox County services are also available.
Zoning:	R-1, Low Density Residential District by the city of Knoxville

Note: A small parcel of up to 3,000 sf will be sold separately. This parcel is just east of the stable in a heavily wooded area.



MARKET AREA OVERVIEW



Subject is located about 4 ½ miles southwest of downtown Knoxville on Lyons View Pike, which runs from Kingston Pike to Northshore Drive. The neighborhood is dominated by the Tennessee River (Fort Loudon Lake), the Cherokee Country Club Golf Course, Lakeshore Park and Tennessee Veterans Cemetery. Many houses along Lyons View Pike were built in the 1920s and 1930s. The ones on the south side generally orient to the river, while most houses on the higher north side of the road orient to mountain views or to the golf course.

Although most of the housing along Lyons View Pike is older, several houses have been torn down in recent years to make way for new development. Almost all housing along Lyons View Pike is upper bracket, and much of it was designed by noted local architects, including Barber and McMurry and Baumann and Baumann.

TERMS OF OFFERING

ALL CASH - "AS IS"

The State of Tennessee (the "State") requests sealed bids for the purchase of the Real Estate located at 4848 Lyons View Pike, Knoxville, Tennessee.

NO MINIMUM BID

The State will accept sealed bids until **1:30 p.m. (Central Time) on September 26, 2019**. The State reserves the right to refuse and/or reject any and all bids. Please contact us (or visit our website) for bid package and additional information.

BID PROCEDURE

METHOD: Sale is to be by the sealed bid method. The State reserves the right to refuse and/or reject any or all bids.

OPENING: Sealed bids will be opened within two (2) business days after the Bid Due Date. Bids must be received by the State of Tennessee Real Estate Asset Management no later than **1:30 p.m. (Central Time) on September 26, 2019**. Late bids will be returned unopened.

FORMAT: The bid must state the amount of the bid and identify the individual or entity to whom the property will be conveyed. Bids must be sealed and contain the following information on the bottom left hand corner of the envelope:

BID ENCLOSED: TR #19-04-017
BID DUE DATE: September 26, 2019

CONDITIONS/RESTRICTIONS: This offering is subject to a Preservation Easement on the House (See Exhibit A-1) and a Court Ordered Deed Restriction (See Exhibit B-1).

SECURITY DEPOSIT: The bid must include a security deposit by cashier's check, in the amount of five percent (5%) of the total bid, payable to the State of Tennessee. Security deposits will be deposited the next business day. The security deposit will be applied to the purchase price for the successful bidder. The security deposit will be forfeited if the successful bidder fails to perform. Security deposits will be returned to unsuccessful bidders by separate State warrants.

EVALUATION: As a part of its evaluation of the proposals received, the State reserves the right to hold a Best and Final round of offers (the "BAFO"). In the event the State does hold a BAFO, the State shall notify the parties whose bids were received on time.

AWARD OF BID: Bids will be either accepted or rejected at the conclusion of bid evaluations within forty-five (45) days from the bid opening date.

TERMS OF SALE: The property will be sold "as is" for cash due upon closing. The balance of the purchase price shall be paid by cashier's check payable to the State of Tennessee within fifteen (15) days. All of the State's right, title and interest will be conveyed to buyer by quitclaim deed without any warranties or covenants.

FORWARD BIDS TO:

State of Tennessee Real Estate Asset Management
312 Rosa L Parks Ave, 24th Floor
Nashville, TN 37243-0299
Attn: Mike Berry

PROPERTY CONDITION DISCLOSURE

All information is provided so that interested parties may make informed decisions regarding this property. Accuracy is not guaranteed and it is not intended to be all inclusive. This is not a warranty or a substitute for any professional inspections or warranties that purchasers may wish to obtain. Purchasers agree to accept the property "as is".

STATE OF TENNESSEE TR. 19-04-017

*4848 Lyons View Pike
Knoxville (Knox County), Tennessee*

**Subject to Preservation Easement on the House (Exhibit A-1)
and Court Ordered Deed Restriction (Exhibit B-1)**

BID FORM

I, _____, submit a bid of \$ _____, for 4848 Lyons View Pike – Knoxville, Tennessee being the same property identified by the proposal information for STREAM Transaction Number 19-04-017.

Enclosed is a cashier's check payable to the **State of Tennessee** in the amount of \$ _____ which constitutes the required bid deposit of five (5) percent of my total bid. The balance shall be paid within fifteen (15) days upon notification by the State of Tennessee that the deed has been fully executed and is ready for delivery.

Please **Print** Name(s) Below:

Please **Sign** Name(s) Below:

Please provide below the exact name of the Grantee(s) and the address for notification of property taxes to be used if you are the successful bidder.

Grantee Name

Grantee Address

City/State/Postal Code

Phone Number

Email

DRAFT
DEED OF PRESERVATION EASEMENT

This **DEED OF PRESERVATION EASEMENT** (the "Easement") is made as of this ___ day of _____, 2019 (the "Effective Date"), by and between purchaser ("Grantor"), and **KNOX HERITAGE, INC.**, a Tennessee nonprofit corporation whose address is 3425 Kingston Pike, Knoxville, Tennessee 37919 ("Grantee").

WITNESSETH:

WHEREAS, Grantor owns real property located at 4848 Lyons View Pike, Knoxville, Knox County, Tennessee 37919, which is more particularly described on Exhibit A attached hereto and incorporated herein by reference (collectively, the "Property"); and

WHEREAS, the property located at 4848 Lyons View Drive is improved with a 8,031 square-foot residential structure (the "Structure") that was designed by the notable architect John Fanz Staub, a native Knoxville and graduate of the University of Tennessee; and

WHEREAS, because the Structure is located within the Lyons View Historic District and has significant architectural attributes, which attributes are more particularly described on Exhibit B attached hereto and incorporated herein by reference (the "Conservation Values"), Grantor wishes to ensure the preservation and maintenance of the Structure and the Conservation Values for perpetuity; and

WHEREAS, Grantee is a nonprofit corporation whose primary purposes include the preservation and conservation of sites, buildings, and objects of national, regional or local architectural, historic or cultural significance in Knox County, Tennessee and the surrounding counties; and

WHEREAS, the grant of this Easement by Grantor to Grantee will assist in preserving and maintaining the Structure and the Conservation Values for perpetuity.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and restrictions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby give, grant, release, transfer and convey to Grantee, its successors and assigns, an easement (the "Easement") to preserve and maintain the Structure and the Conservation Values as hereinafter described.

TOGETHER WITH the right to implement said Easement in the manner hereinafter provided.

TO HAVE AND TO HOLD the Easement, to Grantee and its successors and assigns in perpetuity or until the earlier termination in accordance with the terms of this Easement, reserving to Grantor and its successors and assigns forever, the fee title to the Property and

incidents of ownership therein other than this Easement, including the right to exclusive use and occupancy of the Structure, all to the extent not inconsistent with the terms and purposes of the Easement granted herein.

AND Grantor and Grantee for themselves, their successors and assigns, hereby covenant and agree as follows:

1. Scope of Easement. This Easement conveys to Grantee an interest in the Structure as hereinafter specifically provided, which includes the benefit of the following covenants, conditions and restrictions:

(a) The exterior of the Structure shall not be visually or structurally altered from the condition existing as of the Effective Date of this Easement without the Grantee's prior written consent; provided, however, the Grantee's consent shall not be required for routine maintenance, painting and structural alterations which have no visual impact to the exterior of the Structure.

(b) The exterior of the Structure shall be maintained in good condition and repair at all times in accordance with the standards approved by the U.S. Secretary of the Interior for historic properties (the "Standards"). All repairs, modifications and improvements to the exterior of the Structure shall be carried out in accordance with the Standards.

(c) The Structure shall not be demolished. No new structures or additions of any kind to the exterior of the existing Structure may be constructed without the Grantee's prior written consent, unless such structures or additions are required by law.. Grantee in reviewing the plans and designs for any addition shall consider the following criteria: exterior building materials; height; fenestration; roof shapes, forms, and materials; surface textures; expression of architectural detailing; scale; orientation to street; use of local or regional architectural traditions; compatibility with the existing Structure and effect on archeological resources. Contemporary designs for additions shall not be discouraged when such alterations and additions do not destroy significant architectural or cultural material, and such design is compatible with the size, color, material and character of the Structure and its environment.

(d) Grantor, at its expense, shall keep the Structure insured by a reputable insurance company licensed and in good standing in the State of Tennessee with a replacement cost insurance policy against loss or damage resulting from fire, windstorm, vandalism, explosion and such other hazards as typically required by prudent property owners in the same geographic area as the Property.

(e) The following features contribute to the architectural significance of the Structure: exterior brick and decorative quoins; front door pediment topped by a Regency-style wrought-iron railing, a trio of second-floor octagonal windows, traditional multi-paned glass windows, and a covered veranda on the south side with eight two-story Regency-style wrought-iron columns. Unless prior written approval by the Grantee is obtained, no removal, relocation or alteration of these architectural features shall be made by Grantor.

(f) Grantor shall comply with all federal, state, and local laws and ordinances regulating the rehabilitation, maintenance and use of the Structure.

2. Grantee Review Procedures. Grantee has the discretion when reviewing requests under Section 1 to give or withhold its consent, conditionally or unconditionally, but such consent shall not be unreasonably withheld, conditioned or delayed. Review criteria shall be based on the standards approved by the U.S. Secretary of the Interior for historic properties and shall not be subject to personal opinion or tastes.

3. Right of Entry. Grantee and its representatives may enter upon the Property and inspect the Structure from time to time upon prior notice and at times reasonably acceptable to Grantor. Inspections will normally occur outside the Structure, except if Grantee determines interior access is reasonably necessary to establish compliance with this Easement.

4. No Obligations of Grantee. Grantee has no liability or responsibility of any kind related to the Structure, including the ownership, operation, insurance, or maintenance of the Structure.

5. Extinguishment. If unexpected circumstances arise after the Effective Date which render impossible or impractical the purposes of this Easement, then this Easement may be extinguished but only with the written consent of the Grantee.

6. Condemnation. Grantor shall notify Grantee of any condemnation proceeding with respect to the Property. Grantee has the option (but not the obligation) to participate in any action or settlement with respect to any condemnation.

7. Right of First Refusal. In the event of any contemplated sale of the Structure by the Grantor or any successor in title thereto, a right of first refusal as to any bona fide offer of purchase must be given to the Grantee, its successors or assigns. If Grantee so decides to purchase the Structure, it shall notify the then owner of its willingness to buy upon the same terms within thirty (30) days of receipt of written notice of such bona fide offer. Failure of the Grantee to notify the then owner of its intention to exercise this right of first refusal within such thirty (30) day period shall free the owner to sell the Structure pursuant to the bona fide offer. Grantee may, in its discretion, waive its right of first refusal in writing, upon written receipt of such bona fide offer.

8. Remedies for Breach.

(a) Upon a breach or threatened breach of any provision of this Easement, Grantee may pursue all available legal and equitable remedies, including an injunction, to prevent or seek remedy for such violation. The prevailing party in any enforcement action shall be entitled to recover from the other party the prevailing party's reasonable attorney's fees, costs and expenses.

(b) Grantor expressly agrees that if Grantor directly acts (or, if applicable, Grantor's officers, agents, representatives or employees directly act pursuant to Grantor's instructions) to cause a demolition or willful destruction of the Structure or a material portion thereof which impairs the Conservation Values, then Grantee, in addition to any other remedies or equitable relief available to it at law, is entitled to recover as liquidated damages twenty percent (25%) of the assessed valuation of the Structure prior to such demolition or destruction. Grantor agrees for itself and its successors and assigns that such liquidated damages are reasonable as of the Effective Date and shall not be disputed.

(c) If the Structure has deteriorated as a result of a breach of Section 1(b), then Grantee may send written notice to Grantor requesting that the Structure be repaired to achieve a level of maintenance consistent with Section 1(b). If, within ninety (90) days of receipt of such notice, Grantor fails to commence the implementation of repair actions reasonably satisfactory to Grantee, then Grantee, or its agents, may (without being obligated), enter upon the Property and/or the Structure and have repairs made at Grantor's sole expense. Any amounts expended by Grantee to further the purposes of this Easement and not reimbursed by Grantor within ten (10) days after receipt by Grantor of an invoice for same with reasonable supporting documentation, shall to the maximum extent permitted by law constitute a lien on the Structure subordinate to the lien of any mortgage on the Structure, accruing interest at the lesser of the maximum per annum rate permitted by law or 10% per annum. Upon payment by Grantor of any such amounts due, including accrued interest as herein provided, Grantee shall simultaneously therewith deliver to Grantor a release of lien or waiver of mechanics lien, as the case may be, in the customary form and duly executed and acknowledged for recording.

9. Transfer Fee. Except as otherwise provided herein, there shall be assessed by Grantee and collected from the purchasers of the Property, or any portion thereof subject to these covenants and restrictions, a transfer fee equal to one percent (1.00%) of the sales price of such property, or any portion thereof, which transfer fee shall be paid to Grantee and used by Grantee for the purpose of preserving the historical, architectural, archeological or cultural aspects of real property. Such fee shall not apply to inter-spousal transfers, transfers by gift, transfers between parents and children, transfers between grandparents and grandchildren, transfers between siblings, transfers between a corporation and any shareholders in the same corporation who own ten percent (10%) or more of the stock in such corporation and transfers between a limited liability corporation and any member who owns more than ten percent (10%) of such limited liability corporation, transfers by will, bequest, intestate succession or transfers to the Grantee (each of the foregoing hereinafter referred to as an "Exempt Transfer"). In the event of non-payment of such a transfer fee, the amount due shall bear interest at the highest rate permitted under applicable law from the date of such transfer, and shall, together with accrued interest, constitute a lien on the Structure, , subject to these covenants and restrictions and shall be subject to foreclosure by the Grantee. In the event that the Grantee is required to foreclose on its lien for the collection of the transfer fee, and/or interest thereon, provided for herein, the Grantee shall be entitled to recover all litigation costs and attorney's fees incurred at such foreclosure, which litigation costs and attorney's fees shall be included as part of the lien and recoverable out of proceeds of the foreclosure sale. Grantee may require the purchaser and/or seller to provide reasonable written proof of the applicable sales price, such as executed closing statements, contracts of sale, copies of deeds, affidavits or such other evidence, and purchaser shall be obligated to provide such information within forty-eight (48) hours after receipt of written request for such information from the Grantee.

10. Nature and Duration. The covenants, conditions and restrictions in this Easement run with the land constituting the Structure in perpetuity and are binding upon Grantor and its successors and assigns for the benefit of Grantee and its successors and assigns.

11. Assignment, Successors and Assigns. Grantee may only transfer this Easement to another charitable organization or trust dedicated to the preservation of historic structures and/or urban scenic open space as and to the extent then required under the Code, subject to the prior written consent of the Grantor or its successors and assigns, as applicable, such

consent not to be unreasonably withheld; provided that if Grantee ceases its corporate existence, or for any other reason is unable to act to enforce the restrictions provided for herein, then all rights of Grantee in this Easement shall be assigned to such other qualified non-profit organization dedicated to the preservation of historic structures and/or urban scenic open space as shall be selected by Grantor and consented to by Grantee, such consent not to be unreasonably withheld, conditioned or delayed, failing which the successor charitable corporation or trust dedicated to the preservation of historic structures and/or urban scenic open space shall be designated by the Attorney General of the State of Tennessee.

12. Indemnification. Grantor, for itself and its successors and assigns, shall hold harmless, indemnify and defend Grantee and its members, directors, officers, employees, agents and contractors, successors and assigns of each of them (collectively, "Indemnified Parties") from and against all liabilities, penalties, costs, damages, expenses, causes of action, claims, or judgments of any nature whatsoever (individually or collectively a "Claim" or "Claims"), including, without limitation, reasonable attorneys' fees, in any way connected with the Structure or any aspect thereof, including without limitation: (1) any real property taxes and general or special assessments assessed and levied against the Structure; or (2) this Easement, the conveyance or possession thereof or the exercise of any rights hereunder, excluding, however, any Claims based in whole or in part upon the gross negligence or willful misconduct of any Indemnified Party, provided that the Indemnified Party gives Grantor prompt notice of each such Claim, cooperates in the defense thereof, and Grantor shall have the sole right to defend and/or settle each such Claim.

13. Entire Agreement and Severability. This instrument, the attached Exhibits and the Conservation Values contain the entire agreement of the parties with respect to the Easement and supersedes any prior agreements relating to the Easement. If any provision of this Easement is held unenforceable by a court of competent jurisdiction, the remainder of the Easement shall continue in full force and effect.

14. Notices. All notices given pursuant to this Easement shall be in writing and sent to the other party at the address set forth in the first paragraph hereof, by US Mail or overnight express courier. Either party may change its notice address by notice to the other party. Either party may, from time to time, specify one additional party to receive written notice in order for such notice to be binding.

15. Amendments. This Easement may only be amended by a written instrument signed by Grantor and Grantee and recorded in the Knox County, Tennessee Register of Deeds Office.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed and accepted this Deed of Preservation Easement as of the Effective Date.

GRANTOR:

Name

By: _____
Name:

GRANTEE:

KNOX HERITAGE, INC., a Tennessee nonprofit corporation

By: _____
Name: Todd Morgan
Title: Executive Director

DRAFT

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, the undersigned Notary Public of 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 himself to be the owner of the Property.

Witness my hand and seal, this ____ day of _____, 2019.

NOTARY PUBLIC

My commission expires: _____

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, the undersigned Notary Public of the state and county aforesaid, personally appeared Todd Morgan, 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 Interim Executive Director of KNOX HERITAGE, INC., the within-named bargainor, a nonprofit corporation, and that he, as the Executive Director, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself/herself as the Executive Director.

Witness my hand and seal, this ____ day of _____, 2019.

NOTARY PUBLIC

My commission expires: _____

AFFIDAVIT OF CONSIDERATION

I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$50.00.

AFFIANT

Sworn to and subscribed before me on _____, 2019.

NOTARY PUBLIC

My Commission Expires: _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
CONSERVATION VALUES

The Structure

The following features contribute to the architectural significance of the Structure: exterior brick and decorative quoins; front door pediment topped by a Regency-style wrought-iron railing, a trio of second-floor octagonal windows, traditional multi-paned glass windows, and a covered veranda on the south side with eight two-story Regency-style wrought-iron columns.



North Side (Front Elevation) *(place card photo)*



South Side (Rear Elevation) *(place card photo)*

The Architect

John Fanz Staub was born in Knoxville, Tennessee, on September 12, 1892, the son of Frederick and Anna Cornelia (Fanz) Staub. He attended Knoxville High School, the University of Tennessee (class of 1913), and the Massachusetts Institute of Technology, from which he received a master's degree in architecture in 1916. From 1916 to 1921 Staub worked in New York for Harrie Thomas Lindeberg, an architect well known for his country houses. In 1921, when he was sent to Texas to supervise the construction of three houses that Lindeberg had designed in the Houston neighborhood of Shadyside, Staub decided to remain in Houston, and in 1923 he established his own practice there. From 1923 until 1942 he worked under his own name. He reorganized his firm as Staub and Rather in 1942, and as Staub, Rather and Howze in 1952. He retired from active practice in 1963, and his firm was dissolved in 1971. Staub was a cofounder of the South Texas chapter of the American Institute of Architects in 1924 and served as the chapter's second president. In 1941 he was elected to fellowship in the AIA. He was twice appointed to the Houston City Planning Commission, and he also served on the Advisory Committee of the Bayou Bend Collection of the Museum of Fine Arts, Houston. Staub was best known as an architect of single-family houses. During the 1920s he employed the full range of romantic European vernacular styles then in vogue for his domestic architecture. After the early 1930s, however, he displayed a consistent preference for more restrained architectural styles, especially Georgian Revival. His houses were characterized by harmonious proportions, elegant detail, and fine materials. In planning them he artfully reconciled architectural composition and functional requirements with ingenuity and resourcefulness.

Houses by Staub in Houston, Beaumont, and Dallas, Texas, and Memphis, Tennessee, are now open to the public as museums. Besides his residential work, Staub designed the parish house of Palmer Memorial Church (1930), the Junior League Building (1930), and the Bayou Club (1940), all in Houston. His firm was responsible for buildings on the campuses of the University of Texas, Rice University, and the University of Houston, and at the Texas Medical Center in Houston. Staub designed “Hopecoate”, a residence built for his aunt, Emma Fanz, in 1921 and later purchased by the University of Tennessee. Staub personally oversaw the renovations to Hopecoate in 1980 before his death in 1981.

DRAFT

IN THE CHANCERY COURT FOR KNOX COUNTY, TENNESSEE

In the Matter of
THE UNIVERSITY OF TENNESSEE,)
)
As devisee of a charitable gift of)
real property under the Last Will and)
Testament of Eugenia F. Williams,)
Deceased.)
)
Petitioner.)

Nick McBride
Register of Deeds
Knox County

Case No. 198278-I

**ORDER GRANTING THE PETITION OF
THE UNIVERSITY OF TENNESSEE**

This case is before the Court upon the Petition of The University of Tennessee (the "University") pursuant to sections 35-13-114 and 35-15-413 of the Tennessee Code Annotated to modify the restrictions on the disposition of real property devised by Eugenia F. Williams to the University. The Attorney General of the State of Tennessee has an interest in the subject matter of the Petition pursuant to Tenn. Code Ann. § 35-13-110 and has filed a response to the Petition in which the Attorney General assents to the relief sought.

I. FACTS

On May 13, 1981, Miss Williams executed a will in which she devised her home at 4848 Lyons View Pike, Knoxville, Tennessee, and the surrounding land (the "Property") to the University. (A copy of the will is attached to the Petition as Exhibit A.) The Will specified that the Property was to be designated the Dr. David Hitt Williams Memorial in honor of Miss Williams's father and that

said land will not be subdivided nor sold, in whole or in part, so long as there is a state operated university in the vicinity of Knoxville. Said home and acreage may be used as the Board of Trustees of The University of Tennessee may determine, such use to be commensurate with the retention of the natural beauty of the land, it being my desire that the residence on said land will be used for some educational, residential, social, cultural or business purpose as will promote an interest of The University of Tennessee System or of


Knox County Page: 1 of 6
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The University of Tennessee Knoxville, and it being my further desire that any additions to said residence or other structures or buildings built on the premises will be constructed in such a manner and location as will maintain the present architectural integrity of the residence. At such time in the distant future as the Board of Trustees of The University of Tennessee may determine that said residence can no longer be used for a purpose that will be of practical benefit to The University of Tennessee System or to The University of Tennessee Knoxville, then it is my desire that the residence be demolished and replaced by another building or buildings, or that the vacant property be utilized for The University of Tennessee System or The University of Tennessee Knoxville without buildings.

(Exh. A to Petition, ¶ II.) This language indicates that Miss Williams had a general charitable intent in devising the property to the University.

Miss Williams moved out of the house in 1983 and died on February 26, 1998. At the time of her death, the house had been vacant and boarded up for some fifteen years and was in substantial disrepair. Later that year, the administration of the University recommended to the Board of Trustees that the house be converted to a residence for the President of the University; however, the effort to raise private gift funds to accomplish this fell short. At that time, the University owned residences that were provided for the use of the President and the Chancellor of the University's Knoxville campus. The University discontinued this practice in 2007 and 2009 and now provides a housing allowance for the President and the Chancellor. There is thus no longer a need for the University to own a residence in Knoxville for the President or the Chancellor.

Since accepting the property in 1998, the University has explored many other possible uses for the Property but without success. For example, in 2007 the University engaged the architectural firm of McCarty Holsapple McCarty to perform a utilization study of the Property. The study was completed, but the University did not have the funding to implement the plans. In later years, the University looked into several proposals for the use of the Property, including offices for The University of Tennessee Foundation, a 99-year lease with a requirement to restore the house, an assisted living

facility, a residential project with a local firm, and a lease to a Knoxville charitable foundation. The University has convened two separate committees to consider possible uses for the Property. Unfortunately, budgetary constraints have prevented the University from renovating the house for any purpose. The University has received estimates of the cost of renovation as a single family residence of approximately five million dollars and even more to retrofit it for another educational, social, cultural, or business purpose that would be of “practical benefit” to the University. In 2014 - 2015, the University issued a formal Request for Proposal for the long-term lease of the Property. No proposals were received.

Although the University has the right under the Will to demolish the house if the Board of Trustees determines it “can no longer be used for a purpose that will be of practical benefit to The University of Tennessee System or to The University of Tennessee Knoxville,” the University has no **viable** use for the Property either with or without the house. At the same time, the University has significant educational, social, cultural, and business needs that could be promoted and funded with proceeds from the sale of the Property. The University alleges and the Court finds that the best way to realize Miss Williams’s charitable intent would be to allow the University to sell the Property and use the proceeds to fund an endowment in a way that memorializes her father.

II. Legal Analysis

The Will executed by Miss Williams expresses in precatory terms her general charitable intent. Only the prohibition against either the sale or the subdivision of the Property “so long as there is a state operated university in the vicinity of Knoxville” is mandatory. Under the provisions of Tenn. Code Ann. § 35-14-413 (Tennessee’s statutory

version of the common-law doctrine called *cy pres*), when a particular charitable purpose specified by a gift, see Tenn. Code Ann. § 35-13-114, becomes “unlawful, impracticable, impossible to achieve or wasteful,” the Court may “modify or terminate the trust [or gift] by directing that the ... trust [or gift] property be applied or distributed ...in a manner consistent with the settlor’s charitable purposes.” As set out above, the University alleges, and the Court finds that it has become impracticable and arguably impossible for the University to use the Property in strict accordance with the terms of the Will.

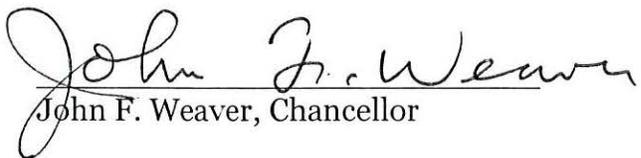
The University asks the Court for permission to sell the Property with the proviso that the property may be subdivided into no more than two parcels and that each parcel contain no more than one single-family residence. If the purchaser decides to keep the house currently on the Property, only one additional house may be built and only on the parcel on which the current house is not situated. If the purchaser demolishes the current house, two houses—one on each parcel—may be built. The Court finds that this proposal would honor Miss Williams’s desire that the “natural beauty of the land” be preserved,” and that it would be in accordance with the general charitable intent expressed in her Will.

In addition, the Petition alleges that an adjacent landowner has encroached on the Property to the extent of approximately 3,000 square feet and asks for permission to sell that plot to the encroaching landowner. (Petition, ¶ 20.) The Court finds that the sale of this small plot would have a *de minimis* effect on the value of the Property (the Property comprises twenty-four acres or over one million square feet) and it should be allowed.

In accordance with the foregoing, the Court finds and ORDERS the following:

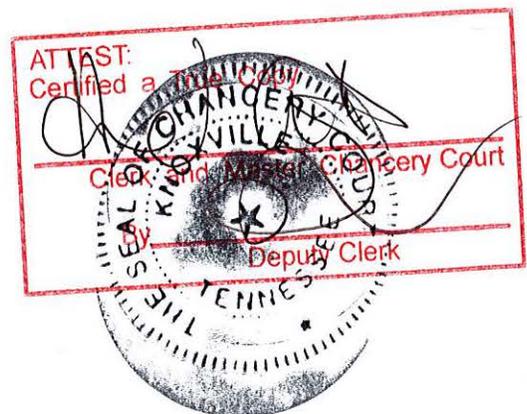
1. The University is permitted to sell the Property known as 4848 Lyons View Pike, Knoxville, Tennessee, with the provision that the Property may be divided into no more than two parcels by the purchaser or subsequent owner of the Property. The house currently on the Property may be demolished, in which case two houses—one on each parcel—may be built. If the purchaser or subsequent owner decides to retain the house currently on the Property, only one additional house may be built and that house must be situated on the subdivided plot other than the one on which the current house is situated.
2. The University is permitted to sell the approximately 3,000 square foot plot of land that is being encroached upon to the encroaching landowner.
3. This Order shall constitute a Final Judgment in this matter pursuant to Rule 54.01.
4. Statutory court costs are assessed against the University, but no litigation taxes shall be assessed. Tenn. Code Ann. § 67-4-603(c).

Entered this 24th day of July, 2019.


John F. Weaver, Chancellor

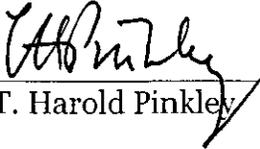
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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served via email and U. S. Mail upon Janet M. Kleinfelter, Deputy Attorney General of the State of Tennessee, the 24th day of July, 2019.



T. Harold Pinkley