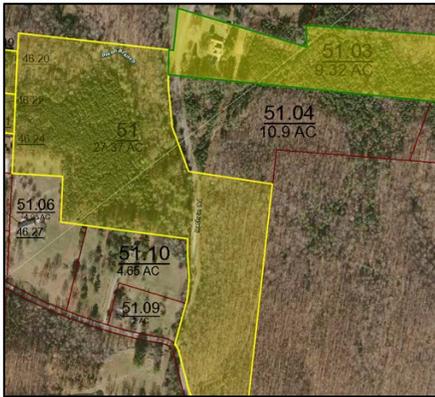


September 29, 2014

City of Loretto Tennessee
Mr. Keith A. Smith
City Manager
415 North Military
Loretto, Tennessee 38469

VIA ELECTRONIC MAIL

Dear Mr. Smith:



In response to your question regarding the voluntary annexation of Parcels 51 and 51.03, the following is provided.

Parcel 51 – Parcel 51 (yellow outline) adjoins the city limits (located to the left on the map). As understood, neither the owner nor the city desires to annex the east side of this property across Methvin Road. Accordingly, the annexation of Parcel 51, in whole or part, may occur at any time.

Parcel 51.03 – Parcel 51.03 (green outline) does not adjoin the city limits. It is contiguous to Parcel 51, but is separated by the county road. Accordingly, Parcel 51.03 may be annexed (in whole or part)

following the effective date of the Parcel 51 annexation, but not before. Furthermore, to avoid the creation of a “donut hole,” the county road should likewise be annexed at the same time if this annexation advances.

By way of explanation, please be advised that Tennessee cases on annexation require that land proposed for annexation be “adjoining” the existing city, that there be no intervening space between the land proposed for annexation and the existing city. According to Legal Consultant Sid Hemsley, Tennessee courts have interpreted the term “adjoining” very strictly. Those cases, recent ones, include an annexation that took in 49 properties, all of which were contiguous to each other. However, the courts held that of the 49 parcels attempted to be annexed, only those few that adjoined the city were annexed. The courts reasoned that the remaining parcels could not be adjoining the city because annexations were not final for 30 days after they were annexed. In another case, two parcels of property were “annexed on the same day, but one annexed earlier in the day than the second one. The court applied the same logic as in the above case to hold that the second annexation could not be adjoining the city because the annexation of the first parcel would not be final for 30 days. Mr. Hemsley further notes that when a city excludes a road or any other kind of property in the interior of an annexation, the prospects are good that it will leave a donut hole inside the city. Donut holes in cities are also legally suspect in Tennessee, even though there are lots of them in Tennessee cities.

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In summary, the annexation of both parcels will require a bifurcated process – with Parcel 51 to occur first (and become effective) before proceeding with the annexation of Parcel 51.03. Furthermore, given the current corporate boundaries, Parcel 51.03 cannot be annexed until it adjoins the city limits in the future.

Please let me know if you have questions or require any additional assistance on this matter.

Very truly yours,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Jeffrey J. Broughton
Municipal Management Consultant

Cc: Sid Hemsley