



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Agenda Finance & Administration Council Committee

Tuesday, August 13, 2019

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

3. Approval of minutes

MIN-19:076 MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON JULY 30, 2019

Attachments: [FINANCE MINUTES 07302019.pdf](#)

4. New Business

ORDINANCES TO BE INTRODUCED

ORD-19:047 AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE THE MAYOR TO ENTER INTO AN AGREEMENT FOR THE RENEWAL OF THE ROUTEMATCH SOFTWARE FOR JET BUS SERVICES IN THE CITY OF JONESBORO

Sponsors: JETS

Attachments: [Routematch Order form, JET.pdf](#)

RESOLUTIONS TO BE INTRODUCED

RES-19:107 RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 104 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

Sponsors: Grants

Attachments: [104 N Allis Appraisal.pdf](#)
[104 N. Allis Offer-Signed.jpg](#)

RES-19:108 RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 106 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

Sponsors: Grants

Attachments: [106 N Allis appraisal.pdf](#)
[106 N Allis Purchase Agreement.pdf](#)
[ADFA Agreement, 106 N. Allis.pdf](#)

RES-19:109 RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 108 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEPARTMENT OF FINANCE (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

Sponsors: Grants

Attachments: [108 N Allis Appraisal.pdf](#)
[108 N Allis offer-signed.jpg](#)

RES-19:110 RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 112 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

Sponsors: Grants

Attachments: [112 N Allis Appraisal.pdf](#)
[112 N. Allis offer-Signed.jpg](#)

RES-19:111 RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 116 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

Sponsors: Grants

Attachments: [116 N Allis Appraisal.pdf](#)
[116 N. Allis offer-Signed.jpg](#)

RES-19:112 RESOLUTION TO SUBMIT AN APPLICATION TO THE U.S. DEPARTMENT OF JUSTICE FOR THE 2019 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM FOR THE CITY OF JONESBORO

Sponsors: Grants

Attachments: [Edward Byrne Memorial Justice \(JAG\) FY19 Certification.pdf](#)
[MOU - City and County, Edward Byrne Memorial Justice funding, 07292019.doc](#)

RES-19:113 RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NATIONAL HOUSING TRUST FUND GRANT FOR THE VETERANS VILLAGE PROJECT

Sponsors: Grants

Attachments: [NHTF Veterans Village Agreement.pdf](#)

RES-19:114 RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT FOR THE VETERANS VILLAGE HOUSING PROJECT

Sponsors: Grants

Attachments: [NSP- Agreement080819.pdf](#)

5. Pending Items

6. Other Business

7. Public Comments

8. Adjournment



Legislation Details (With Text)

File #:	MIN-19:076	Version:	1	Name:	MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON JULY 30, 2019
Type:	Minutes	Status:			To Be Introduced
File created:	7/30/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON JULY 30, 2019				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	FINANCE MINUTES 07302019.pdf				

Date	Ver.	Action By	Action	Result
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MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON JULY 30, 2019



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, July 30, 2019

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Councilperson Ann Williams entered the meeting at 4:02 p.m.

Present 5 - Charles Coleman; Ann Williams; John Street; David McClain and LJ Bryant

Absent 1 - Joe Hafner

3. Approval of minutes

[MIN-19:070](#)

MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON JULY 9, 2019

Attachments: [Finance Minutes 07092019.pdf](#)

A motion was made by Councilperson John Street, seconded by Councilperson Charles Coleman, that this matter be Passed . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman; John Street; David McClain and LJ Bryant

Absent: 2 - Ann Williams and Joe Hafner

4. New Business

ORDINANCES TO BE INTRODUCED

[ORD-19:043](#)

AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE THE MAYOR TO ENTER INTO AN AGREEMENT FOR THE ANNUAL RENEWAL OF THE SPRINGBOOK FINANCIAL SOFTWARE FOR THE CITY OF JONESBORO

Attachments: [Jonesboro, AR ROF 20SEP19 - 19SEP20_vSB.pdf](#)

Councilmember Dr. Charles Coleman said, I question the whole book, but that is ok. City Attorney Carol Duncan said, I can tell you that it is the same renewal that we have always done. It is just that this year for some reason, they requested a written contract and in the past, they have never asked for a written contract. That is a little unusual, but it has been a little over ten years that we have been using them. Dr. Coleman asked, have we ever thought about writing our own book? I mean we have got qualified people. I mean I am looking at three. Finance Director Deanna Hornback said, no we

have not. Councilmember LJ Bryant asked, is there any increase in the amount? I couldn't get the attachment to load. Dr. Coleman said, we could probably get more money for somebody if we wrote our own. Ms. Hornback said, it was budgeted for the increase for this year.

A motion was made by Councilperson John Street, seconded by Councilperson Charles Coleman, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;John Street and LJ Bryant

Absent: 1 - Joe Hafner

RESOLUTIONS TO BE INTRODUCED

[RES-19:096](#)

A RESOLUTION TO CONTRACT WITH ACADEMY SPORTS AND OUTDOORS FOR SPONSORSHIP OF ONE SOCCER FIELD, ONE BASEBALL FIELD AND ONE CONCESSION STAND SIGN AT JOE MACK CAMPBELL SPORTS COMPLEX

Attachments: [Academy Contract for Sponsorship, May 2019.pdf](#)

A motion was made by Councilperson Charles Coleman, seconded by Councilperson John Street, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;John Street and LJ Bryant

Absent: 1 - Joe Hafner

[RES-19:097](#)

A RESOLUTION TO CONTRACT WITH SHADRACHS COFFEE FOR SPONSORSHIP OF ONE ATHLETIC FIELD SIGN AT THE SOUTHSIDE SPORTS COMPLEX

Attachments: [Shadrachs Contract for Sponsorship, July 2019.pdf](#)

A motion was made by Councilperson John Street, seconded by Councilperson Charles Coleman, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;John Street and LJ Bryant

Absent: 1 - Joe Hafner

5. Pending Items

6. Other Business

7. Public Comments

8. Adjournment

A motion was made by Councilperson LJ Bryant, seconded by Councilperson John Street, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman; Ann Williams; John Street and LJ Bryant

Absent: 1 - Joe Hafner



Legislation Details (With Text)

File #:	ORD-19:047	Version:	1	Name:	AGREEMENT FOR THE RENEWAL OF THE ROUTEMATCH SOFTWARE FOR JET BUS SERVICES IN THE CITY OF JONESBORO
Type:	Ordinance	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE THE MAYOR TO ENTER INTO AN AGREEMENT FOR THE RENEWAL OF THE ROUTEMATCH SOFTWARE FOR JET BUS SERVICES IN THE CITY OF JONESBORO				
Sponsors:	JETS				
Indexes:	Contract				
Code sections:					
Attachments:	Routematch Order form, JET.pdf				

Date	Ver.	Action By	Action	Result
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AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE THE MAYOR TO ENTER INTO AN AGREEMENT FOR THE RENEWAL OF THE ROUTEMATCH SOFTWARE FOR JET BUS SERVICES IN THE CITY OF JONESBORO

BE IT ORDAINED by the City Council for the City of Jonesboro, Arkansas that:

SECTION ONE: That the JET Bus Systems of the City of Jonesboro, Arkansas needs to renew their services agreement with Routematch who is the current provider of software and cloud hosting for the bus routes of the JET system in the City of Jonesboro.

SECTION TWO: That the renewal amount is \$13,500 for the first year and \$12,000 for each subsequent year of the agreement. All other details of the agreement, including the scope of services to be provided, are set out in the attachment.

SECTION THREE: That the City Council in accord with the terms of A.C.A. Section 14-58-303 states that bidding in this matter is not practical and would lead to an interruption in services and a much greater expense to the City to transfer everything to a new software provider and hereby waives the requirement of competitive bidding.



ORDER FORM

Software Licenses			
Product	Quantity	Invoiced	Fees
Cloud Hosting - User Licensing	10	Under See Section 2(a) Below	\$12,000
Subtotal			\$12,000
Professional Services			
Product	Hours	Invoiced	Fees
Cloud Transition Services	10	Under See Section 2(a) Below	\$1,500
Subtotal			\$1,500
First Year Total			\$13,500
Ongoing Fees (beginning year 2)			
Cloud Hosting - User Licensing	3 Users	Under See Section 2(b) Below	\$12,000
Ongoing Total			\$12,000
Routematch Software, Inc.		Jonesboro Economical Transportation System	
Signature:		Signature:	
Name:		Name:	

Terms and Conditions.

1. Integration. This Order Form is entered into on _____, 2019 (“**Effective Date**”) and is expressly incorporated into and governed by terms of the Software License and Services Agreement between Jonesboro Economical Transportation System (“**Client**”) and Routematch Software, Inc. (“**Company**”) dated October 20, 2011, and any and all prior amendments, change orders or addendums thereto (“**Agreement**”). In the event of any conflict between the terms of this Order Form, any Client purchase order, and the Agreement, the terms of this Order Form shall prevail.

2. Invoicing. (a) Fifty percent shall be invoiced upon execution, and fifty percent shall be invoiced upon completion, defined as when, as applicable: (i) completion of all professional and installation services; (ii) delivery of hardware; (iii) access to and activation of the software, including but not limited to delivery of license keys, and/or access to the software in the Client’s own environment or the Company provided hosted environment; (b) 1. Annually, sixty days in advance; 2. Ongoing Fees shall be invoiced on the Client’s existing annual renewal date for such items, with such amounts pro-rated for that first year’s invoice.

3. Fees and Payment. Company shall send all invoices and correspondence respecting payment for this Order Form to (please type name and email): _____. Are annual purchase orders required by Client for Ongoing Fees or applicable renewals? Yes___No___. First year and Ongoing totals represent only the products and services purchased above. Any future orders may affect the First Year or Ongoing Totals. Fees may increase annually after the first year of the Term no more than 10%. Pricing is valid for 90 days. Payment terms are net 30 days from date of invoice. When applicable, Company may seek to enforce all rights and remedies under Client’s state-specific Prompt Payment statutes for overdue or outstanding invoices.

3. Modifications. The deliverables are subject to modifications, enhancements, additions and subtractions of functionalities, features and display form and formats, from time to time (“**Modifications**”) at Company’s sole discretion. Such Modifications shall not materially diminish the functionality of the Deliverables provided, and the Deliverables shall continue to perform according to the description of the Deliverables agreed to in a Request for Proposal in all material aspects.

4. Professional Services. The professional services provided by Company detailed herein shall be performed: (a) in a diligent, professional and workmanlike manner in accordance with best applicable industry practices; (b) in accordance with this Order Form; (c) by experienced and qualified personnel with the proper expertise, skills, training; and (d) in accordance with all applicable laws and regulations. No duties or responsibilities are assumed by Company other than those specifically set forth in this Order Form.

5. Confidentiality. To the greatest extent possible under applicable state law, Client shall treat the pricing information contained in this Order Form as confidential and protect it from release to the public.

HOSTING SERVICES TERMS AND CONDITIONS

Amazon Web Services Terms. Client’s use of the Amazon Web Services cloud hosting service is subject to the applicable product-specific terms and conditions provided by Amazon Web Services, Inc. at <https://aws.amazon.com/service-terms/>, as may be modified by Amazon from time to time.



Legislation Details (With Text)

File #:	RES-19:107	Version:	1	Name:	PURCHASE PROPERTY LOCATED AT 104 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 104 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO				
Sponsors:	Grants				
Indexes:	Property purchase - real				
Code sections:					
Attachments:	104 N Allis Appraisal.pdf 104 N. Allis Offer-Signed.jpg				

Date	Ver.	Action By	Action	Result
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RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 104 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

WHEREAS, the City of Jonesboro, Arkansas desires to purchase the property located at 104 N. Allis, Jonesboro, Arkansas for the purpose of the Veterans Village; and,

WHEREAS, an offer has been made and accepted by James Hunt Jr dated October 8, 2018 agreeing to sell their property located at 104 N. Allis, Jonesboro, Arkansas; and,

WHEREAS, the funding of this purchase of this property shall come from the ADFA grant funds.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all necessary to complete this transaction to come from the ADFA grant funds.



APPRAISAL OF REAL PROPERTY

LOCATED AT:

104 N Allis St
PT Lot 2 Block 1 Stephensons Addition City of Jonesboro
Jonesboro, AR 72401

FOR:

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

AS OF:

07/16/2018

BY:

Preston King

Bob Gibson and Associates Inc.
P O Box 3071
420 W Jefferson, Suite A
Jonesboro, AR 72401

July 23, 2018

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

Re: Property: 104 N Allis St
Jonesboro, AR 72401
Client: City of Jonesboro (CLIENT)
File No.:

Pursuant to your request, I have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows. To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties. This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached. The person (s) signing this report have the knowledge and experience to complete this assignment competently. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.


Preston King



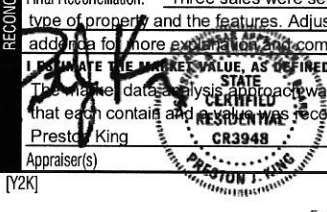
SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	104 N Allis St
	Legal Description	PT Lot 2 Block 1 Stephensons Addition City of Jonesboro
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Owner	
	Lender	City of Jonesboro
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	NA
	Price per Square Foot	\$ NA
	Location	Residential/Avg.
	Age	NA
	Condition	NA
	Total Rooms	NA
	Bedrooms	NA
	Baths	NA
APPRAISER	Appraiser	Preston King
	Date of Appraised Value	07/16/2018
VALUE	Final Estimate of Value	\$ 5,000

LAND APPRAISAL REPORT

Page #4

File No.

IDENTIFICATION	Borrower <u>City of Jonesboro (CLIENT)</u>		Census Tract <u>0006.02</u> Map Reference <u>27860</u>																																																																																													
	Property Address <u>104 N Allis St</u>																																																																																															
	City <u>Jonesboro</u>	County <u>Craighead</u>	State <u>AR</u>	Zip Code <u>72401</u>																																																																																												
	Legal Description <u>PT Lot 2 Block 1 Stephensons Addition City of Jonesboro</u>																																																																																															
NEIGHBORHOOD	Sale Price \$ <u>N/A</u>		Date of Sale <u>N/A</u>	Loan Term <u>N/A</u> yrs.																																																																																												
	Actual Real Estate Taxes \$ <u>42</u> (yr)		Loan charges to be paid by seller \$ <u>N/A</u>																																																																																													
	Lender/Client <u>City of Jonesboro</u>		Address <u>300 S Church St, Jonesboro, AR 72401</u>																																																																																													
	Occupant <u>Vacant Land</u>		Appraiser <u>Preston King</u>																																																																																													
	Instructions to Appraiser <u>Appraise to determine fair market value.</u>																																																																																															
	<table border="0" style="width:100%;"> <tr> <td>Location</td> <td><input checked="" type="checkbox"/> Urban</td> <td><input type="checkbox"/> Suburban</td> <td><input type="checkbox"/> Rural</td> <td>Good</td> <td>Avg.</td> <td>Fair</td> <td>Poor</td> </tr> <tr> <td>Built Up</td> <td><input checked="" type="checkbox"/> Over 75%</td> <td><input type="checkbox"/> 25% to 75%</td> <td><input type="checkbox"/> Under 25%</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Growth Rate</td> <td><input type="checkbox"/> Fully Dev.</td> <td><input type="checkbox"/> Rapid</td> <td><input checked="" type="checkbox"/> Steady</td> <td><input type="checkbox"/> Slow</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Property Values</td> <td><input type="checkbox"/> Increasing</td> <td><input checked="" type="checkbox"/> Stable</td> <td><input type="checkbox"/> Declining</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Demand/Supply</td> <td><input type="checkbox"/> Shortage</td> <td><input checked="" type="checkbox"/> In Balance</td> <td><input type="checkbox"/> Oversupply</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Marketing Time</td> <td><input type="checkbox"/> Under 3 Mos.</td> <td><input checked="" type="checkbox"/> 4-6 Mos.</td> <td><input type="checkbox"/> Over 6 Mos.</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Present Land Use</td> <td><u>50% 1 Family</u></td> <td><u>10% 2-4 Family</u></td> <td><u>10% Apts.</u></td> <td><u>% Condo</u></td> <td><u>15% Commercial</u></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Change in Present Land Use</td> <td><input checked="" type="checkbox"/> Not Likely</td> <td><input type="checkbox"/> Likely (*)</td> <td colspan="2"><input type="checkbox"/> Taking Place (*)</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Predominant Occupancy</td> <td><input checked="" type="checkbox"/> Owner</td> <td><input type="checkbox"/> Tenant</td> <td colspan="2"><u>5 % Vacant</u></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Single Family Price Range</td> <td colspan="2"><u>\$ 2,000</u> to <u>\$ 150,000</u></td> <td colspan="2">Predominant Value <u>\$ 50,000</u></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Single Family Age</td> <td colspan="2"><u>0</u> yrs. to <u>100+</u> yrs.</td> <td colspan="2">Predominant Age <u>50</u> yrs.</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>				Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Good	Avg.	Fair	Poor	Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	<input type="checkbox"/> Slow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Present Land Use	<u>50% 1 Family</u>	<u>10% 2-4 Family</u>	<u>10% Apts.</u>	<u>% Condo</u>	<u>15% Commercial</u>	<input type="checkbox"/>	<input type="checkbox"/>	Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u>5 % Vacant</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Single Family Price Range	<u>\$ 2,000</u> to <u>\$ 150,000</u>		Predominant Value <u>\$ 50,000</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Single Family Age	<u>0</u> yrs. to <u>100+</u> yrs.		Predominant Age <u>50</u> yrs.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Employment Stability <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Employment <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Shopping <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Schools <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Public Transportation <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Recreational Facilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Property Compatibility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Protection from Detrimental Conditions <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Police and Fire Protection <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> General Appearance of Properties <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Appeal to Market <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>			
	Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Good	Avg.	Fair	Poor																																																																																								
	Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																								
	Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	<input type="checkbox"/> Slow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																								
	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																								
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Present Land Use	<u>50% 1 Family</u>	<u>10% 2-4 Family</u>	<u>10% Apts.</u>	<u>% Condo</u>	<u>15% Commercial</u>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u>5 % Vacant</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Single Family Price Range	<u>\$ 2,000</u> to <u>\$ 150,000</u>		Predominant Value <u>\$ 50,000</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Single Family Age	<u>0</u> yrs. to <u>100+</u> yrs.		Predominant Age <u>50</u> yrs.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																																																									
Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): <u>Subject is bound to the North by Johnson Ave., to the South by Washington Ave., to the East by Marion Berry Parkway, and to the West by Main St. The subject is located in the city limits of Jonesboro. It is located in a residential type area that has a mixture of single & multi family units as well as commercial & industrial. The neighborhood has older improvements and has been developed for many years. Marketability appears average to fair.</u>																																																																																																
SITE	Dimensions <u>See survey attached</u> = <u>9,591</u> Sq. Ft. or Acres <input type="checkbox"/> Corner Lot																																																																																															
	Zoning classification <u>L-1</u>																																																																																															
	Highest and best use <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other (specify) _____																																																																																															
	Present Improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations																																																																																															
	<table border="0" style="width:100%;"> <tr> <td rowspan="5" style="width:20px; text-align: center; vertical-align: middle;">Public</td> <td colspan="2">Other (Describe)</td> <td colspan="2">OFF SITE IMPROVEMENTS</td> <td colspan="2">Topo <u>Flat</u></td> </tr> <tr> <td colspan="2">Elec. <input checked="" type="checkbox"/> Public</td> <td colspan="2">Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private</td> <td colspan="2">Size <u>9,591 +/- sf</u></td> </tr> <tr> <td colspan="2">Gas <input checked="" type="checkbox"/> Public</td> <td colspan="2">Surface <u>Asphalt</u></td> <td colspan="2">Shape <u>Rectangular</u></td> </tr> <tr> <td colspan="2">Water <input checked="" type="checkbox"/> Public</td> <td colspan="2">Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private</td> <td colspan="2">View <u>Residential</u></td> </tr> <tr> <td colspan="2">San. Sewer <input checked="" type="checkbox"/> Public</td> <td colspan="2"><input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter</td> <td colspan="2">Drainage <u>Appears Adequate</u></td> </tr> <tr> <td colspan="2"></td> <td colspan="2"><input checked="" type="checkbox"/> Underground Elect. & Tel.</td> <td colspan="2"><input checked="" type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights</td> <td colspan="2">Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes</td> </tr> </table>				Public	Other (Describe)		OFF SITE IMPROVEMENTS		Topo <u>Flat</u>		Elec. <input checked="" type="checkbox"/> Public		Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private		Size <u>9,591 +/- sf</u>		Gas <input checked="" type="checkbox"/> Public		Surface <u>Asphalt</u>		Shape <u>Rectangular</u>		Water <input checked="" type="checkbox"/> Public		Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private		View <u>Residential</u>		San. Sewer <input checked="" type="checkbox"/> Public		<input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter		Drainage <u>Appears Adequate</u>				<input checked="" type="checkbox"/> Underground Elect. & Tel.		<input checked="" type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights		Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes																																																						
	Public	Other (Describe)		OFF SITE IMPROVEMENTS		Topo <u>Flat</u>																																																																																										
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		<input checked="" type="checkbox"/> Underground Elect. & Tel.		<input checked="" type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights		Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes																																																																																										
Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): <u>No apparent adverse easements or encroachments noted during the physical inspection.</u>																																																																																																
MARKET DATA ANALYSIS	The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.																																																																																															
	ITEM		SUBJECT PROPERTY		COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3																																																																																							
	Address <u>104 N Allis St</u>		<u>Jonesboro, AR 72401</u>		<u>316 N. Rogers</u>		<u>206 Miller St</u>		<u>322 N. Second</u>																																																																																							
					<u>Jonesboro, AR 72401</u>		<u>Jonesboro, AR 72401</u>		<u>Jonesboro, AR 72401</u>																																																																																							
	Proximity to Subject				<u>0.48 miles NE</u>		<u>0.29 miles NW</u>		<u>0.60 miles NW</u>																																																																																							
	Sales Price		\$ <u>N/A</u>		\$ <u>5,500</u>		\$ <u>5,000</u>		\$ <u>5,000</u>																																																																																							
	Price Sq.Ft.		\$ <u>0</u>		\$ <u>0.32</u>		\$ <u>0.71</u>		\$ <u>0.71</u>																																																																																							
	Data Source		<u>Inspection/Tax Rec</u>		<u>Parcel #01-144172-10300</u>		<u>Parcel #01-144181-60500</u>		<u>Parcel #01-144182-14200</u>																																																																																							
	Date of Sale and Time Adjustment		DESCRIPTION		DESCRIPTION		DESCRIPTION		DESCRIPTION																																																																																							
			<u>N/A</u>		<u>08/31/2015</u>		<u>04/25/2016</u>		<u>04/26/2016</u>																																																																																							
	Location		<u>Residential/Avg.</u>		<u>Similar</u>		<u>Similar</u>		<u>Similar</u>																																																																																							
	Site/View		<u>9,591 sf</u>		<u>16,988 sf/ Similar</u>		<u>7,000 sf/ Similar</u>		<u>7,000 sf/ Similar</u>																																																																																							
	Sales or Financing Concessions		<u>N/A</u>		<u>None Known</u>		<u>None Known</u>		<u>None Known</u>																																																																																							
Net Adj. (Total)				<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$																																																																																								
Indicated Value of Subject				Net % \$ <u>5,500</u>		Net % \$ <u>5,000</u>		Net % \$ <u>5,000</u>																																																																																								
RECONCILIATION	Comments on Market Data: <u>Vacant land/lot sales were researched in order to find comparable properties that share similar characteristics with the subject. Based on research conducted, the sales selected appear to be the best available sales at this time for comparison with the subject.</u>																																																																																															
	The sales selected share similar characteristics in regard to location, neighborhood characteristics, view, size, among others.																																																																																															
	Comments and Conditions of Appraisal: <u>See addenda for a summary of the subject and explanation of scope of work of assignment.</u>																																																																																															
	Final Reconciliation: <u>Three sales were selected for comparison and for adjustments on the sales grid. The sales selected are the best in regard to type of property and the features. Adjustments were made for the value adding characteristics that were determined from the market. See addenda for more explanation and comments.</u>																																																																																															
	I estimate the market value, as defined, of subject property as of <u>July 16, 2018</u> to be \$ <u>5,000</u>																																																																																															
	The market data analysis approach was conducted based off of similar land/lot sales as the subject. Adjustments were made for characteristics that each contain and were reconciled from these values.																																																																																															
	Appraiser(s) <u>Preston King</u>  <input type="checkbox"/> Did <input type="checkbox"/> Did Not Physically Inspect Property																																																																																															
	Review Appraiser (if applicable) _____																																																																																															

[Y2K]

Bob Gibson Appraisal Service

Form LND — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

Supplemental Addendum

File No.

Owner				
Property Address	104 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Lender	City of Jonesboro			

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client with a determination of market value and for this reason only. No other use or client is identified. If this report is placed in the hands of anyone other than the client, the client shall make such third party aware of all the assumptions and limiting conditions of the assignment. The scope of this appraisal consisted of an observation of subject site from public street. Pictures of the site and street were taken and can be found in this report. The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. An opinion of value was then rendered based on the data available. This report is an appraisal and not an environmental inspection.

I have not checked the land records for recorded easements & did not note any apparent adverse easements or encroachments. Any easements, encroachments, restrictions, covenants, etc uncovered through a title search, legal opinion, or property survey should be submitted to the appraiser for consideration. The appraiser reserves the right to analyze all such information and amend the appraised value, if necessary.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Digital Images:

Digitized images, such as photographs, maps, exhibits, etc., contained in this report, are unaltered from their original likeness. Digital images, however, may have been modified for formatting, brightness, or resolution. These modifications are made only to reduce file size or enhance readability and do not manipulate the original likeness.

Summary of Subject Property:

The subject property is a 9,591 +/- sf or 0.22 +/- acre vacant lot that is located in the city limits of Jonesboro. The property is located in an area that has a mixture of residential, commercial & industrial uses. The subject is currently zoned I-1, but the immediate block has residential improvements. The subject can be accessed from Allis St. as well as Aggie Rd. It lies at the corner of these two city maintained roadways. The marketability of the subject is fair based on the industrial type views and railroad tracks that are in close proximity. The shape of the subject is rectangular and appears adequate sized for future development. The topography of the land is relatively flat with a gentle slope. It appears the drainage is adequate. It is assumed that most public utilities can be accessed at the subject site. The subject can be compared to similar type lots in the market area that share neighborhood characteristics, size, amenities, views, marketability and access, among others. The best lots sales available were used and were placed in the grid in the form.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 104 N Allis St, Jonesboro, AR 72401

APPRAISER

Signature: [Signature]
 Name: Preston King
 Date Signed: 07/20/2018
 State Certification #: CR3948
 or State License #: _____
 State: AR
 Expiration Date of Certification or License: 06/30/2019



SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Owner _____		File No. _____	
Property Address 104 N Allis St			
City Jonesboro	County Craighead	State AR	Zip Code 72401
Lender City of Jonesboro			

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

☐ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

☒ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)
My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 4-6 Months

Comments on Appraisal and Report Identification
Note any USPAP-related issues requiring disclosure and any state mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years. The appraisal is made restricted to the stated client's use only and no other user is identified. The use of the appraisal is for a fair market value opinion and for no other reason or purpose.

APPRAISER: <div style="text-align: center;">   </div> <p>Signature: _____ Name: <u>Preston King</u> Certified Residential State Certification #: <u>CR3948</u> or State License #: _____ State: <u>AR</u> Expiration Date of Certification or License: <u>06/30/2019</u> Date of Signature and Report: <u>07/20/2018</u> Effective Date of Appraisal: <u>07/16/2018</u> Inspection of Subject: <input type="checkbox"/> None <input type="checkbox"/> Interior and Exterior <input checked="" type="checkbox"/> Exterior-Only Date of Inspection (if applicable): <u>07/16/2018</u></p>	SUPERVISORY or CO-APPRAISER (if applicable): <p>Signature: _____ Name: _____ State Certification #: _____ or State License #: _____ State: _____ Expiration Date of Certification or License: _____ Date of Signature: _____ Inspection of Subject: <input type="checkbox"/> None <input type="checkbox"/> Interior and Exterior <input type="checkbox"/> Exterior-Only Date of Inspection (if applicable): _____</p>
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PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

Please feel free to call us at any time if you have any questions about the confidentiality of the information that you provide to us.

Photograph Addendum

Owner				
Property Address	104 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Lender	City of Jonesboro			

**Subject Site****Street View****Subject Site**

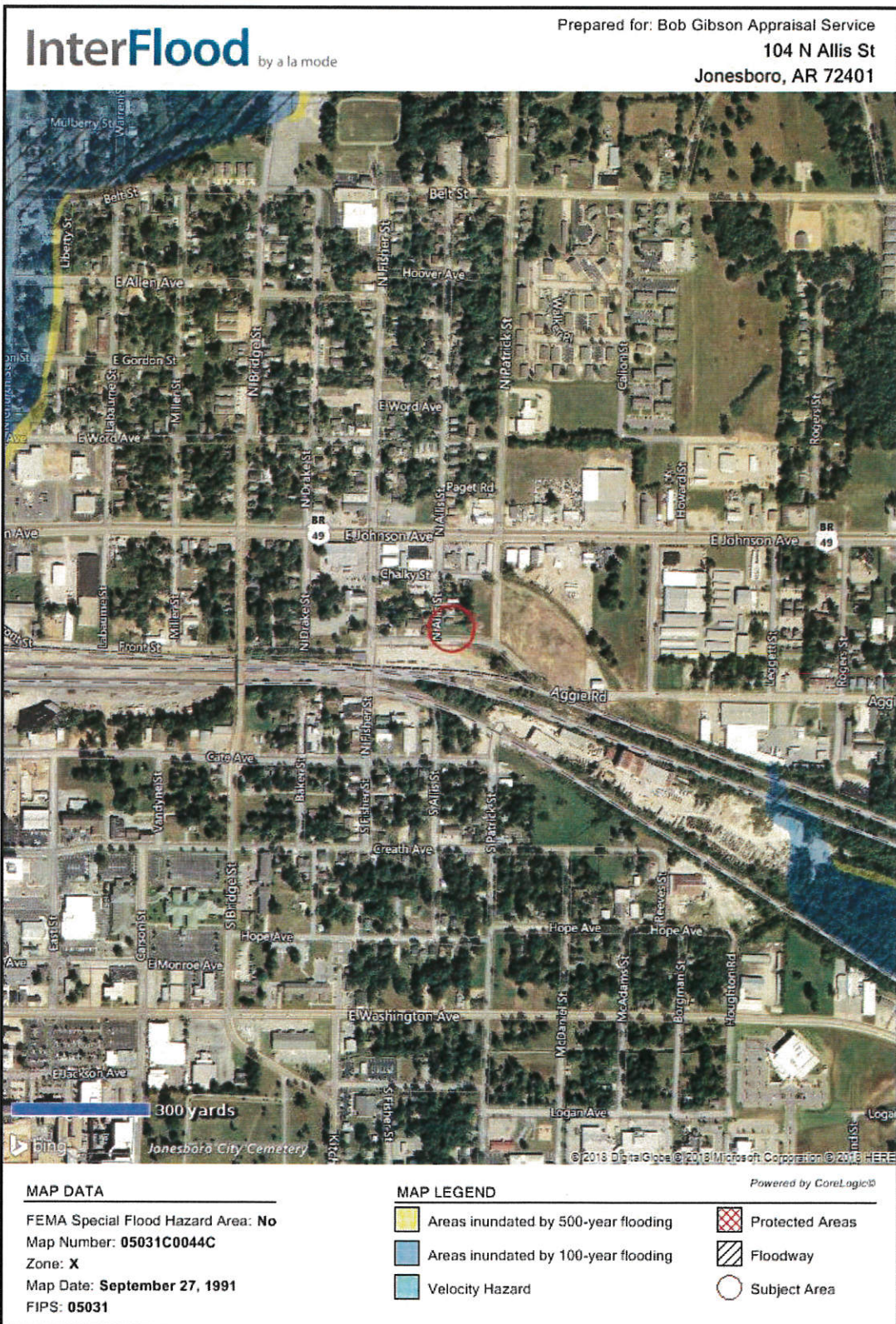
Comparable Sales Map

Owner				
Property Address	104 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Lender	City of Jonesboro			



Flood Map

Owner				
Property Address	104 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Lender	City of Jonesboro			



Location Map

Owner				
Property Address	104 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Lender	City of Jonesboro			



Parcel Card - Page 1

7/22/2018		ARCountyData.Com - Parcel Detail Report		Created: 7/22/2018 8:04:50 PM			
Parcel Detail Report							
Basic Information							
Parcel Number:	01-144181-36700						
County Name:	Craighead County						
Mailing Address:	HUNT JAMES DOYLE JR ETAL PO BOX 17054 JONESBORO AR 72043						
Property Address:	HUNT JAMES DOYLE JR ETAL JONESBORO, AR						
Billing Address :	HUNT JAMES DOYLE JR ETAL PO BOX 17054 JONESBORO, AR 72043						
Total Acres:	0.00						
Timber Acres:	0.00						
Sec-Twp-Rng:	18-14-04						
Lot/Block:	PT 2/1						
Subdivision:	STEPHENSONS ADD						
Legal Description:	STEPHENSONS ADD W1/2 LOT 2						
School District:	J.B. JONESBORO CITY						
Homeslead Parcel?:	No						
Tax Status:	Taxable						
Over 65?:	No						
Land Information							
Land Type	Quantity	Front Width	Rear Width	Depth 1	Depth 2	Quarter	
RESHS	1 lots (7,350 sqft)	150	150	49	49		
Valuation Information							
Entry			Appraised			Assessed	
Land:			5,000			1,000	
Improvements:			0			0	
Total Value:			5,000			1,000	
Taxable Value:						1,000	
Millage:						0.0422	
Estimated Taxes:						\$42.20	
Assessment Year:						2017	
Tax Information							
Year	Book		Tax Owed		Tax Paid	Balance	
2016	Delinquent		\$42.20		-\$42.20	\$0.00	
Receipts							
Receipt #	Book	Tax Year	Receipt Date	Cash Amt	Check Amt	Credit Amt	Total
1003573	Delinquent	0	5/3/2018	\$0.00	\$861.53	\$0.00	\$861.53
https://www.arcountydata.com/parcel.asp?item=6E2796&parceldetail=ncorlat&CountyCode=CRATAX							

1/2

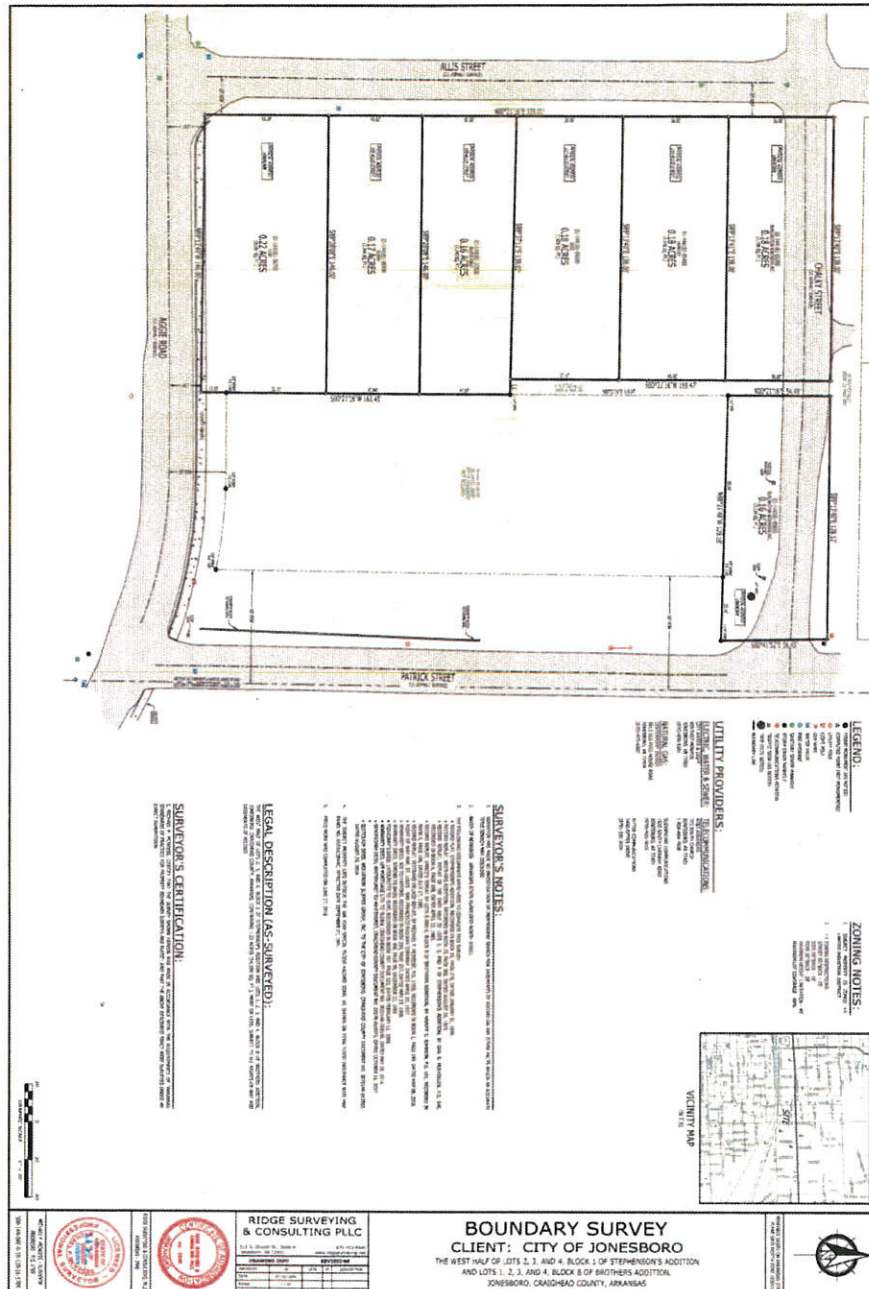
Parcel Card - Page 2

7/22/2018		ARCountyData.Com - Parcel Detail Report				
Sales History						
Date	Price	Grantor	Grantee	Book	Page	Deed Type
2/11/2008		O LATOURETTE	HUNT JR ETAL	767	323	FD(FIDUCIARY'S DEED)

<https://www.arcountydata.com/parcel.asp?Item=6E2795&parceldetail=no&serial&CountyCode=CRATA&X>

2/2

Survey



Preston King Qualifications**QUALIFICATIONS OF
PRESTON J. KING****POSITION:**

State Certified Residential Appraiser, CR 3948
Bob Gibson & Associates
420 W. Jefferson Ave., Jonesboro, AR 72401
W: (870) 932-5206
C: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

 A handwritten signature in dark ink, appearing to read "Dennis M. Allen", is written over a horizontal line.

Chairman, AAL & CB

Preston King Certification

**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD****This is to certify that
Preston King****License #: CR 3948****has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.
This card is for identification purposes only.**

6/30/2019

A handwritten signature in cursive script, reading "Shannon Mueller".

Expiration Date_____
Chairman

**REAL ESTATE CONTRACT FOR CITY OF JONESBORO
OFFER AND ACCEPTANCE**

1. **BUYERS:** The Buyers, **CITY OF JONESBORO, A MUNICIPAL CORPORATION** offer to buy, subject to the terms set forth herein, the following

2. **PROPERTY DESCRIPTION:**

*A PART OF LOT 2 BLOCK 1 OF STEPHENSONS ADDITION TO THE CITY OF JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, CONTAINING IN ALL 9,951 SQ. FT. OR 0.22 ACRES, MORE OR LESS.
SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.*

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, the sum of five thousand five hundred dollars (\$5,500).

4. **CONVEYANCE:** Conveyance shall be made to Buyers or as directed by Buyers, by Dedication Deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property. Unless expressly reserved herein, such conveyance shall include mineral rights owned by Seller.

5. **PRO-RATIONS:** Taxes and special assessments, and allowable expenses due on or before closing shall be paid at closing from the proceeds of the sale.

6. **CLOSING:** The closing date will be immediate upon receipt of purchase price.

7. **POSSESSION:** Possession shall be delivered to Buyers: Upon Buyers Closing

8. **CONTINGENCY:** Purchase is contingent upon Buyer receiving grant funding for property acquisition.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH BUYER AND SELLER.

BUYER

SELLER

CITY OF JONESBORO
CRAIGHEAD COUNTY, AR

Name: _____

Name: JUANITA LATOURETTE ESTATE

Title: Mayor

Date: _____

ATTEST

City Clerk

Date: 10-8-18

Name: James H. Smith

Date: 10-8-18



Legislation Details (With Text)

File #:	RES-19:108	Version:	1	Name:	PURCHASE PROPERTY LOCATED AT 106 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 106 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO				
Sponsors:	Grants				
Indexes:	Property purchase - real				
Code sections:					
Attachments:	106 N Allis appraisal.pdf 106 N Allis Purchase Agreement.pdf ADFA Agreement, 106 N. Allis.pdf				

Date	Ver.	Action By	Action	Result
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RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 106 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

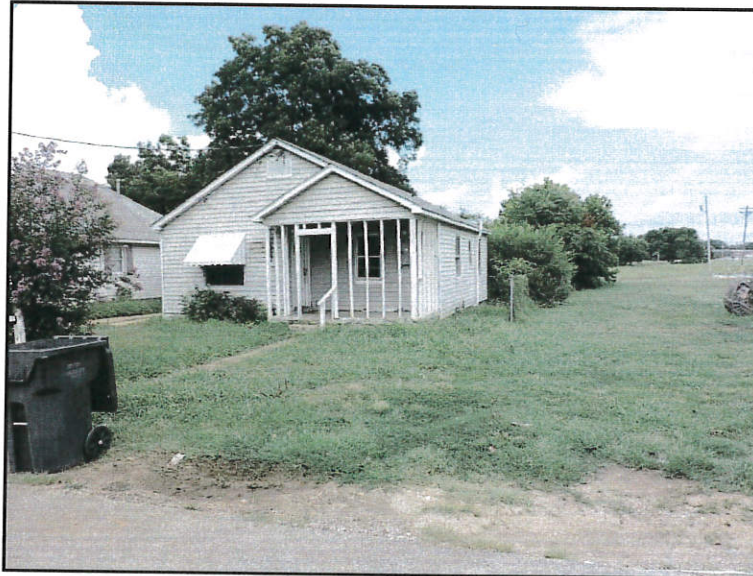
WHEREAS, the City of Jonesboro, Arkansas desires to purchase the property located at 106 N. Allis, Jonesboro, Arkansas for the purpose of the Veterans Village; and

WHEREAS, an offer has been made and accepted by Charles Lance Sloan dated May 21, 2019 agreeing to sell his property located at 106 N. Allis, Jonesboro, Arkansas ; and

WHEREAS, the funding of this purchase of this property shall come from the NSP grant funds.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all necessary to complete this transaction to come from the NSP grant funds.



APPRAISAL OF REAL PROPERTY

LOCATED AT:

106 N Allis St
PT of Lots 3-4 Block 1 Stephensons Addition
Jonesboro, AR 72401

FOR:

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

AS OF:

07/16/2018

BY:

Preston King

Bob Gibson and Associates Inc.
P O Box 3071
420 W Jefferson, Suite A
Jonesboro, AR 72401

July 23, 2018

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

Re: Property: 106 N Allis St
Jonesboro, AR 72401
Client: City of Jonesboro (CLIENT)

Pursuant to your request, I have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows. To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties. This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached. The person signing this report has the knowledge and experience to complete this assignment competently. Please do not hesitate to contact me or any of our staff if we can be of additional service to you.

Sincerely,

Preston King



SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	106 N Allis St
	Legal Description	PT of Lots 3-4 Block 1 Stephensons Addition
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
SALES PRICE	Sale Price	\$ 0
	Date of Sale	N/A
CLIENT	Client	City of Jonesboro
	Owner	Lance Sloan
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,119
	Price per Square Foot	\$
	Location	Residential
	Age	~68
	Condition	Below Avg.
	Total Rooms	5
	Bedrooms	2
	Baths	1.0
APPRAISER	Appraiser	Preston King
	Date of Appraised Value	07/16/2018
VALUE	Final Estimate of Value	\$ 26,000

Exterior-Only Inspection Residential Appraisal Report

File #

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	106 N Allis St	City	Jonesboro	State	AR	Zip Code	72401
Borrower	City of Jonesboro (CLIENT)	Owner of Public Record	Lance Sloan	County	Craighead		
Legal Description	PT of Lots 3-4 Block 1 Stephensons Addition						
Assessor's Parcel #	01-144181-36900	Tax Year	2017	R.E. Taxes \$	268		
Neighborhood Name	Jonesboro City	Map Reference	27860	Census Tract	0006.02		
Occupant	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$	0	<input type="checkbox"/> PUD	HOA \$	0	<input type="checkbox"/> per year <input type="checkbox"/> per month
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
Assignment Type	<input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) Market Valuation						
Lender/Client	City of Jonesboro	Address	300 S Church St, Jonesboro, AR 72401				
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Report data source(s) used, offering price(s), and date(s). According to the local MLS system, the subject has not been listed for sale within the last twelve months.							

CONTRACT

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ 0 Date of Contract N/A Is the property seller the owner of public record? ☐ Yes ☐ No Data Source(s)

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location	<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	50 %
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	2	Low	Multi-Family	10 %
Neighborhood Boundaries The area is bound to the north by Johnson Ave., to the south by Washington Ave., to the east by Marion Berry and to the west by Main St.		150	High	100+	Commercial	25 %	
Neighborhood Description The subject is located in the city limits of Jonesboro. It is located in a residential type area that has a mixture of single & multi family units as well as commercial & industrial. The neighborhood has older improvements and has been developed for many years.		50	Pred.	50	Other	5 %	

Marketability appears average to fair.

Market Conditions (including support for the above conclusions) Property values are stable in subject neighborhood. Demand/supply is in balance.

Marketing time on average in subject development is estimated at 3-6 months based on this appraiser's research as well as discussions with other real estate professionals in the area. Available financing consists of VA, FHA, and Conventional loans.

SITE

Dimensions See survey attached Area 7,244 sf Shape Rectangular View Residential

Specific Zoning Classification I-1 Zoning Description Industrial

Zoning Compliance ☐ Legal ☒ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/> Public	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/> Public	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley None	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 05031C0044C FEMA Map Date 09/27/1991

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

IMPROVEMENTS

Source(s) Used for Physical Characteristics of Property ☐ Appraisal Files ☒ MLS ☒ Assessment and Tax Records ☐ Prior Inspection ☐ Property Owner

☒ Other (describe) Exterior Inspection Data Source for Gross Living Area www.arcountydata.com

General Description		General Description		Heating/Cooling		Amenities		Car Storage	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	Concrete Slab	<input checked="" type="checkbox"/> Crawl Space	FWA	<input type="checkbox"/> HWBB	Fireplace(s) #	0	None	
# of Stories	1	Full Basement	<input type="checkbox"/> Finished	Radiant	<input type="checkbox"/>	Woodstove(s) #	0	<input checked="" type="checkbox"/> Driveway	# of Cars 1
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Partial Basement	<input type="checkbox"/> Finished	Other	<input type="checkbox"/>	Patio/Deck	None	Driveway Surface	Concrete
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls	Wood Siding	Fuel	Gas	<input checked="" type="checkbox"/> Porch Porches	Pool	None	Garage	# of Cars 0
Design (Style)	Ranch	Roof Surface	Comp Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/>	Carpport	# of Cars 0	Attached	<input type="checkbox"/> Detached
Year Built	~1950	Gutters & Downspouts	None	Individual	<input type="checkbox"/>	Fence Chainlink	<input checked="" type="checkbox"/>	Built-in	
Effective Age (Yrs)	40	Window Type	Wood/Alum.	Other	<input type="checkbox"/>				
Appliances	<input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)								
Finished area above grade contains:		5 Rooms	2 Bedrooms	1.0 Bath(s)	1,119	Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) No additional features were noted.									

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). From an exterior observation, the subject appeared to be in fair to below average condition. Obvious deferred maintenance was noted from an exterior/drive by observation. Most information was provided by county data information. This report is made based on an extraordinary assumption that the interior of the subject is in similar type condition and quality as the exterior of the property. Any changes or differences could impact the opinion of value and is subject to review by the appraiser.

Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No

If Yes, describe.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe.

Exterior-Only Inspection Residential Appraisal Report

File #

There are N/A comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ N/A to \$ N/A.	
There are N/A comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ N/A to \$ N/A.	
FEATURE	SUBJECT
Address	106 N Allis St Jonesboro, AR 72401
Proximity to Subject	0.46 miles NE
Sale Price	\$ 0
Sale Price/Gross Liv. Area	\$ 23.58 sq.ft.
Data Source(s)	MLS 10070146, DOM = 47
Verification Source(s)	County Data, NEA Comp Service
VALUE ADJUSTMENTS	DESCRIPTION
Sales or Financing	Bank
Concessions	None Known
Date of Sale/Time	07/2017
Location	Residential
Leasehold/Fee Simple	Fee Simple
Site	7,244 sf
View	Residential
Design (Style)	Ranch
Quality of Construction	Fair
Actual Age	~68
Condition	Below Avg.
Above Grade	Total Bdrms. Baths
Room Count	5 2 1.0
Gross Living Area	1,119 sq.ft.
Basement & Finished	0sf
Rooms Below Grade	0
Functional Utility	Average
Heating/Cooling	Central H&A
Energy Efficient Items	Typical
Garage/Carport	None
Porch/Patio/Deck	Porches
Extra	Fence
Net Adjustment (Total)	\$ 2,885
Adjusted Sale Price of Comparables	\$ 27,885
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
Data Source(s) www.arcountydata.com	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.	
Data Source(s) www.arcountydata.com	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).	
ITEM	SUBJECT
Date of Prior Sale/Transfer	
Price of Prior Sale/Transfer	
Data Source(s)	www.arcountydata.com
Effective Date of Data Source(s)	07/22/2018
Analysis of prior sale or transfer history of the subject property and comparable sales The subject has not transferred within the last three years of the effective date. None of the comparable sales have transferred within a year of the sales used.	
Summary of Sales Comparison Approach Three sales were selected for comparison with the subject property. All three sales are considered to be in the subject's market area and if placed on the market at the same time I believe would be competing properties. Adjustments were made for the value adding characteristics. A relatively low amount of adjustments were made overall. The sales chosen are similar to the subject in many ways including size, age/condition, neighborhood characteristics, site value and amenities that they contain. An even amount of weight was determined to be placed on all three sales. After analysis, my opinion of value via the sales Comparison Approach is \$26,000.	
See addenda for additional comments.	
Indicated Value by Sales Comparison Approach \$ 26,000	
Indicated Value by: Sales Comparison Approach \$ 26,000 Cost Approach (if developed) \$ Income Approach (if developed) \$	
The Sales, Income & Cost Approaches were all considered. The Sales Comparison Approach was the only approach conducted and in turn was given the most weight.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. Assumes marketable title and that all equipment is in good working order.	
Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 26,000, as of 07/16/2018, which is the date of inspection and the effective date of this appraisal.	

Exterior-Only Inspection Residential Appraisal Report File

ADDITIONAL COMMENTS	The scope of work includes an identification of the property rights valued (fee simple interest), a definition of the value sought (market value), an opinion of the highest and best use (residential), physical observation of the subject site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The Cost, Sales, and Income Approaches were considered.			
	The first \$350 tax of a homeowner's primary residence has been waived. The tax amount reported in this appraisal is before this credit.			
	Highest and Best Use: The subject site's physical characteristics, such as size, dimensions, topography, and soil composite, is suitable for a single family residential improvement. There is no zoning restrictions on the property which would not hinder a single family residence. There are also no deed restrictions, to appraiser's knowledge, that limits the improvement of the site with a single family residence. The economic trend of the area is clearly single family residences. The effective age of most homes in this area is lower than the actual age, which supports demand for existing housing. Subject is currently improved with a single family detached residence. The improvements make a substantial contribution to the total property in excess of the site. Therefore, the current use (single family residential) represents the highest and best use of the site.			
	Clarification of Environmental Comments & Exhibits: The existence of hazardous substances, including without limitation to asbestos, polychlorinated biphenyls, petroleum leakage, lead based paint, molds, agricultural chemicals, etc, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the site and improvements. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated in this report. The appraiser, however, is not qualified nor licensed to test such substances or conditions. If the presence of such substances or environmental conditions may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover the same.			
	This appraisal is NOT a HOME INSPECTION and the appraiser is NOT ACTING as a HOME INSPECTOR when preparing the report. When performing the inspection of this property, the appraiser visually observed areas that were readily accessible. The appraiser is not required to disturb or move anything that obstructs access or visibility. The inspection is not technically exhaustive. The inspection does not offer warranties or guarantees of any kind.			
	NOTE: The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the subject property's market value for lending origination, existing loan servicing or foreclosure proceedings subject to the stated scope of work and indicated purpose on the order. No additional Intended Users are identified by the appraiser.			
	Extraordinary Assumption - This report is made subject to the extraordinary assumption that the interior of the subject is in similar condition to the exterior upon a drive-by inspection.			
	COST APPROACH TO VALUE (not required by Fannie Mae)			
COST APPROACH	Provide adequate information for the lender/client to replicate the below cost figures and calculations.			
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)		This approach was not deemed applicable.	
	Omitting this approach does not make this report misleading.			
	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE = \$	
	Source of cost data		DWELLING Sq.Ft. @ \$ = \$	
	Quality rating from cost service Effective date of cost data		Sq.Ft. @ \$ = \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)	 = \$	
			Garage/Carport Sq.Ft. @ \$ = \$	
			Total Estimate of Cost-New = \$	
			Less Physical Functional External = \$()	
			Depreciated Cost of Improvements = \$	
			"As-is" Value of Site Improvements = \$	
	Estimated Remaining Economic Life (HUD and VA only) _____ Years		INDICATED VALUE BY COST APPROACH = \$	
	INCOME	INCOME APPROACH TO VALUE (not required by Fannie Mae)		
Estimated Monthly Market Rent \$ _____ X Gross Rent Multiplier _____ = \$ _____		Indicated Value by Income Approach		
Summary of Income Approach (including support for market rent and GRM) This approach was not conducted per engagement and scope of work.				
PUD INFORMATION	PROJECT INFORMATION FOR PUDs (if applicable)			
	Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached			
	Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.			
	Legal Name of Project _____			
	Total number of phases _____	Total number of units _____	Total number of units sold _____	
	Total number of units rented _____	Total number of units for sale _____	Data source(s) _____	
	Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion _____			
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) _____			
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion. _____			
	Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options. _____			
Describe common elements and recreational facilities. _____				

Exterior-Only Inspection Residential Appraisal Report File

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Exterior-Only Inspection Residential Appraisal Report File

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

Exterior-Only Inspection Residential Appraisal Report File

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
 Name Preston King
 Company Name Bob Gibson & Associates
 Company Address 420 West Jefferson, Suite A, Jonesboro, AR
72401
 Telephone Number (870) 932-5206
 Email Address gibsonmj@swbell.net
 Date of Signature and Report 07/23/2018
 Effective Date of Appraisal 07/16/2018
 State Certification # CR 3948
 or State License # _____
 or Other (describe) _____ State # _____
 State AR
 Expiration Date of Certification or License 12/31/2019
 ADDRESS OF PROPERTY APPRAISED
106 N Allis St
Jonesboro, AR 72401

APPRAISED VALUE OF SUBJECT PROPERTY \$ 26,000
 LENDER/CLIENT
 Name Craig Light
 Company Name City of Jonesboro
 Company Address 300 S Church St, Jonesboro, AR 72401
 Email Address CLight@jonesboro.org

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect exterior of subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Supplemental Addendum

File No.

Client	City of Jonesboro				
Property Address	106 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Lance Sloan				

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client in determining fair market value of the subject property. If this report is placed in the hands of anyone other than the client, the client shall make such third party aware of all the assumptions and limiting conditions of the assignment. This report is being restricted to the stated client's use only and for the stated purposes only. No other user is identified and no other use is identified. The scope of this appraisal consisted of an observation of subject site from the public street. **This report is being made based on an extraordinary assumption that the interior of the improvements are in similar type condition as the interior. Any differences that exist from what is observed and assumed are subject to review by the appraiser and the value is subject to change.** Pictures of the exterior of the improvements were taken and can be found in this report. The livable area was derived from www.arcountydata.com which is believed to be a reliable source. The cost approach was not applicable/not completed (explained elsewhere in this report). The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood/subdivision. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. The income approach was not used in this report based on engagement and scope of work agreed on by client and appraiser. The approaches to value used in this report were reconciled and an opinion of value was rendered based on the data available. This report is an appraisal and not an environmental, structural, termite, or building inspection. If the user or client desires such type of reports, they should be ordered from a licensed home inspector or an environmental expert. This appraisal report does not guarantee that the property is free of defects. The appraiser is not a home inspector, termite inspector, or environmental inspector.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Digital Images:

Digitized images, such as photographs, maps, exhibits, etc., contained in this report, are unaltered from their original likeness. Digital images, however, may have been modified for formatting, brightness, or resolution. These modifications are made only to reduce file size or enhance readability and do not manipulate the original likeness.

Comps Over One Mile:

Comparable sales over one mile away were used because they are the best available in this area. Expanding the search to a radius greater than one mile developed sales that are still within the same market. These sales are the best comparables to the subject property and are therefore used in this report.

Comps Over Six Months:

A thorough search for comparable sales was made in this market area. Comparables that sold within six months of the date of appraisal were significantly different in location, size, age, conditions and other value influencing items. In the appraisers judgement, the comparables selected are a better indication of value than most recent sales.

Age Adjustments:

Age adjustments were made based off of the effective age of each property respectively. The effective age takes into consideration the condition of the property as well as the functional utility that remains with each property. A 1% adjustment per effective age difference was made based on the contract price of the sales.

Sales Concessions:

No sales concessions were conducted due to them being a traditional occurrence in this market. Not only are they a normal occurrence, but the lack of disclosures of sales concessions is poor. It is not a requirement in the state of Arkansas to disclose sales concessions and disclosing these sales concessions could result in violations of Arkansas law.

Client	City of Jonesboro	File No.
Property Address	106 N Allis St	
City	Jonesboro	County Craighead State AR Zip Code 72401
Owner	Lance Sloan	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☐ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☒ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)


My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-6 Months

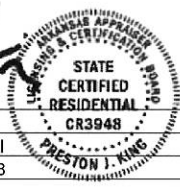
Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years. The appraisal is made restricted to the stated client's use only and no other user is identified. The use of the appraisal is for a fair market value opinion and for no other reason or purpose.

APPRAISER:

Signature: 
 Name: Preston King
 Certified Residential
 State Certification #: CR 3948
 or State License #:
 State: AR Expiration Date of Certification or License: 12/31/2019
 Date of Signature and Report: 07/23/2018
 Effective Date of Appraisal: 07/16/2018
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only
 Date of Inspection (if applicable): 07/16/2018



SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only
 Date of Inspection (if applicable): _____

PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

Please feel free to call us any time if you have any questions about the confidentiality of the information that you provide to us.

Subject Photo Page

Client	City of Jonesboro				
Property Address	106 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Lance Sloan				



Subject Front

106 N Allis St
 Sales Price 0
 Gross Living Area 1,119
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 7,244 sf
 Quality Fair
 Age ~68



Subject Side View



Subject Street

Comparable Photo Page

Client	City of Jonesboro				
Property Address	106 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Lance Sloan				



Comparable 1

321 N Rogers St
 Prox. to Subject 0.46 miles NE
 Sales Price 25,000
 Gross Living Area 1,060
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 8,712 sf
 Quality Similar
 Age ~65



Comparable 2

707 Vine St
 Prox. to Subject 1.26 miles SW
 Sales Price 25,000
 Gross Living Area 1,208
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.0
 Location Residential
 View Residential
 Site 5,663 sf
 Quality Similar
 Age ~58

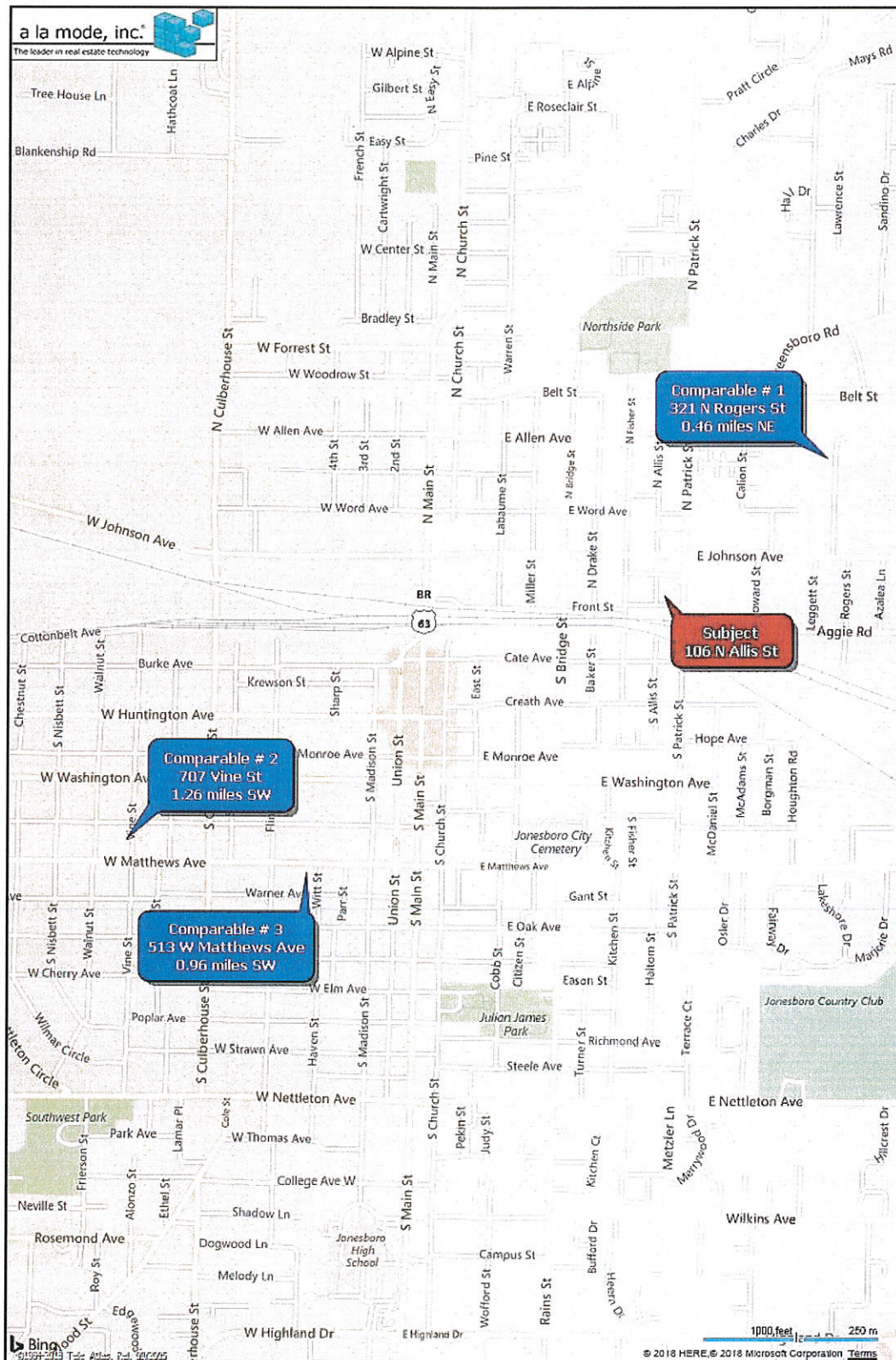


Comparable 3

513 W Matthews Ave
 Prox. to Subject 0.96 miles SW
 Sales Price 30,000
 Gross Living Area 1,132
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 5,227 sf
 Quality Similar
 Age ~65

Comparable Sales Map

Client	City of Jonesboro			
Property Address	106 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Lance Sloan			



Flood Map

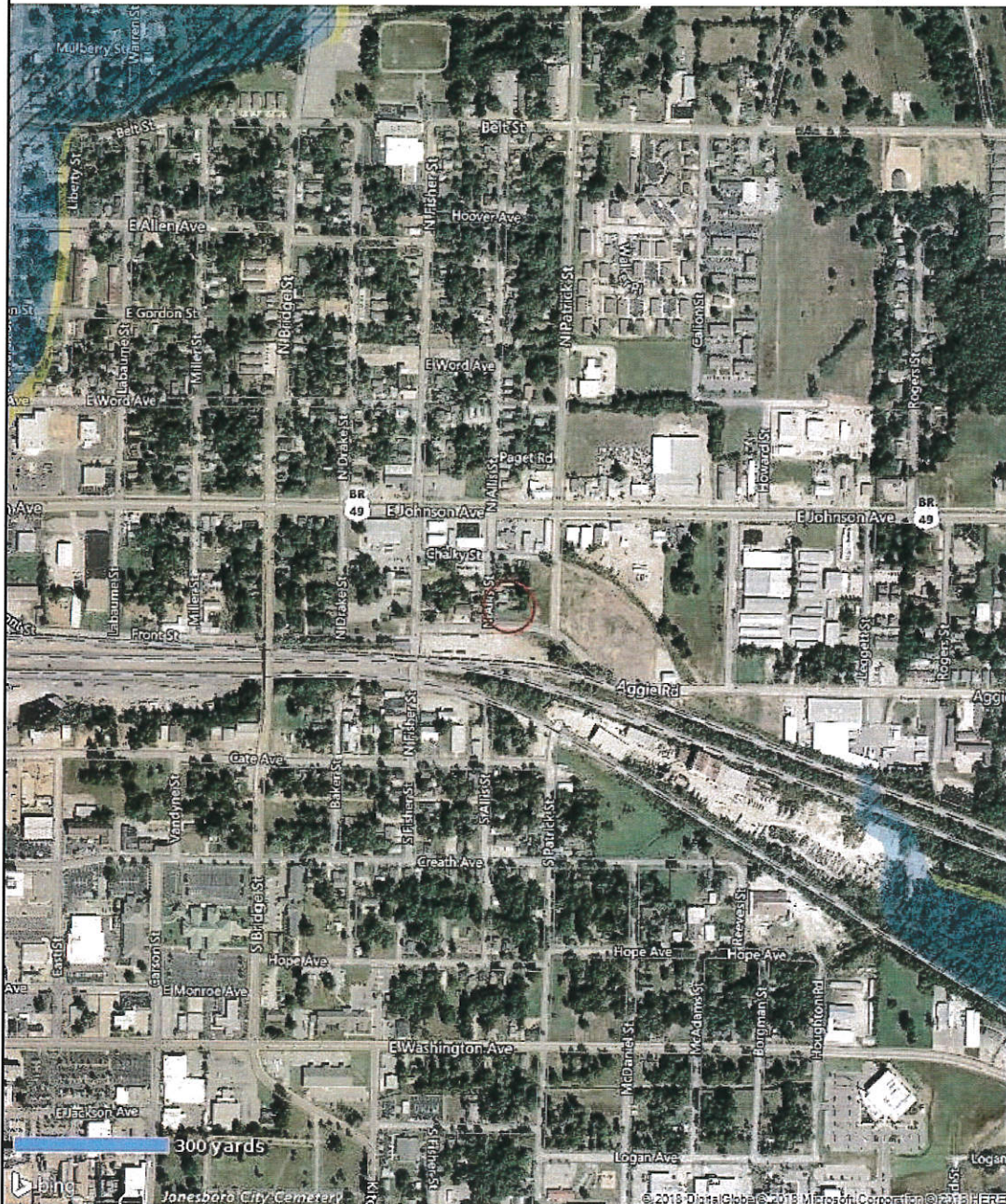
Client	City of Jonesboro			
Property Address	106 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Lance Sloan			

InterFlood by a la mode

Prepared for: Bob Gibson Appraisal Service

106 N Allis St

Jonesboro, AR 72401



MAP DATA

FEMA Special Flood Hazard Area: No
 Map Number: 05031C0044C
 Zone: X
 Map Date: September 27, 1991
 FIPS: 05031

MAP LEGEND

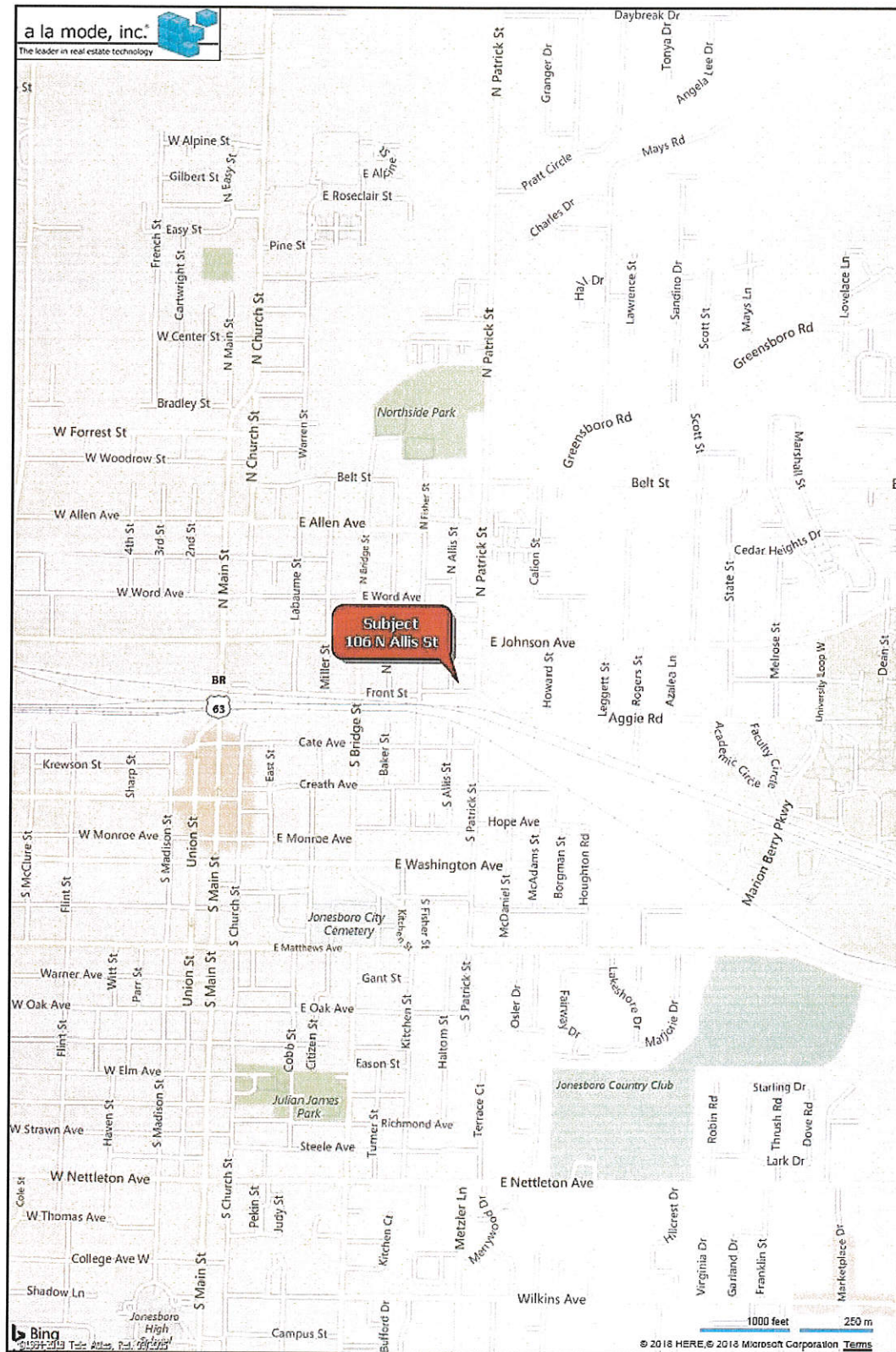
Areas inundated by 500-year flooding
 Areas inundated by 100-year flooding
 Velocity Hazard

Protected Areas
 Floodway
 Subject Area

Powered by CoreLogic

Location Map

Client	City of Jonesboro			
Property Address	106 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Lance Sloan			





Parcel Card - Page 1

7/22/2018		ARCountyData.Com - Parcel Detail Report					Created: 7/22/2018 9:43:24 PM	
Parcel Detail Report								
<p>Basic Information</p> <p>Parcel Number: 01-144181-36900</p> <p>County Name: Craighead County</p> <p>Mailing Address: SLOAN LANCE 2407 SOUTHWIND PARAGOULD AR 72450</p> <p>Property Address: SLOAN LANCE 106 N ALLIS ST JONESBORO, AR 72401</p> <p>Billing Address: SLOAN LANCE 2407 SOUTHWIND PARAGOULD, AR 72450</p> <p>Total Acres: 0.00</p> <p>Timber Acres: 0.00</p> <p>Sec-Twp-Rng: 18-14-04</p> <p>Lot/Block: PT 3-4/1</p> <p>Subdivision: STEPHENSONS ADD</p> <p>Legal Description: STEPHENSONS ADD W1/2 LOT 3 S16' W190' LOT 4</p> <p>School District: J B JONESBORO CITY</p> <p>Homesite Parcel?: No</p> <p>Tax Status: Taxable</p> <p>Over 65?: No</p>								
Land Information								
Land Type	Quantity	Front Width	Rear Width	Depth 1	Depth 2	Quarter		
RESHS	1 lots [0 sqft]	49	49	150	150			
Valuation Information								
Entry			Appraised			Assessed		
Land:			5,000			1,000		
Improvements:			35,250			7,050		
Total Value:			40,250			8,050		
Taxable Value:						6,350		
Millage:						0.0422		
Estimated Taxes:						\$267.97		
Assessment Year:						2017		
Tax Information								
Year	Book		Tax Owed		Tax Paid	Balance		
2016	Delinquent		\$243.49		\$0.00	\$243.49		
Sales History								
https://www.arcountydata.com/parcel.asp?item=6E2797&parceldetail=no&id&CountyCode=CRATAX								

Parcel Card - Page 2

ARCountyData.Com - Parcel Detail Report						
Date	Price	Grantor	Grantee	Book	Page	Deed Type
7/22/2018						
5/28/2014	27,500	LLP MORTGAGE LTD	SLOAN LANCE	JB2014R	008196	SWD(SPECIAL WARRANTY DEED)
1/21/2014	0	COMMISSIONER ANN HUDSON	LLP MORTGAGE LTD	JB2014R	000765	COMM(COMMISSIONERS DEED)
2/16/2000	38,000	HAMPTON	MCDUFFY	587	905	WD(WARRANTY DEED)
4/6/1999	0	HAMPTON	HAMPTON	573	872	WD(WARRANTY DEED)
9/15/1995	29,000	CROWLEYS RIDGE DEV	HAMPTON	483	1	WD(WARRANTY DEED)
3/15/1995	0			475	88	
1/21/1995	0			472	531	SWD(SPECIAL WARRANTY DEED)
12/9/1994	29,395			470	790	
6/19/1985	25,000					

Improvement Information
Residential Improvements
Residential Improvement #1

Living Area 1st Floor	1,119 Basement Unfinished	0
Living Area 2nd Floor	0 Basement Finished w/Partitions	0
	Basement Finished w/o Partitions	0
Living Area Total SF	1,119 Basement Total SF	0

Occupancy Type:	Single Family
Grade:	D6+5
Story Height:	1 Story
Year Built:	Year Built Not Available
Effective Age:	27
Construction Type:	Std Frame
Roof Type:	Asphalt
Heat / AC:	Central
Fireplace:	0
Bathrooms:	1 full 0 half
Foundation Type:	Closed Piers
Floor Type:	Wood Subfloor
Floor Covering:	carpet

1,119 sq ft

<https://www.arcountydata.com/parcel.asp?item=6E2797&parceldetail=no&id&CountyCode=CRATAX>

2/3

Form SCNLGL — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE



Preston King Qualifications**QUALIFICATIONS OF
PRESTON J. KING****POSITION:**

State Certified Residential Appraiser, CR 3948
Bob Gibson & Associates
420 W. Jefferson Ave., Jonesboro, AR 72401
W: (870) 932-5206
C: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

A handwritten signature in cursive script, appearing to read "James M. Allen".

Chairman, AAL & CB

Preston King Certification

**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD****This is to certify that
Preston King****License #: CR 3948****has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.
This card is for identification purposes only.**

6/30/2019

A handwritten signature in cursive script, reading "Shannon Mueller".

Expiration Date_____
Chairman

**REAL ESTATE CONTRACT FOR CITY OF JONESBORO
OFFER AND ACCEPTANCE**

1. **BUYERS:** The Buyers, **CITY OF JONESBORO, A MUNICIPAL CORPORATION** offer to buy, subject to the terms set forth herein, the following

2. **PROPERTY DESCRIPTION:**

A PART OF LOTS 3-4 BLOCK 1 OF STEPHENSONS ADDITION TO THE CITY OF JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE WEST 150 FEET OF LOT 3 AND THE SOUTH 16 FEET OF THE WEST 150 FEET OF LOT 4 IN BLOXK 1 OF THE SPTEPHENSON'S ADDITION TO THE CITY OF JONESBORO, ARKANSAS.

CONTAINING IN ALL 7,244 SQ. FT. OR 0.17 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, the sum of forty six thousand dollars (**\$46,000**). The Buyer also agrees to relinquish to seller the following items: HVAC system, water heater and electric range.

4. **CONVEYANCE:** Conveyance shall be made to Buyers or as directed by Buyers, by Dedication Deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property. Unless expressly reserved herein, such conveyance shall include mineral rights owned by Seller.

5. **PRO-RATIONS:** Taxes and special assessments, and allowable expenses due on or before closing shall be paid at closing from the proceeds of the sale.

6. **CLOSING:** Unless, requested by seller, closing would be no sooner than September 2019. If grant funding has not been made available by September 2019, a new closing date, not to extend past October 31, 2019, will be negotiated at that time. The seller will have 60 days upon closing to remove tenants and items agreed upon.

7. **POSSESSION:** Possession shall be delivered to Buyers. The seller will have 60 days upon closing to remove tenants and items agreed upon.

8. **CONTINGENCY:** Purchase is contingent upon Buyer receiving grant funding for property acquisition.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH BUYER AND SELLER.

BUYER

CITY OF JONESBORO
CRAIGHEAD COUNTY, AR

Name: _____

Title: _____ Mayor _____

Date: _____

ATTEST

City Clerk

SELLER

Name: Charles L. Sloan

Date: 5-21-19

Name: Charles L. Sloan

Date: _____

**NEIGHBORHOOD STABILIZATION PROGRAM
AGREEMENT BY AND BETWEEN
ARKANSAS DEVELOPMENT FINANCE AUTHORITY AND
CITY OF JONESBORO**

This Agreement (the "Agreement") is entered into this ____ day of July 2019, by and between Arkansas Development Finance Authority, a public body, politic and corporate, organized under the laws of the State of Arkansas (hereafter designated as "ADFA"), and Veterans Village (hereafter designated as "Grantee").

WHEREAS, ADFA has applied for and received Neighborhood Stabilization Program (hereafter designated as "NSP1") funding from the United States Department of Housing and Urban Development (hereinafter designated as "HUD"); and

WHEREAS, the NSP1 Funds were allocated to ADFA under Title III of Division B of the Housing and Economic Recovery Act (HERA) of 2008 for the primary purpose of assisting in the redevelopment of vacant residential properties; and

WHEREAS, the NSP1 Funds must adhere to Community Development Block Grant (CDBG) requirements at 24 CFR Part 570, unless otherwise stated in HERA; and

WHEREAS, Grantee has applied for and been approved to purchase the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and to demolish the home located at this location—all for the later construction (funded by the National Housing Trust Fund) of a housing project for extremely low income veterans called Veterans Village; and

WHEREAS, Grantee has evidenced the capacity to purchase and demolish the home located at the aforementioned location; and

WHEREAS, on or about June 20, 2019, ADFA Board of Directors approved the described use of NSP1 Funds and authorized staff to enter into an Agreement with Grantee to provide of **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** in NSP1 Funds for the purchase of the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and the demolition of the home located at this location—all for the later construction (funded by the National Housing Trust Fund) of a housing project for extremely low income veterans called Veterans Village.

NOW THEREFORE, ADFA and Grantee hereby execute this Agreement to undertake the described activities.

FURTHERMORE, ADFA and Grantee agree as follows:

I. SCOPE OF SERVICE

- A. Grantee shall purchase the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and demolish the home located at this location, more particularly described in Attachment 'A' (hereinafter the "Development").

- B. Grantee shall provide a detailed schedule, acceptable to ADFA, of activities to be completed under this Agreement.

II. PROJECT FUNDING

- A. ADFA hereby approves the award of NSP1 Funds in the amount of **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** to the Grantee as developer of the Development located in the City of Jonesboro, AR.
- B. Grantee shall provide a detailed budget, acceptable to ADFA, indicating usage of all funds in the Development budget, including NSP1 Funds provided under this Agreement.
- C. Grantee shall ensure NSP1 Funds provided under this Agreement will be requested for disbursement only in required amounts and as needed for payment of eligible costs for activities described and approved in this Agreement. Payments will be made by ADFA for eligible expenses actually incurred by Grantee, and will not exceed actual cash requirements. ADFA reserves the right to liquidate funds available under this Agreement for eligible costs incurred by ADFA on behalf of Grantee. The full amount of the loan, **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** shall be disbursed as earned by verified performance of activities to be completed under this Agreement.
- D. NSP1 Funds provided under this Agreement will be in the form of a Forgivable Loan at zero percent (0%) interest.
- E. If for any reason, Grantee breaches any term of this Agreement, ADFA may require full repayment of any amounts advanced under this Agreement pursuant to Section VIII, Remedies on Default
- F. NSP1 Funds to be provided under this Agreement are contingent upon ADFA's determination to proceed, modify or cancel the project based on the results of a subsequent environmental review in accordance with HUD CPD Notice 01-11.

III. AFFORDABILITY

Under the terms of this NSP Agreement, one unit of the nine units in Veterans Village shall be affordable and available to extremely low income veterans for a period of **ten (10) years**, (the affordability period), beginning upon the day of project completion. Also, concurrent to the aforementioned affordability period, under the terms of the National Housing Trust Fund Program Agreement for Rental Activities by and between Arkansas Development Finance Authority and City of Jonesboro ("NHTF Agreement"), all housing developed under the NHTF Agreement for Veterans Village "shall be affordable and available to low-income veterans for a period of **thirty (30) years** for the NHTF Program, beginning upon the day of project completion." If the Development does not meet the applicable affordability requirements for the full affordability period for any reason whatsoever, payment to ADFA of the outstanding or remaining unforgiven balance of NSP1 Funds invested in the Development will be required according to the repayment terms set forth in Section VIII of this Agreement. Grantee shall ensure the affordability requirements of the Development for the full affordability period through HUD-approved deed restrictions or other HUD-approved mechanisms. Affordability requirements shall be enforced by ADFA via a HUD-approved deed restriction encumbering the

Development for the full affordability period.

IV. HOUSING QUALITY STANDARDS

- A. ADFA reserves the right to inspect at any time during normal business hours any and all activities accomplished under this Agreement to assure adherence to applicable Standards, as established by the local jurisdiction, and all state and local housing, zoning, building and fire codes, as amended.
- B. Grantee shall use only licensed contractors and subcontractors, reputable workmen, material suppliers and agents acceptable to ADFA under this Agreement.
- C. Grantee shall ensure contractors and subcontractors are not debarred, ineligible or suspended from working on federally-assisted projects in accordance with 24 CFR 570.609.

V. NOTICES

Communication and details concerning this Agreement shall be directed to the following persons:

ADFA
900 West Capitol, Suite 310
Little Rock, AR 72203
Attention: Lori Brockway

City of Jonesboro
300 North Church St.
Jonesboro, AR 72403
Attention: Regina Burkett

The contact persons listed above may be changed upon fifteen (15) days' written notice to the other party.

VI. ADMINISTRATIVE REQUIREMENTS

- A. Grantee shall abide by all applicable federal, state, and local laws, regulations, codes, and ordinances in the performance of all activities required by this Agreement, and specifically agrees to adhere to applicable requirements of 24 CFR 570.
- B. Grantee shall conduct an independent audit of the Development set forth under this Agreement after completion of the Development. This audit shall be in accordance with generally accepted accounting principles. An independent auditor acceptable to ADFA shall conduct the audit. Grantee shall provide ADFA with a copy of such audit upon completion and in accordance with the terms outlined in the Promissory Note. Any deficiencies noted in the audit report shall be fully cleared by Grantee within thirty (30) calendar days after receipt of said audit report by ADFA. Failure of Grantee to clear deficiencies noted in the audit report shall constitute a breach of this Agreement and ADFA may exercise any and all of its rights and remedies under Section VIII, Remedies on Default.
- C. Grantee shall adhere to the requirements of 2 CFR 200, OMB Circular No. A-122, OMB Circular No. A-133, 24 CFR Part 85, applicable uniform administrative requirements of 24 CFR 570.610, and the requirements of OMB Circular No. A-110, if applicable.
- D. Grantee shall make available to ADFA at any time during normal business hours all financial, compliance and redevelopment records of activities pertaining to funding and the Development covered by this Agreement to allow ADFA to conduct monitoring, performance, and compliance

reviews and evaluations. Notwithstanding any other provision in this Agreement, ADFA will monitor the performance of Grantee against the activities described in this agreement. Substandard performance as determined by ADFA shall constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Grantee within thirty (30) calendar days after being notified by ADFA, suspension or termination procedures may be initiated as specified in Section VIII or Section IX.

- E. In accordance 24 CFR 570.606, Grantee shall ensure that no person will be displaced from his or her dwelling as a direct result of activities assisted with NSP1 Funds provided under this Agreement. In the event that displacement is unavoidable, the Grantee will adhere to the Uniform Relocation Act.
- F. Grantee shall not pay any part of funds received under this Agreement for lobbying the Executive or Legislative Branches of the Federal, State, or local government.
- G. Grantee shall adhere to the Conflict of Interest provisions at 24 CFR 570.611.
- H. Grantee shall comply with the provisions of the National Environmental Policy Act of 1969, as applicable to Developments funded under this Agreement, the Flood Disaster Protection Act of 1973, and the Lead-Based Paint Poisoning Prevention Act, and the regulations promulgated thereunder, all as amended as applicable. Grantee agrees to comply with the following regulations insofar as they apply to this Agreement, the Clean Air Act, Federal Water Pollution Control Act, Environmental Protection Agency regulations pursuant to 40 CFR 50, all as amended, as well as all other applicable environmental laws and regulations, as applicable. Grantee shall ensure maintenance of documentation to evidence compliance with environmental statutes and regulations.
- I. Grantee shall provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988.
- J. Grantee shall ensure compliance with all requirements of the Davis-Bacon Act (applicable to projects with eight (8) or more NSP1-assisted single-family home) in accordance with 24 CFR 570.603, Contract Work Hours and Safety Standards Act, the Copeland Anti-Kickback Act, and all other applicable federal, state, and local laws and regulations pertaining to labor standards. Grantee shall ensure maintenance of adequate records and reports to evidence such compliance when applicable.
- K. Grantee shall ensure compliance with the requirements of Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), Executive Order 11246 (Equal Employment Opportunity), as amended by Executive Order 12086, and the regulations issued pursuant thereto, Executive Orders 11625, 12432, and 12138, which require affirmative actions to encourage participation by minority and women-owned business enterprises. Grantee shall ensure that the provisions of this paragraph are included in every subcontract entered into by Grantee associated with this Agreement and Development. Grantee shall ensure maintenance of records and reports to document compliance with fair housing and equal opportunity requirements.
- L. Grantee will ensure that all records required under this Agreement are retained for a period of five (5) years after the applicable required period of affordability has expired. When requested, Grantee shall furnish, and cause all its subcontractors to furnish, all reports and information required hereunder, and will permit access to its books, records, and accounts, by ADFA, the U.S. Department of Housing and Urban Development or its agent, or other authorized federal officials

for purposes of investigation to ascertain compliance with the statutes, rules, regulations, and provisions stated herein.

- M. Grantee shall ensure that where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, said employees shall not be required or permitted to work, be trained in, or receive services in buildings or surroundings, or under working conditions, which are unsanitary, hazardous, or dangerous to the participants' health or safety.
- N. Grantee shall comply with Executive Order 11063, as amended by Executive Order 12259, and shall not discriminate against persons on the basis of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital or familial status, or status with regard to public assistance. Grantee shall maintain records and documentation to evidence compliance with this requirement. Grantee shall take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.
- O. Grantee shall comply with Section 3 of the Housing and Urban Development Act of 1968, Employment opportunities for Lower Income Persons in Connection with Assisted Developments, and regulations issued pursuant thereto. Grantee shall cause a "Section 3 Clause" to appear in all subcontract Agreements executed under this Agreement or in connection with this Development and shall take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of Section 3 or the regulations promulgated pursuant thereto. Grantee shall not subcontract with any subcontractor where it has notice or knowledge that the later has been found in violation of Section 3 and implementing regulations. Further, Grantee shall not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of Section 3 and implementing regulations.
- P. Grantee shall comply with Title VI of the Civil Rights Act of 1964, (Nondiscrimination in Federal-assisted Programs) as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Age Discrimination Act of 1975, along with all applicable regulations associated therewith, all as amended. Grantee shall include the provisions of this paragraph in every subcontract entered into by Grantee associated with this Agreement or this Development. Grantee shall ensure maintenance of records and reports to document compliance.
- Q. Grantee agrees that funds received under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization.
- R. Grantee shall not further encumber the Development pursuant to this Agreement without the prior written approval of ADFA.
- S. Grantee shall monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. Grantee shall cause the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement. Executed copies of all subcontracts entered into by Grantee shall be available for review by ADFA, along with documentation

concerning the selection process.

- T. Grantee shall submit quarterly performance reports to ADFA no later than fifteen (15) days following the end of each quarter and continuing until all funds are expended and the project is closed-out. The information in the quarterly reports shall be in accordance with reporting requirements listed in the ADFA NSP1 Policies and Procedures Manual.

VII. DEBARMENT AND SUSPENSION

Grantee certifies that the Grantee or its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from covered transactions by any federal department or agency;
- B. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement(s) or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated above, and;
- D. Have not within a three (3) year period preceding this Agreement had one (1) or more public transactions (Federal, State or local) terminated for cause or default.

VIII. REMEDIES ON DEFAULT

Grantee agrees that, in the event ADFA determines that a breach of this Agreement has occurred, ADFA may exercise any and all of its rights and remedies under applicable regulations, including the right to terminate this Agreement and recapture or terminate any and all NSP1 Funds allocated under this Agreement. More specifically:

- A. If ADFA determines that Grantee has materially failed to comply with any provision of this Agreement, or with any rules, statutes, regulations, or ordinances referred to herein, ADFA will notify Grantee in writing and hand-deliver, with written receipt evidencing the date and time of delivery, or send by certified mail, return receipt requested, such Notice of Default to the party designated to receive such Notices in Section V of this Agreement. For purposes of this section, the term materially means "an important or essential term of the Agreement."
- B. ADFA will allow Grantee the opportunity to demonstrate compliance with the Agreement requirements in question. Grantee shall offer evidence of such compliance within thirty (30) days from receipt of the written Notice of Default. Substantial compliance shall not constitute compliance with the terms and conditions of this Agreement unless ADFA expressly agrees to the substantial compliance in writing.
- C. If Grantee fails to demonstrate to ADFA that it has fulfilled the requirement(s), ADFA may take corrective or remedial action(s) as follows:
 - 1) Corrective or remedial action will be designed to prevent a continuation of the deficiency, mitigate any adverse effects, and prevent recurrence of the deficiency.

- 2) Corrective or remedial action may include:
- a. Temporarily withholding cash payments pending correction of the deficiency by Grantee.
 - b. Specific activities required by ADFA to correct the deficiency and to be accomplished by Grantee in a specified time frame.
 - c. Canceling or revising activities may affect the performance of this Agreement and create a deficiency in the original Agreement and may be grounds for making this contract void, and trigger remedies available to ADFA under this Agreement and/or NSP1 Program regulations.
 - d. Reprogramming any balance of NSP1 Funds made available under this Agreement from deficient activities, or any activity funded under this Agreement, to other eligible activities.
 - e. Suspension of NSP1 fund disbursements for deficient activities, or any activities funded under this Agreement and subsequent termination of this Agreement in its entirety.
 - f. Termination of this Agreement in its entirety and requiring that the Grantee repay to ADFA any and all NSP1 Funds advanced under this Agreement.
 - g. Removing Grantee from participation in any future allocations of NSP1 Funds from ADFA.
 - h. Taking other remedial actions that may be legally available to ADFA.
- D. In the event Grantee dissolves the organization, ceases to exist, or becomes unable for any reason to fulfill its obligations under this Agreement, ADFA will require Grantee to fully repay to ADFA any and all amounts advanced under this Agreement.
- E. Notwithstanding any other provision of this Agreement, should there be any fraud, misrepresentation, embezzlement, or any other criminal activity associated with this Development, ADFA may pursue all legal and equitable remedies available to it against the Grantee.
- F. Any decision regarding corrective, remedial, legal or equitable remedies or actions to be taken regarding this Agreement or Development shall be at the sole option and discretion of ADFA. A decision by ADFA to pursue one course of action shall not constitute a waiver of any other course of action ADFA may pursue under this Section VIII, Remedies on Default.
- G. Should this Agreement be terminated before completion of the Development, either voluntarily or otherwise, any NSP1 Funds invested in the Development that is the subject of this Agreement shall be repaid to ADFA's NSP1 Account.
- H. Notwithstanding anything to the contrary contained in this Agreement or the Mortgage, ADFA hereby agrees that Grantee shall have the right, but not the obligation, to cure any defaults of the Grantee hereunder.

IX. TERMINATION

ADFA may terminate this Agreement upon thirty (30) days prior written notice to the Grantee contact person indicated in Section V of this Agreement. The notice of termination shall set forth the reasons for such termination, the effective date of termination, and in the case of partial termination, the portion of the award to be terminated. However, in the case of partial termination, if ADFA, in its sole discretion, determines that the remaining portion of the funding provided under this Agreement will not accomplish the purposes for which the award was made, ADFA may terminate the award in its entirety under paragraph A of this section, Section VIII.

X. MISCELLANEOUS PROVISIONS

- A. The officials who executed this Agreement hereby represent and warrant that they have full and complete authority to act on behalf of ADFA and Grantee, respectively, and that their signatures below, the terms and provisions hereof, constitute valid and enforceable obligations of each.
- B. This Agreement shall be executed in the original, and any number of executed copies. Any copy of this Agreement so executed shall be deemed an original and shall be deemed authentic for any other use.
- C. The parties may amend or modify this Agreement at any time, provided that such amendment(s) or modification(s) make specific reference to this Agreement, and are executed in writing by a duly authorized representative of both parties. Such amendment(s) or modification(s) shall not invalidate this Agreement, nor relieve or release the parties from their obligations under this Agreement.
- D. The terms and conditions of this Agreement shall be binding upon the parties hereto, their respective successors and assignees.
- E. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer and employee between the parties. Grantee shall at all times remain an independent contractor with respect to the services to be performed under this Agreement.
- F. Grantee shall not assign or transfer any interest in this Agreement without the prior written approval of ADFA.
- G. This Agreement shall be construed according to the laws of the State of Arkansas.
- H. Should any part, term or provision of this Agreement, or portions thereof, be determined by a court of competent jurisdiction to be illegal, void or unenforceable, the validity of the remaining portions or provisions shall not be affected thereby.
- I. Grantee shall ensure contractor provides Payment and Performance Bond or an Irrevocable Letter of Credit in the full amount of construction costs.

XI. INDEMNITY

Owner agrees, to the extent allowable by law, that it shall indemnify and hold harmless ADFA, its officers, agents, directors and employees from:

- A. Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of this Agreement.
- B. Any claims or losses resulting to any person or firm injured or damaged by the erroneous, willful or negligent acts or omissions, including disregard of Federal, State, and local statutes or regulations, by Owner, its officers, employees or subcontractors in the performance of this Agreement.
- C. Any claims or losses arising from the award of NHTF Funds, any reduction of the NHTF Fund, any reduction of the NHTF Fund award, any termination of the NHTF Fund award, and any recapture of NHTF Funds by the U.S. Department of Housing and Urban Development.
- D. Any claims or losses arising from the failure of Owner to comply with all applicable federal and state requirements, statutes, and laws.

XII. NON-RECOURSE PROVISION

Notwithstanding any of the foregoing provisions, it is expressly understood by the parties hereto that none of the members or managers of the Grantee shall have any personal liability, and the sole recourse of ADFA shall be the Development and assets of the Grantee.

XIII. TIME OF PERFORMANCE

Grantee shall commence Development activities included in Section I., Scope of Services, only after receipt of the ADFA Notice to Proceed. Grantee shall complete all activities included in Section I., Scope of Services, within an eight (8) month period after the date of the Notice to Proceed.

XIV. TERM OF AGREEMENT

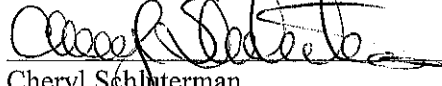
This Agreement shall be in full force and effect from the date first written above and shall remain in force for the full period of affordability applicable to the Development assisted with NSP1 Funds under this Agreement.

City of Jonesboro

By: _____
Name: _____
Title: _____

Date: _____
Federal I.D. No.: _____

Arkansas Development Finance Authority

By:  _____
Name: Cheryl Schluterman
Title: President

Date: 7/30/19
Federal I.D. No.: 71-0503641

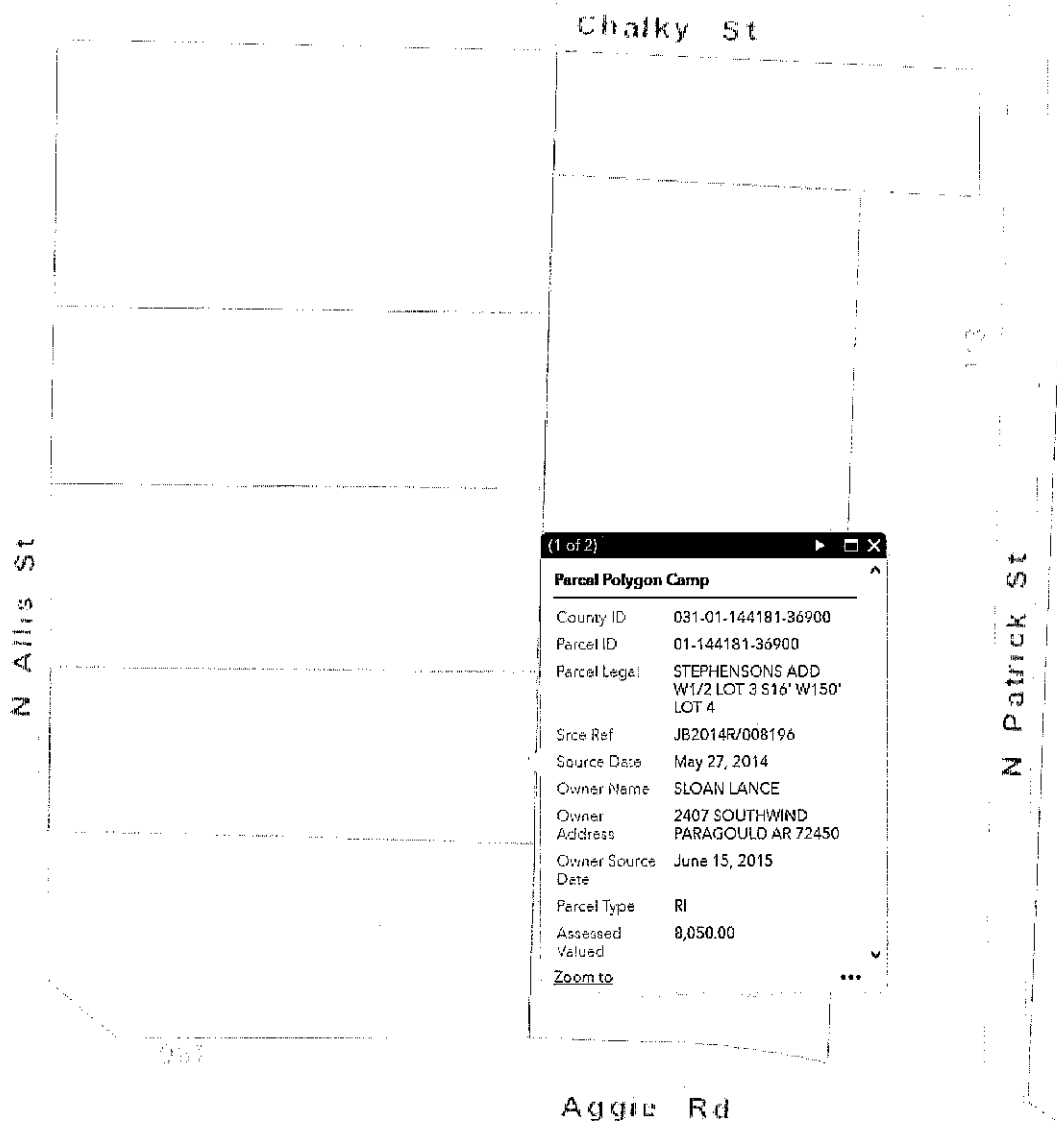
Attachment A

Legal Description

In the County of Craighead, State of Arkansas:

Stephensons Addition W1/2 Lot 3 S16' W150' Lot 4

**Which is the same as Parcel #01-144181-36900 at the northeast corner of Aggie Road and N. Allis St.,
Jonesboro, AR**



Attachment B

Project Schedule:

<u>Activity</u>	<u>Completion Date</u>
Plans and Specs	8/31/2019
Site Acquisition	9/30/2019
Pre-Construction Conference	10/30/2019
Construction Begins	11/15/2019
Construction Complete	1/31/2019

<u>Expenditure of Funds</u>	<u>Completion Date</u>
25%	9/30/2019
50%	11/15/2019
75%	12/15/2019
100%	1/31/2019

Attachment C

Sources and Uses

<u>SOURCE OF FUNDS</u>	<u>Amount of Funds</u>
NSP1 Funds (ADFA)	\$32,300
Private	
Community Development Program Funding –Jonesboro	\$10,000
Code Enforcement – Demo (Jonesboro)	\$10,000
Other	
Total Sources:	\$52,300

USES (Veterans Village)

Land Acquisition:		\$130,000
Hard Costs:		
Two Bedroom		\$228,000
SFD	2	\$572,000
Zero Bedroom		
SFD	7	
Site Improvement		\$200,000
Soft Costs:		
Potential Architect fees		\$17,750.00
Environmental		\$14,000.00
Ridge Surveying		\$3,000.00
Developer's Fee:		\$0
Total Development Cost:		\$1,164,750.00



Legislation Details (With Text)

File #:	RES-19:109	Version:	1	Name:	PURCHASE PROPERTY LOCATED AT 108 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEPARTMENT OF FINANCE (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 108 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEPARTMENT OF FINANCE (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO				
Sponsors:	Grants				
Indexes:	Property purchase - real				
Code sections:					
Attachments:	108 N Allis Appraisal.pdf 108 N Allis offer-signed.jpg				

Date	Ver.	Action By	Action	Result
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RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 108 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEPARTMENT OF FINANCE (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

WHEREAS, the City of Jonesboro, Arkansas desires to purchase the property located at 108 N. Allis, Jonesboro, Arkansas for the purpose of the Veterans Village; and

WHEREAS, an offer has been made and accepted by Dorothy Whitehurst dated October 6, 2018 agreeing to sell their property located at 108 N. Allis, Jonesboro, Arkansas ; and

WHEREAS, the funding of this purchase of this property shall come from the ADFA grant funds.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all necessary to complete this transaction to come from the ADFA grant funds.



APPRAISAL OF REAL PROPERTY

LOCATED AT:

108 N Allis St
PT of Lot 4 Block 1 Stephensons Addition
Jonesboro, AR 72401

FOR:

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

AS OF:

07/16/2018

BY:

Preston King

Bob Gibson and Associates Inc.
P O Box 3071
420 W Jefferson, Suite A
Jonesboro, AR 72401

July 23, 2018

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

Re: Property: 108 N Allis St
Jonesboro, AR 72401
Client: City of Jonesboro (CLIENT)

Pursuant to your request, I have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows. To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties. This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached. The person signing this report has the knowledge and experience to complete this assignment competently. Please do not hesitate to contact me or any of our staff if we can be of additional service to you.


Preston King



SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	108 N Allis St
	Legal Description	PT of Lot 4 Block 1 Stephensons Addition
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
SALES PRICE	Sale Price	\$ 0
	Date of Sale	N/A
CLIENT	Client	City of Jonesboro
	Owner	Dorothy Whitehurst
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,467
	Price per Square Foot	\$
	Location	Residential
	Age	~68
	Condition	Below Avg.
	Total Rooms	6
	Bedrooms	3
	Baths	2.0
APPRAISER	Appraiser	Preston King
	Date of Appraised Value	07/16/2018
VALUE	Final Estimate of Value	\$ 30,000

Exterior-Only Inspection Residential Appraisal Report File

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 108 N Allis St City Jonesboro State AR Zip Code 72401
 Borrower City of Jonesboro (CLIENT) Owner of Public Record Dorothy Whitehurst County Craighead
 Legal Description PT of Lot 4 Block 1 Stephensons Addition
 Assessor's Parcel # 01-144181-370000 Tax Year 2017 R.E. Taxes \$ 289
 Neighborhood Name Jonesboro City Map Reference 27860 Census Tract 0006.02
 Occupant ☐ Owner ☒ Tenant ☐ Vacant Special Assessments \$ 0 ☐ PUD HOA \$ 0 ☐ per year ☐ per month
 Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
 Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Valuation
 Lender/Client City of Jonesboro Address 300 S Church St, Jonesboro, AR 72401
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No
 Report data source(s) used, offering price(s), and date(s). According to the local MLS system, the subject has not been listed for sale within the last twelve months.
 I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
 Contract Price \$ 0 Date of Contract N/A Is the property seller the owner of public record? ☐ Yes ☐ No Data Source(s)
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No
 If Yes, report the total dollar amount and describe the items to be paid.
 Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location	<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	50 %
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	2	Low 0	Multi-Family	10 %
Neighborhood Boundaries The area is bound to the north by Johnson Ave., to the south by Washington Ave., to the east by Marion Berry and to the west by Main St.				150	High 100+	Commercial	25 %
Neighborhood Description The subject is located in the city limits of Jonesboro. It is located in a residential type area that has a mixture of single & multi family units as well as commercial & industrial. The neighborhood has older improvements and has been developed for many years.				50	Pred. 50	Other	5 %

Marketability appears average to fair.
 Market Conditions (including support for the above conclusions) Property values are stable in subject neighborhood. Demand/supply is in balance.
 Marketing time on average in subject development is estimated at 3-6 months based on this appraiser's research as well as discussions with other real estate professionals in the area. Available financing consists of VA, FHA, and Conventional loans.
 Dimensions See survey attached Area 7,142 sf Shape Rectangular View Residential
 Specific Zoning Classification I-1 Zoning Description Industrial
 Zoning Compliance ☐ Legal ☒ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe
 Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
 Electricity ☒ ☐ Public Water ☒ ☐ Public Street Asphalt ☒ ☐
 Gas ☒ ☐ Public Sanitary Sewer ☒ ☐ Public Alley None ☐ ☐
 FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 05031C0044C FEMA Map Date 09/27/1991
 Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe
 Source(s) Used for Physical Characteristics of Property ☐ Appraisal Files ☒ MLS ☒ Assessment and Tax Records ☐ Prior Inspection ☐ Property Owner
☒ Other (describe) Exterior Inspection Data Source for Gross Living Area www.arcountydata.com

General Description		General Description		Heating/Cooling		Amenities		Car Storage	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	Concrete Slab	<input checked="" type="checkbox"/> Crawl Space	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB	Fireplace(s) # 0	None			
# of Stories	1	Full Basement	<input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	Woodstove(s) # 0	<input checked="" type="checkbox"/> Driveway		# of Cars	1
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Partial Basement	<input type="checkbox"/> Finished	<input type="checkbox"/> Other	Patio/Deck	None		Driveway Surface	Concrete
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls	Wood Siding	Fuel	Gas	<input checked="" type="checkbox"/> Porch Porches	Garage		# of Cars	0
Design (Style)	Ranch	Roof Surface	Comp Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	Pool	None		Carport	# of Cars
Year Built	~1950	Gutters & Downspouts	None	<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Fence Chainlink	<input checked="" type="checkbox"/> Attached		<input type="checkbox"/> Detached	
Effective Age (Yrs)	40	Window Type	Wood/Alum.	<input type="checkbox"/> Other	<input type="checkbox"/> Other	<input type="checkbox"/> Built-in			
Appliances	<input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer	<input type="checkbox"/> Other (describe)							
Finished area above grade contains:		6 Rooms	3 Bedrooms	2.0 Bath(s)	1,467	Square Feet of Gross Living Area Above Grade			
Additional features (special energy efficient items, etc.) No additional features were noted.									

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). From an exterior observation, the subject appeared to be in fair to below average condition. Obvious deferred maintenance was noted from an exterior/drive by observation. Most information was provided by county data information. This report is made based on an extraordinary assumption that the interior of the subject is in similar type condition and quality as the exterior of the property. Any changes or differences could impact the opinion of value and is subject to review by the appraiser.
 Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No
 If Yes, describe.
 Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe.

Exterior-Only Inspection Residential Appraisal Report File

There are		N/A comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ N/A to \$ N/A	
There are		N/A comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ N/A to \$ N/A	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	108 N Allis St Jonesboro, AR 72401	1212 W Oak Ave Jonesboro, AR 72401	132 N Fisher St Jonesboro, AR 72401
Proximity to Subject	1.61 miles SW	0.07 miles NW	2.03 miles W
Sale Price	\$ 0	\$ 30,000	\$ 34,000
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 17.58 sq.ft.	\$ 21.29 sq.ft.
Data Source(s)	County Data, DOM = Unk	MLS 10070381, DOM = 112	MLS 10073316, DOM = 63
Verification Source(s)	NEA Comp Service	County Data, NEA Comp Service	County Data, NEA Comp Service
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing	Unknown	0 Cash	0 Bank
Concessions	None Known	0 None Known	0 None Known
Date of Sale/Time	04/2017	0 10/2017	0 04/2018
Location	Residential	Residential	Residential
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	7,142 sf	13,068 sf	0 7,405 sf
View	Residential	Residential	Residential
Design (Style)	Ranch	Ranch	Ranch
Quality of Construction	Fair	Similar	0 Similar
Actual Age	~68	~65	0 ~58
Condition	Below Avg.	Similar	0 Similar
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	6 3 2.0	6 3 1.0	6 3 2.0
Gross Living Area	1,467 sq.ft.	1,706 sq.ft.	1,351 sq.ft.
Basement & Finished	0sf	0sf	0sf
Rooms Below Grade	0	0	0
Functional Utility	Average	Average	Average
Heating/Cooling	Central H&A	Central H&A	Central H&A
Energy Efficient Items	Typical	Similar	0 Similar
Garage/Carport	1 Carport Att.	1 Carport Att.	None
Porch/Patio/Deck	Porches	Porches	0 Porches
Extra	Fence	Fence	1 FP/Fence
Net Adjustment (Total)	\$ -2,585	\$ 2,740	\$ -3,450
Adjusted Sale Price of Comparables	Net Adj. 8.6 % Gross Adj. 15.3 %	Net Adj. 9.0 % Gross Adj. 15.5 %	Net Adj. 10.1 % Gross Adj. 16.0 %
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain			
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.			
Data Source(s) www.arcountydata.com			
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.			
Data Source(s) www.arcountydata.com			
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).			
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2
Date of Prior Sale/Transfer	10/11/2017	02/27/2017	03/24/2017
Price of Prior Sale/Transfer	\$0	\$0	\$0
Data Source(s)	www.arcountydata.com	www.arcountydata.com	www.arcountydata.com
Effective Date of Data Source(s)	07/22/2018	07/22/2018	07/22/2018
Analysis of prior sale or transfer history of the subject property and comparable sales The subject transferred on 10/11/2017 via a beneficiary's deed for a price of \$0. Sale 1 transferred via a quit claim deed for a price of \$0 on 02/27/2017. It also transferred on 01/24/2017 via a contract sale deed for a price of \$0. Sale 2 transferred via a special warranty deed for a price of \$0. It also transferred on 03/10/2017 via a mortgagee's deed for a price of \$0. Sale 3 did not transfer within a year of the sales used.			
Summary of Sales Comparison Approach Three sales were selected for comparison with the subject property. All three sales are considered to be in the subject's market area and if placed on the market at the same time I believe would be competing properties. Adjustments were made for the value adding characteristics. The sales chosen are similar to the subject in many ways including size, age/condition, neighborhood characteristics, site value and amenities that they contain. An even amount of weight was determined to be placed on all three sales. After analysis, my opinion of value via the sales Comparison Approach is \$30,000.			
See addenda for additional comments.			
Indicated Value by Sales Comparison Approach \$ 30,000			
Indicated Value by: Sales Comparison Approach \$ 30,000 Cost Approach (if developed) \$ Income Approach (if developed) \$			
The Sales, Income & Cost Approaches were all considered. The Sales Comparison Approach was the only approach conducted and in turn was given the most weight.			
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. Assumes marketable title and that all equipment is in good working order.			
Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 30,000, as of 07/16/2018, which is the date of inspection and the effective date of this appraisal.			

Exterior-Only Inspection Residential Appraisal Report

File #

ADDITIONAL COMMENTS	The scope of work includes an identification of the property rights valued (fee simple interest), a definition of the value sought (market value), an opinion of the highest and best use (residential), physical observation of the subject site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The Cost, Sales, and Income Approaches were considered.			
	The first \$350 tax of a homeowner's primary residence has been waived. The tax amount reported in this appraisal is before this credit.			
	Highest and Best Use: The subject site's physical characteristics, such as size, dimensions, topography, and soil composite, is suitable for a single family residential improvement. There is no zoning restrictions on the property which would not hinder a single family residence. There are also no deed restrictions, to appraiser's knowledge, that limits the improvement of the site with a single family residence. The economic trend of the area is clearly single family residences. The effective age of most homes in this area is lower than the actual age, which supports demand for existing housing. Subject is currently improved with a single family detached residence. The improvements make a substantial contribution to the total property in excess of the site. Therefore, the current use (single family residential) represents the highest and best use of the site.			
	Clarification of Environmental Comments & Exhibits: The existence of hazardous substances, including without limitation to asbestos, polychlorinated biphenyls, petroleum leakage, lead based paint, molds, agricultural chemicals, etc. which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the site and improvements. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated in this report. The appraiser, however, is not qualified nor licensed to test such substances or conditions. If the presence of such substances or environmental conditions may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover the same.			
	This appraisal is NOT a HOME INSPECTION and the appraiser is NOT ACTING as a HOME INSPECTOR when preparing the report. When performing the inspection of this property, the appraiser visually observed areas that were readily accessible. The appraiser is not required to disturb or move anything that obstructs access or visibility. The inspection is not technically exhaustive. The inspection does not offer warranties or guarantees of any kind.			
	NOTE: The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the subject property's market value for lending origination, existing loan servicing or foreclosure proceedings subject to the stated scope of work and indicated purpose on the order. No additional Intended Users are identified by the appraiser.			
	Extraordinary Assumption - This report is made subject to the extraordinary assumption that the interior of the subject is in similar condition to the exterior upon a drive-by inspection.			
COST APPROACH	COST APPROACH TO VALUE (not required by Fannie Mae)			
	Provide adequate information for the lender/client to replicate the below cost figures and calculations.			
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) This approach was not deemed applicable.			
	Omitting this approach does not make this report misleading.			
	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW			
	Source of cost data		OPINION OF SITE VALUE = \$	
	Quality rating from cost service		DWELLING Sq.Ft. @ \$ = \$	
	Effective date of cost data		Sq.Ft. @ \$ = \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)		Garage/Carport Sq.Ft. @ \$ = \$	
INCOME	Total Estimate of Cost-New		Total Estimate of Cost-New	
	Less Physical		Functional	
	Less External		Depreciation = \$()	
	Depreciated Cost of Improvements		Depreciated Cost of Improvements = \$	
	"As-is" Value of Site Improvements		"As-is" Value of Site Improvements = \$	
	Estimated Remaining Economic Life (HUD and VA only) Years		INDICATED VALUE BY COST APPROACH = \$	
	INCOME APPROACH TO VALUE (not required by Fannie Mae)			
	Estimated Monthly Market Rent \$		X Gross Rent Multiplier = \$	
	Summary of Income Approach (including support for market rent and GRM)		Indicated Value by Income Approach	
	This approach was not conducted per engagement and scope of work.			
PUD INFORMATION	PROJECT INFORMATION FOR PUDs (if applicable)			
	Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached			
	Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.			
	Legal Name of Project			
	Total number of phases	Total number of units	Total number of units sold	
	Total number of units rented	Total number of units for sale	Data source(s)	
	Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion			
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)			
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.			
	Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.			
Describe common elements and recreational facilities.				

Exterior-Only Inspection Residential Appraisal Report File

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit, including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Exterior-Only Inspection Residential Appraisal Report File

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

Exterior-Only Inspection Residential Appraisal Report File

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

- I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
- This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
- If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature [Signature]
 Name Preston King
 Company Name Bob Gibson & Associates
 Company Address 420 W. Jefferson Ave. Suite A, Jonesboro, AR 72401
 Telephone Number (870) 932-5206
 Email Address gibsonmj@swbell.net
 Date of Signature and Report 07/23/2018
 Effective Date of Appraisal 07/16/2018
 State Certification # CR 3948
 or State License # _____
 or Other (describe) _____ State # _____
 State AR
 Expiration Date of Certification or License 12/31/2019
 ADDRESS OF PROPERTY APPRAISED
108 N Allis St
Jonesboro, AR 72401

APPRAISED VALUE OF SUBJECT PROPERTY \$ 30,000
 LENDER/CLIENT
 Name Craig Light
 Company Name City of Jonesboro
 Company Address 300 S Church St, Jonesboro, AR 72401
 Email Address CLight@jonesboro.org

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect exterior of subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Supplemental Addendum

File No.

Client	City of Jonesboro			
Property Address	108 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Dorothy Whitehurst			

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client in determining fair market value of the subject property. If this report is placed in the hands of anyone other than the client, the client shall make such third party aware of all the assumptions and limiting conditions of the assignment. This report is being restricted to the stated client's use only and for the stated purposes only. No other user is identified and no other use is identified. The scope of this appraisal consisted of an observation of subject site from the public street. **This report is being made based on an extraordinary assumption that the interior of the improvements are in similar type condition as the interior. Any differences that exist from what is observed and assumed are subject to review by the appraiser and the value is subject to change.** Pictures of the exterior of the improvements were taken and can be found in this report. The livable area was derived from www.arcountydata.com which is believed to be a reliable source. The cost approach was not applicable/not completed (explained elsewhere in this report). The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood/subdivision. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. The income approach was not used in this report based on engagement and scope of work agreed on by client and appraiser. The approaches to value used in this report were reconciled and an opinion of value was rendered based on the data available. This report is an appraisal and not an environmental, structural, termite, or building inspection. If the user or client desires such type of reports, they should be ordered from a licensed home inspector or an environmental expert. This appraisal report does not guarantee that the property is free of defects. The appraiser is not a home inspector, termite inspector, or environmental inspector.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Digital Images:

Digitized images, such as photographs, maps, exhibits, etc., contained in this report, are unaltered from their original likeness. Digital images, however, may have been modified for formatting, brightness, or resolution. These modifications are made only to reduce file size or enhance readability and do not manipulate the original likeness.

Comps Over One Mile:

Comparable sales over one mile away were used because they are the best available in this area. Expanding the search to a radius greater than one mile developed sales that are still within the same market. These sales are the best comparables to the subject property and are therefore used in this report.

Comps Over Six Months:

A thorough search for comparable sales was made in this market area. Comparables that sold within six months of the date of appraisal were significantly different in location, size, age, conditions and other value influencing items. In the appraisers judgement, the comparables selected are a better indication of value than most recent sales.

Age Adjustments:

Age adjustments were made based off of the effective age of each property respectively. The effective age takes into consideration the condition of the property as well as the functional utility that remains with each property. A 1% adjustment per effective age difference was made based on the contract price of the sales.

Sales Concessions:

No sales concessions were conducted due to them being a traditional occurrence in this market. Not only are they a normal occurrence, but the lack of disclosures of sales concessions is poor. It is not a requirement in the state of Arkansas to disclose sales concessions and disclosing these sales concessions could result in violations of Arkansas law.

Client	City of Jonesboro	File No.
Property Address	108 N Allis St	
City	Jonesboro	County Craighead State AR Zip Code 72401
Owner	Dorothy Whitehurst	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☐ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☒ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-6 Months

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years. The appraisal is made restricted to the stated client's use only and no other user is identified. The use of the appraisal is for a fair market value opinion and for no other reason or purpose.

APPRAISER:

Signature: 
 Name: Preston King
 Certified Residential
 State Certification #: CR 3948
 or State License #:
 State: AR Expiration Date of Certification or License: 12/31/2019
 Date of Signature and Report: 07/23/2018
 Effective Date of Appraisal: 07/16/2018
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only
 Date of Inspection (if applicable): 07/16/2018



SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only
 Date of Inspection (if applicable): _____

PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

Please feel free to call us an any time if you have any questions about the confidentiality of the information that you provide to us.

Subject Photo Page

Client	City of Jonesboro				
Property Address	108 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Dorothy Whitehurst				

**Subject Front**

108 N Allis St
 Sales Price 0
 Gross Living Area 1,467
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location Residential
 View Residential
 Site 7,142 sf
 Quality Fair
 Age ~68

**Subject Side View****Subject Street**

Comparable Photo Page

Client	City of Jonesboro				
Property Address	108 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Dorothy Whitehurst				

**Comparable 1**

1212 W Oak Ave
 Prox. to Subject 1.61 miles SW
 Sales Price 30,000
 Gross Living Area 1,706
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 13,068 sf
 Quality Similar
 Age ~65

**Comparable 2**

132 N Fisher St
 Prox. to Subject 0.07 miles NW
 Sales Price 30,500
 Gross Living Area 1,351
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 7,405 sf
 Quality Similar
 Age ~62

**Comparable 3**

1729 W Matthews Ave
 Prox. to Subject 2.03 miles W
 Sales Price 34,000
 Gross Living Area 1,597
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location Residential
 View Residential
 Site 27,878 sf
 Quality Similar
 Age ~58

Comparable Sales Map

Client	City of Jonesboro			
Property Address	108 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Dorothy Whitehurst			



Flood Map

Client	City of Jonesboro			
Property Address	108 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Dorothy Whitehurst			

InterFlood by a la mode

Prepared for: Bob Gibson Appraisal Service

108 N Allis St

Jonesboro, AR 72401



MAP DATA

FEMA Special Flood Hazard Area: **No**
 Map Number: **05031C0044C**
 Zone: **X**
 Map Date: **September 27, 1991**
 FIPS: **05031**

MAP LEGEND

Areas inundated by 500-year flooding
 Areas inundated by 100-year flooding
 Velocity Hazard



Protected Areas
 Floodway
 Subject Area

Powered by CoreLogic

Parcel Card - Page 1

7/23/2018		ARCountyData.Com - Parcel Detail Report					Created: 7/23/2018 8:50:20 AM																									
Parcel Detail Report																																
<p>Basic Information</p> <p>Parcel Number: 01-144181-37000</p> <p>County Name: Craighead County</p> <p>Mailing Address: WHITEHURST DOROTHY 1200 COUNTY ROAD 333 JONESBORO AR 72401</p> <p>Property Address: WHITEHURST DOROTHY L 108 N ALLIS ST JONESBORO, AR</p> <p>Billing Address: WHITEHURST DOROTHY 1200 COUNTY ROAD 333 JONESBORO, AR 72401</p> <p>Total Acres: 0.00</p> <p>Timber Acres: 0.00</p> <p>Sec-Twp-Rng: 18-14-04</p> <p>Lot/Block: PT 4/1</p> <p>Subdivision: STEPHENSONS ADD</p> <p>Legal Description: STEPHENSONS ADD N50' W150' LOT 4</p> <p>School District: J B JONESBORO CITY</p> <p>Homestead Parcel?: No</p> <p>Tax Status: Taxable</p> <p>Over 65?: No</p>																																
<p>Land Information</p> <table border="1"> <thead> <tr> <th>Land Type</th> <th>Quantity</th> <th>Front Width</th> <th>Rear Width</th> <th>Depth 1</th> <th>Depth 2</th> <th>Quarter</th> </tr> </thead> <tbody> <tr> <td>RESHS</td> <td>1 lots [0 sqft]</td> <td>56</td> <td>56</td> <td>138</td> <td>138</td> <td></td> </tr> </tbody> </table>									Land Type	Quantity	Front Width	Rear Width	Depth 1	Depth 2	Quarter	RESHS	1 lots [0 sqft]	56	56	138	138											
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Entry	Appraised	Assessed																														
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2017	Current	\$288.65	\$0.00	\$288.65																												
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Receipts																																
https://www.arcountydata.com/parcel.asp?item=6E2799&parceldetail=noarial&CountyCode=CRATAX																																

Parcel Card - Page 2

7/23/2018		ARCountyData.Com - Parcel Detail Report						
Receipt #	Book	Tax Year	ReceiptDate	Cash Amt	Check Amt	Credit Amt	Total	
<u>31302</u>	Current	2016	10/11/2017	\$0.00	\$4,619.64	\$0.00	\$4,619.64	
Sales History								
Date	Price	Grantor	Grantee	Book	Page	Deed Type		
10/11/2017	0	WHITEHURST DOROTHY L	WHITEHURST SHAWN	2017R	019073	BD(BENEFICIARY DEED)		
4/4/2002	16,000	BANKERS TRUST	WHITEHURST	624	33	WD(WARRANTY DEED)		
10/31/2001	28,429	WARREN & PRIVETT	BANKERS TRUST	615	541	MD(MORTGAGEES DEED)		
4/23/1992	0	WARREN	WARREN & PRIVETT	421	467	WD(WARRANTY DEED)		
Improvement Information								
Residential Improvements								
Residential Improvement #1								
								
Living Area 1st Floor				1,467 Basement Unfinished				0
Living Area 2nd Floor				0 Basement Finished w/Partitions				0
				Basement Finished w/o Partitions				0
Living Area Total SF				1,467 Basement Total SF				0
Occupancy Type:		Single Family						
Grade:		D5+5						
Story Height:		1 Story						
Year Built:		Year Built Not Available						
Effective Age:		25						
Construction Type:		Std Frame						
Roof Type:		Asphalt						
Heat / AC:		Central						
Fireplace:		0						
Bathrooms:		2 full 0 half						
Foundation Type:		Open Piers						
Floor Type:		Wood Subfloor						
Floor Covering:		carpet:						
				1,467 sq ft				
https://www.arcountydata.com/parcel.asp?item=6E2799&parceldetail=noarial&CountyCode=CRATAX								

Parcel Card - Page 3

7/23/2018

ARCountyData.Com - Parcel Detail Report

Additive Items:

Additive Item
GEP
PS

Quantity

Size
60
540Description
GLASS ENCLOSED
PATIO SLAB

Outbuildings / Yard Improvements:

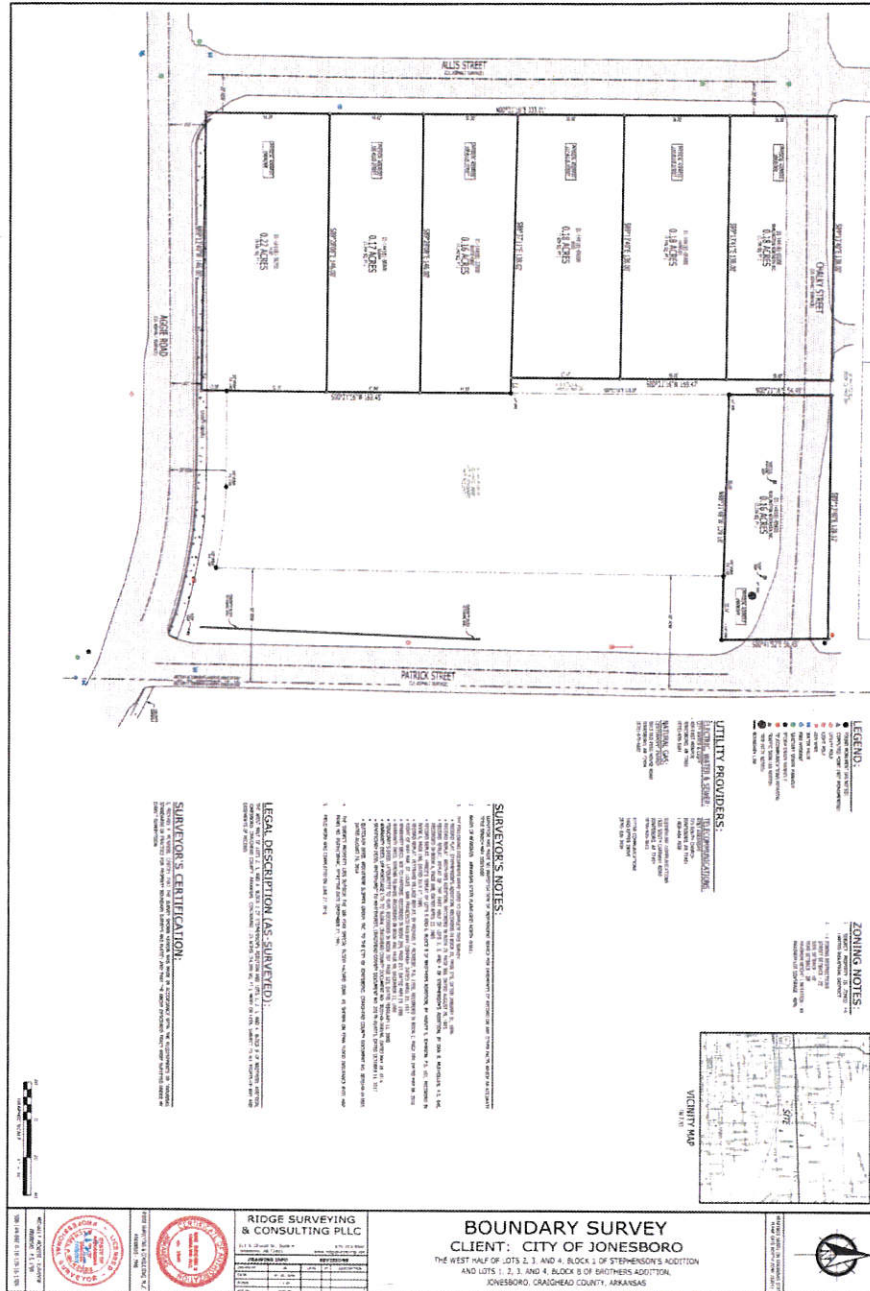
OBYI Item
CLFX4
FLAT CDW DISC 20%

Quantity

Size
140
396Description
4' CHAIN LINK<https://www.arcountydata.com/parcel.asp?item=6E2799&parceldetail=noarial&CountyCode=CRATAX>

3/3

Survey



Preston King Qualifications**QUALIFICATIONS OF
PRESTON J. KING****POSITION:**

State Certified Residential Appraiser, CR 3948
Bob Gibson & Associates
420 W. Jefferson Ave., Jonesboro, AR 72401
W: (870) 932-5206
C: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

 A handwritten signature in cursive script, appearing to read "Denise M. Hall".

Chairman, AAL & CB

Preston King Certification

**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD****This is to certify that
Preston King****License #: CR 3948****has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.****This card is for identification purposes only.**

6/30/2019

A handwritten signature in cursive script, reading "Shannon Mueller".

Expiration Date_____
Chairman

REAL ESTATE CONTRACT FOR CITY OF JONESBORO OFFER AND ACCEPTANCE

1. **BUYERS:** The Buyers, **CITY OF JONESBORO, A MUNICIPAL CORPORATION** offer to buy, subject to the terms set forth herein, the following

2. **PROPERTY DESCRIPTION:**

A PART OF LOT 4 BLOCK 1 OF STEPHENSONS ADDITION TO THE CITY OF JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NORTH 50 FEET OF THE WEST 150 FEET OF LOT 4 IN THE BLOCK 1 OF STEPHENSON'S ADDITION TO THE CITY OF JONESBORO, ARKANSAS.

CONTAINING IN ALL 7,142 SQ. FT. OR 0.16 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, the sum of thirty four thousand five hundred dollars (**\$34,500**).

4. **CONVEYANCE:** Conveyance shall be made to Buyers or as directed by Buyers, by Dedication Deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property. Unless expressly reserved herein, such conveyance shall include mineral rights owned by Seller.

5. **PRO-RATIONS:** Taxes and special assessments, and allowable expenses due on or before closing shall be paid at closing from the proceeds of the sale.

6. **CLOSING:** The closing date will be immediate upon receipt of purchase price.

7. **POSSESSION:** Possession shall be delivered to Buyers: Upon Buyers Closing

8. **CONTINGENCY:** Purchase is contingent upon Buyer receiving grant funding for property acquisition.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH BUYER AND SELLER.

BUYER

CITY OF JONESBORO
CRAIGHEAD COUNTY, AR

Name: _____

Title: _____ Mayor _____

Date: _____

ATTEST

City Clerk

SELLER

Name: Dorothy Whitehead

Date: 8-6-18



Legislation Details (With Text)

File #:	RES-19:110	Version:	1	Name:	PURCHASE PROPERTY LOCATED AT 112 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 112 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO				
Sponsors:	Grants				
Indexes:	Property purchase - real				
Code sections:					
Attachments:	112 N Allis Appraisal.pdf 112 N. Allis offer-Signed.jpg				

Date	Ver.	Action By	Action	Result
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RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 112 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

WHEREAS, the City of Jonesboro, Arkansas desires to purchase the property located at 112 N. Allis, Jonesboro, Arkansas, for the purpose of the Veterans Village; and,

WHEREAS, an offer has been made and accepted by Christopher Bass dated October 10, 2018 agreeing to sell their property located at 112 N. Allis, Jonesboro, Arkansas; and,

WHEREAS, the funding of this purchase of this property shall come from the ADFA grant funds.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO THAT:

SECTION 1: The Mayor and the City Clerk are hereby authorized by the City Council of the City of Jonesboro to execute all necessary documents to complete this transaction from the ADFA grant funds.



APPRAISAL OF REAL PROPERTY

LOCATED AT:

112 N Allis St
Lot 3 Block B Brothers Addition
Jonesboro, AR 72401

FOR:

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

AS OF:

07/16/2018

BY:

Preston King

Bob Gibson and Associates Inc.
P O Box 3071
420 W Jefferson, Suite A
Jonesboro, AR 72401

July 23, 2018

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

Re: Property: 112 N Allis St
Jonesboro, AR 72401
Client: City of Jonesboro (CLIENT)

Pursuant to your request, I have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows. To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties. This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached. The person signing this report has the knowledge and experience to complete this assignment competently. Please do not hesitate to contact me or any of our staff if we can be of additional service to you.


Sincerely,
Preston King



SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	112 N Allis St
	Legal Description	Lot 3 Block B Brothers Addition
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
SALES PRICE	Sale Price	\$ 0
	Date of Sale	N/A
CLIENT	Client	City of Jonesboro
	Owner	Christopher Bass
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	960
	Price per Square Foot	\$
	Location	Residential
	Age	Act ~33/ Eff 30
	Condition	Below Avg.
	Total Rooms	5
	Bedrooms	2
	Baths	1.0
APPRAISER	Appraiser	Preston King
	Date of Appraised Value	07/16/2018
VALUE	Final Estimate of Value	\$ 10,000

Exterior-Only Inspection Residential Appraisal Report File

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 112 N Altis St City Jonesboro State AR Zip Code 72401
 Borrower City of Jonesboro (CLIENT) Owner of Public Record Christopher Bass County Craighead
 Legal Description Lot 3 Block B Brothers Addition
 Assessor's Parcel # 01-144181-05500 Tax Year 2017 R.E. Taxes \$ 70
 Neighborhood Name Jonesboro City Map Reference 27860 Census Tract 0006.02
 Occupant ☐ Owner ☒ Tenant ☐ Vacant Special Assessments \$ 0 ☐ PUD HOA \$ 0 ☐ per year ☐ per month
 Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
 Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Valuation
 Lender/Client City of Jonesboro Address 300 S Church St, Jonesboro, AR 72401
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No
 Report data source(s) used, offering price(s), and date(s). According to the local MLS system, the subject has not been listed for sale within the last twelve months.
 I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ 0 Date of Contract N/A Is the property seller the owner of public record? ☐ Yes ☐ No Data Source(s)
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	50 %		
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %		
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	2	Low	Multi-Family	10 %		
Neighborhood Boundaries The area is bound to the north by Johnson Ave., to the south by Washington Ave., to the east by Marion Berry and to the west by Main St.		150	High	Commercial	25 %		
		50	Pred.	Other	5 %		

Neighborhood Description The subject is located in the city limits of Jonesboro. It is located in a residential type area that has a mixture of single & multi family units as well as commercial & industrial. The neighborhood has older improvements and has been developed for many years.
 Marketability appears average to fair.
 Market Conditions (including support for the above conclusions) Property values are stable in subject neighborhood. Demand/supply is in balance.
 Marketing time on average in subject development is estimated at 3-6 months based on this appraiser's research as well as discussions with other real estate professionals in the area. Available financing consists of VA, FHA, and Conventional loans.
 Dimensions See survey attached Area 7,829 sf Shape Rectangular View Residential
 Specific Zoning Classification I-1 Zoning Description Industrial
 Zoning Compliance ☐ Legal ☒ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private
 Electricity ☒ Public ☐ Water ☒ Public ☐ Street Asphalt ☒ ☐
 Gas ☒ Public ☐ Sanitary Sewer ☒ Public ☐ Alley None ☐ ☐
 FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 05031C0044C FEMA Map Date 09/27/1991
 Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

Source(s) Used for Physical Characteristics of Property ☐ Appraisal Files ☒ MLS ☒ Assessment and Tax Records ☐ Prior Inspection ☐ Property Owner
☒ Other (describe) Exterior Inspection Data Source for Gross Living Area www.arcountydata.com

General Description		General Description		Heating/Cooling		Amenities		Car Storage	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	Concrete Slab <input checked="" type="checkbox"/> Crawl Space	<input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB	Fireplace(s) # 0	<input type="checkbox"/> None					
# of Stories 1	Full Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Radiant	Woodstove(s) # 0	<input checked="" type="checkbox"/> Driveway	# of Cars 1				
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Partial Basement <input type="checkbox"/> Finished	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Patio/Deck Deck	Driveway Surface	Concrete				
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls Wood Siding	Fuel Gas	<input type="checkbox"/> Porch None	Garage	# of Cars 0				
Design (Style) Mobile Home	Roof Surface Comp Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Pool None	Carport	# of Cars 0				
Year Built ~1985	Gutters & Downspouts None	<input type="checkbox"/> Individual	<input type="checkbox"/> Fence None	<input checked="" type="checkbox"/> Attached	<input type="checkbox"/> Detached				
Effective Age (Yrs) 30	Window Type Wood/Alum.	<input type="checkbox"/> Other	<input type="checkbox"/> Other	<input type="checkbox"/> Built-in					
Appliances <input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)									
Finished area above grade contains: 5 Rooms 2 Bedrooms 1.0 Bath(s)									
Additional features (special energy efficient items, etc.)	No additional features were noted.								

Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). From an exterior observation, the subject appeared to be in fair to below average condition. Obvious deferred maintenance was noted from an exterior/drive by observation. Most information was provided by county data information. This report is made based on an extraordinary assumption that the interior of the subject is in similar type condition and quality as the exterior of the property. Any changes or differences could impact the opinion of value and is subject to review by the appraiser.

Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No
 If Yes, describe.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe.

Exterior-Only Inspection Residential Appraisal Report

File #

There are		N/A comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ N/A to \$ N/A	
There are		N/A comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ N/A to \$ N/A	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	112 N Allis St Jonesboro, AR 72401	1008 French St Jonesboro, AR 72401	405 W Forrest St Jonesboro, AR 72401
Proximity to Subject	0.99 miles NW	0.89 miles NW	0.14 miles N
Sale Price	\$ 0	\$ 7,000	\$ 7,500
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 8.33 sq.ft.	\$ 8.93 sq.ft.
Data Source(s)	Parcel #01-144073-08900	Parcel #01-144073-20500	Parcel #01-144181-35300
Verification Source(s)	b/p 2017R/010102	b/p 2017R/022863	b/p 2017R/004578
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing	Unknown	Unknown	0
Concessions	None Known	None Known	0
Date of Sale/Time	06/2017	12/2017	0
Location	Residential	Residential	Residential
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	7,829 sf	6,098 sf	0
View	Residential	Residential	Residential
Design (Style)	Mobile Home	Mobile Home	Mobile Home
Quality of Construction	Fair	Similar	0
Actual Age	Act ~33/ Eff 30	Act Unk/ Eff 30	0
Condition	Below Avg.	Similar	0
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	5 2 1.0	5 2 1.0	6 3 1.0
Gross Living Area	960 sq.ft.	840 sq.ft.	1,344 sq.ft.
Basement & Finished	0sf	0sf	0sf
Rooms Below Grade	0	0	0
Functional Utility	Average	Similar	0
Heating/Cooling	None	None	None
Energy Efficient Items	Typical	Similar	0
Garage/Carport	None	None	None
Porch/Patio/Deck	Deck	Deck	Deck
Extra	None	None	Fence
Net Adjustment (Total)	⊗ + □ -	\$ 600	⊗ + □ -
Adjusted Sale Price of Comparables	Net Adj. 8.6 %	Gross Adj. 8.6 %	\$ 7,600
		Gross Adj. 8.0 %	\$ 8,100
		Net Adj. 28.3 %	\$ 11,480
		Gross Adj. 28.3 %	\$ 11,480
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain			
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.			
Data Source(s) www.arcountydata.com			
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.			
Data Source(s) www.arcountydata.com			
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).			
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2
Date of Prior Sale/Transfer			
Price of Prior Sale/Transfer			
Data Source(s)	www.arcountydata.com	www.arcountydata.com	www.arcountydata.com
Effective Date of Data Source(s)	07/22/2018	07/22/2018	07/22/2018
Analysis of prior sale or transfer history of the subject property and comparable sales The subject has not transferred within the last three years since the effective date. None of the comparable sales have transferred within a year of the sales used.			
Summary of Sales Comparison Approach Three sales were selected for comparison with the subject property. All three sales are considered to be in the subject's immediate market area and if placed on the market at the same time I believe would compete. Minor adjustments were needed for the value adding characteristics that were determined from the market. After adjustments I believe these sales give a good indication of the subject's value overall. The most weight was determined to be placed on sales 1 and 2. Sale 3 had more adjustments overall, but still supports the subject well. After analysis, my opinion of value for the subject property is \$10,000. See addenda for additional comments.			
Indicated Value by Sales Comparison Approach \$ 10,000			
Indicated Value by: Sales Comparison Approach \$ 10,000 Cost Approach (if developed) \$ Income Approach (if developed) \$			
The Sales, Income & Cost Approaches were all considered. The Sales Comparison Approach was the only approach conducted and in turn was given the most weight.			
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. Assumes marketable title and that all equipment is in good working order.			
Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 10,000 as of 07/16/2018, which is the date of inspection and the effective date of this appraisal.			

Exterior-Only Inspection Residential Appraisal Report File

The scope of work includes an identification of the property rights valued (fee simple interest), a definition of the value sought (market value), an opinion of the highest and best use (residential), physical observation of the subject site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The Cost, Sales, and Income Approaches were considered.

The first \$350 tax of a homeowner's primary residence has been waived. The tax amount reported in this appraisal is before this credit.

Highest and Best Use: The subject site's physical characteristics, such as size, dimensions, topography, and soil composite, is suitable for a single family residential improvement. There is no zoning restrictions on the property which would not hinder a single family residence. There are also no deed restrictions, to appraiser's knowledge, that limits the improvement of the site with a single family residence. The economic trend of the area is clearly single family residences. The effective age of most homes in this area is lower than the actual age, which supports demand for existing housing. Subject is currently improved with a single family detached residence. The improvements make a substantial contribution to the total property in excess of the site. Therefore, the current use (single family residential) represents the highest and best use of the site.

Clarification of Environmental Comments & Exhibits: The existence of hazardous substances, including without limitation to asbestos, polychlorinated biphenyls, petroleum leakage, lead based paint, molds, agricultural chemicals, etc, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the site and improvements. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated in this report. The appraiser, however, is not qualified nor licensed to test such substances or conditions. If the presence of such substances or environmental conditions may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover the same.

This appraisal is NOT a HOME INSPECTION and the appraiser is NOT ACTING as a HOME INSPECTOR when preparing the report. When performing the inspection of this property, the appraiser visually observed areas that were readily accessible. The appraiser is not required to disturb or move anything that obstructs access or visibility. The inspection is not technically exhaustive. The inspection does not offer warranties or guarantees of any kind.

NOTE: The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the subject property's market value for lending origination, existing loan servicing or foreclosure proceedings subject to the stated scope of work and indicated purpose on the order. No additional Intended Users are identified by the appraiser.

Extraordinary Assumption - This report is made subject to the extraordinary assumption that the interior of the subject is in similar condition to the exterior upon a drive-by inspection.

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) This approach was not deemed applicable.

Omitting this approach does not make this report misleading.

COST APPROACH	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE = \$	
	Source of cost data		DWELLING Sq.Ft. @ \$ = \$	
	Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$ = \$	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)	 = \$	
			Garage/Carport Sq.Ft. @ \$ = \$	
			Total Estimate of Cost-New = \$	
			Less Physical Functional External = \$()	
			Depreciation = \$()	
			Depreciated Cost of Improvements = \$	
			"As-is" Value of Site Improvements = \$	

Estimated Remaining Economic Life (HUD and VA only) Years INDICATED VALUE BY COST APPROACH = \$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) This approach was not conducted per engagement and scope of work.

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

Exterior-Only Inspection Residential Appraisal Report File

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Exterior-Only Inspection Residential Appraisal Report File

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

Exterior-Only Inspection Residential Appraisal Report File

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature [Signature]
 Name Preston King
 Company Name Bob Gibson & Associates
 Company Address 420 W. Jefferson Ave Suite A, Jonesboro, AR 72401
 Telephone Number (870) 932-5206
 Email Address gibsonmj@swbell.net
 Date of Signature and Report 07/23/2018
 Effective Date of Appraisal 07/16/2018
 State Certification # CR 3948
 or State License # _____
 or Other (describe) _____ State # _____
 State AR
 Expiration Date of Certification or License 12/31/2019
 ADDRESS OF PROPERTY APPRAISED
112 N Allis St
Jonesboro, AR 72401

APPRAISED VALUE OF SUBJECT PROPERTY \$ 10,000
 LENDER/CLIENT
 Name Craig Light
 Company Name City of Jonesboro
 Company Address 300 S Church St, Jonesboro, AR 72401
 Email Address CLight@jonesboro.org

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect exterior of subject property
☐ Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
 Date of Inspection _____

Supplemental Addendum

File No.

Client	City of Jonesboro				
Property Address	112 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Christopher Bass				

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client in determining fair market value of the subject property. If this report is placed in the hands of anyone other than the client, the client shall make such third party aware of all the assumptions and limiting conditions of the assignment. This report is being restricted to the stated client's use only and for the stated purposes only. No other user is identified and no other use is identified. The scope of this appraisal consisted of an observation of subject site from the public street. Pictures of the exterior of the improvements were taken and can be found in this report. **This report is being made based on an extraordinary assumption that the interior of the improvements are in similar type condition as the interior. Any differences that exist from what is observed and assumed are subject to review by the appraiser and the value is subject to change.** The livable area was derived from www.arcountydata.com which is believed to be a reliable source. The cost approach was not applicable/not completed (explained elsewhere in this report). The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood/subdivision. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. The income approach was not used in this report based on engagement and scope of work agreed on by client and appraiser. The approaches to value used in this report were reconciled and an opinion of value was rendered based on the data available. This report is an appraisal and not an environmental, structural, termite, or building inspection. If the user or client desires such type of reports, they should be ordered from a licensed home inspector or an environmental expert. This appraisal report does not guarantee that the property is free of defects. The appraiser is not a home inspector, termite inspector, or environmental inspector.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Digital Images:

Digitized images, such as photographs, maps, exhibits, etc., contained in this report, are unaltered from their original likeness. Digital images, however, may have been modified for formatting, brightness, or resolution. These modifications are made only to reduce file size or enhance readability and do not manipulate the original likeness.

Comps Over One Mile:

Comparable sales over one mile away were used because they are the best available in this area. Expanding the search to a radius greater than one mile developed sales that are still within the same market. These sales are the best comparables to the subject property and are therefore used in this report.

Comps Over Six Months:

A thorough search for comparable sales was made in this market area. Comparables that sold within six months of the date of appraisal were significantly different in location, size, age, conditions and other value influencing items. In the appraisers judgement, the comparables selected are a better indication of value than most recent sales.

Age Adjustments:

Age adjustments were made based off of the effective age of each property respectively. The effective age takes into consideration the condition of the property as well as the functional utility that remains with each property. A 1% adjustment per effective age difference was made based on the contract price of the sales.

Sales Concessions:

No sales concessions were conducted due to them being a traditional occurrence in this market. Not only are they a normal occurrence, but the lack of disclosures of sales concessions is poor. It is not a requirement in the state of Arkansas to disclose sales concessions and disclosing these sales concessions could result in violations of Arkansas law.

Gross Adjustment Over 25%:

A thorough search for comparable sales was made in an attempt to find ones with gross adjustments of less than 25% of their sales price. After considering locations, dates of sale, physical differences, and special conditions, in the appraiser's judgement, the sales selected are better indicators of the value of the subject property than those with smaller gross adjustments.

Net Adjustment Over 15%:

A thorough search for comparable sales was made in an attempt to find ones with net adjustments of less than 15% of their sales price. After considering locations, dates of sale, physical differences and special conditions, in the appraiser's judgement, the sales selected are better indicators of the value of the subject property than those with smaller net adjustments.

*The bedroom & bathroom count is an estimation based on data collected and the size of the mobile home.

*The subject is assumed to be a permanent improvement that has been mounted and attached to some form of a foundation. If the wheels and axles have not been removed, the appraiser reserves the right to analyze such information and the appraisal is subject to change.

Client	City of Jonesboro	File No.
Property Address	112 N Allis St	
City	Jonesboro	County Craighead
State	AR	Zip Code 72401
Owner	Christopher Bass	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☐ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☒ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)


My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-6 Months

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years. The appraisal is made restricted to the stated client's use only and no other user is identified. The use of the appraisal is for a fair market value opinion and for no other reason or purpose.

APPRAISER:

Signature: 
 Name: Preston King
 Certified Residential
 State Certification #: CR 3948
 or State License #: _____
 State: AR Expiration Date of Certification or License: 12/31/2019
 Date of Signature and Report: 07/23/2018
 Effective Date of Appraisal: 07/16/2018
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only
 Date of Inspection (if applicable): 07/16/2018



SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only
 Date of Inspection (if applicable): _____

PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

Please feel free to call us at any time if you have any questions about the confidentiality of the information that you provide to us.

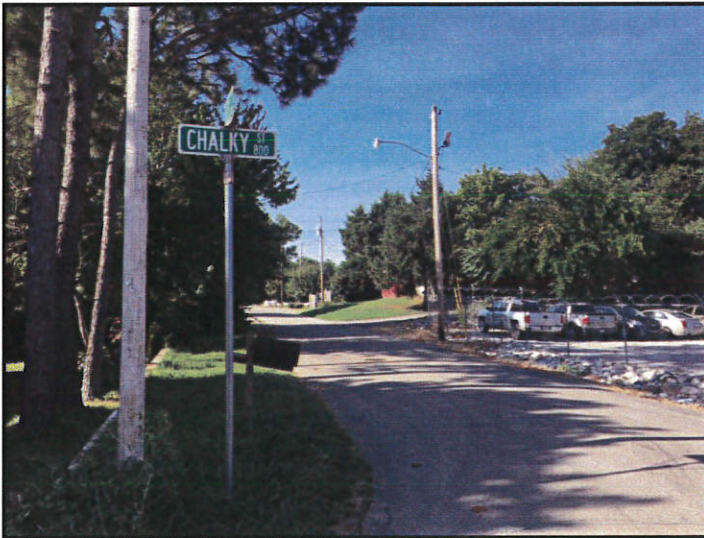
Subject Photo Page

Client	City of Jonesboro				
Property Address	112 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Christopher Bass				



Subject Front

112 N Allis St
 Sales Price 0
 Gross Living Area 960
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 7,829 sf
 Quality Fair
 Age Act ~33/ Eff 30



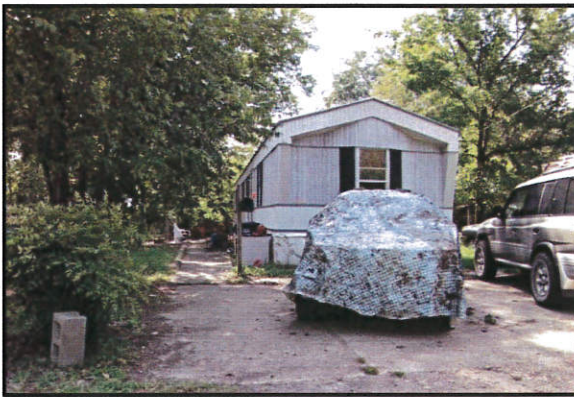
Subject Street View

Comparable Photo Page

Client	City of Jonesboro				
Property Address	112 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Christopher Bass				

**Comparable 1**

1008 French St
 Prox. to Subject 0.99 miles NW
 Sales Price 7,000
 Gross Living Area 840
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 6,098 sf
 Quality Similar
 Age Act Unk/ Eff 30

**Comparable 2**

405 W Forrest St
 Prox. to Subject 0.89 miles NW
 Sales Price 7,500
 Gross Living Area 840
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 6,600 sf
 Quality Similar
 Age Act Unk/ Eff 30

**Comparable 3**

985 E Word Ave
 Prox. to Subject 0.14 miles N
 Sales Price 16,000
 Gross Living Area 1,344
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 14,000 sf
 Quality Similar
 Age Act Unk/ Eff 20

Comparable Sales Map

Client	City of Jonesboro				
Property Address	112 N Allis St				
City	Jonesboro	County	Craighead	State	AR
Owner	Christopher Bass		Zip Code	72401	



Flood Map

Client	City of Jonesboro			
Property Address	112 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Christopher Bass			

InterFlood by a la mode

Prepared for: Bob Gibson Appraisal Service

112 N Allis St
Jonesboro, AR 72401

MAP DATA

FEMA Special Flood Hazard Area: **No**
 Map Number: **05031C0044C**
 Zone: **X**
 Map Date: **September 27, 1991**
 FIPS: **05031**

MAP LEGEND

Areas inundated by 500-year flooding
 Areas inundated by 100-year flooding
 Velocity Hazard

Protected Areas
 Floodway
 Subject Area

Powered by CoreLogic®

Location Map

Client	City of Jonesboro			
Property Address	112 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	Christopher Bass			



Parcel Card - Page 1

7/23/2018

ARCountyData.Com - Parcel Detail Report

Created: 7/23/2018 7:03:45 AM

Parcel Detail Report

Basic Information

Parcel Number: 01-144181-05500
 County Name: Craighead County
 Mailing Address: BASS CHRISTOPHER
 111 S PRUETT ST
 PARA GOULD AR 72450-
 Property Address: BASS CHRISTOPHER M
 112 N ALLIS
 JONESBORO, AR
 Billing Address: BASS CHRISTOPHER
 111 S PRUETT ST
 PARA GOULD, AR 72450-
 Total Acres: 0.00
 Timber Acres: 0.00
 Sec-Twp-Rng: 18-14-04
 Lot/Block: 3B
 Subdivision: BROTHERS ADD
 Legal Description: BROTHERS ADD 56X138
 School District: J.B JONESBORO CITY
 Homestead Parcel?: No
 Tax Status: Taxable
 Over 65?: No
 Land Information

Land Type	Quantity	Front Width	Rear Width	Depth 1	Depth 2	Quarter
RESHS	1 lots [0.500]	0	0	0	0	

Valuation Information

Entry	Appraised	Assessed
Land:	5,000	1,000
Improvements:	3,250	650
Total Value:	8,250	1,650
Taxable Value:		1,650
Millage:		0.0422
Estimated Taxes:		\$69.63
Assessment Year:		2017

Tax Information

Year	Book	Tax Owed	Tax Paid	Balance
2017	Current	\$69.63	\$0.00	\$69.63
2016	Current	\$86.93	-\$86.93	\$0.00

Receipts

<https://www.arcountydata.com/parcel.asp?item=6E265E&parceldetail=no&isla&CountyCode=CRATAX>

1/2

Parcel Card - Page 2

7/23/2019 ARCountyData.Com - Parcel Detail Report

Receipt #	Book	Tax Year	Receipt Date	Cash Amt	Check Amt	Credit Amt	Total
33598	Current	2016	10/12/2017	\$0.00	\$0.00	\$86.93	\$86.93


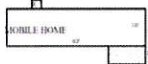
Sales History

Date	Price	Grantor	Grantee	Book	Page	Deed Type
12/21/1995	7,000	SIMONS	BASS	490	99	WD(WARRANTY DEED)

Improvement Information

Residential Improvements

Residential Improvement #1

Living Area 1st Floor	Living Area 2nd Floor	Living Area Total SF
960 Basement Unfinished	0 Basement Finished w/Partitions	960 Basement Total SF
	Basement Finished w/o Partitions	

Occupancy Type: Mobile Home

Grade: D5

Story Height: 1 Story

Year Built: Year Built Not Available

Effective Age: 25

Construction Type:

Roof Type: Unknown

Heat / A/C: None

Fireplace: 0

Bathrooms:

Foundation Type: Unknown

Floor Type: Unknown

Floor Covering:

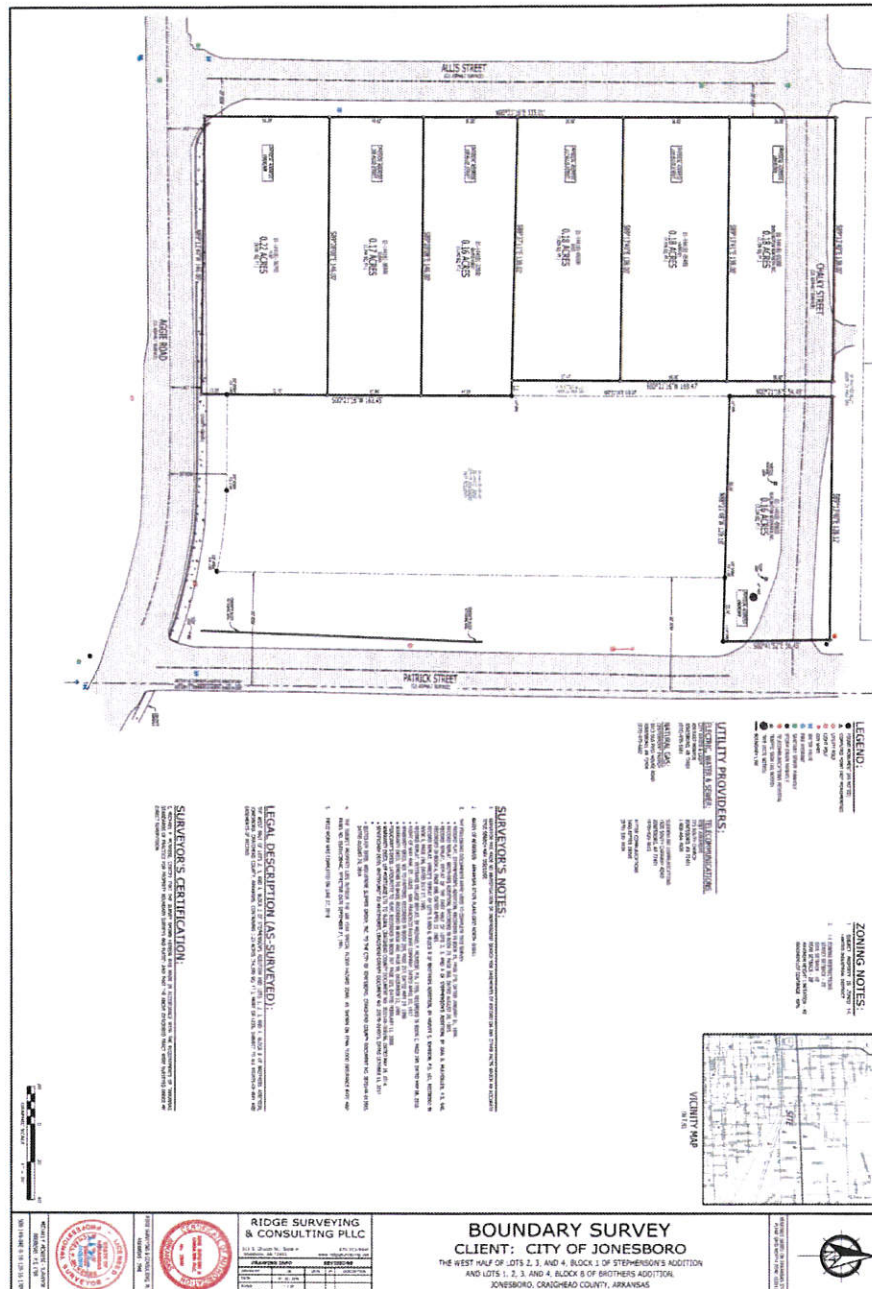
Outbuildings / Yard Improvements:

OBYI Item	Quantity	Size	Description
WD	128		16 x 8 WOOD DECKS
WD NCV	1		

<https://www.arcountydata.com/parcel.asp?item=6E255E&parcelDetail=noarial&CountyCode=CRATAX>

2/2

Survey



Preston King Qualifications**QUALIFICATIONS OF
PRESTON J. KING****POSITION:**

State Certified Residential Appraiser, CR 3948
Bob Gibson & Associates
420 W. Jefferson Ave., Jonesboro, AR 72401
W: (870) 932-5206
C: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Altest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

A handwritten signature in cursive script, appearing to read "Denise Miller".

Chairman, AAL & CB

Preston King Certification

**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD****This is to certify that
Preston King****License #: CR 3948****has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.
This card is for identification purposes only.**

6/30/2019

A handwritten signature in cursive script, reading "Shannon Mueller".

Expiration Date_____
Chairman

REAL ESTATE CONTRACT FOR CITY OF JONESBORO OFFER AND ACCEPTANCE

1. **BUYERS:** The Buyers, **CITY OF JONESBORO, A MUNICIPAL CORPORATION** offer to buy, subject to the terms set forth herein, the following

2. **PROPERTY DESCRIPTION:**

A PART OF LOT 3 BLOCK B OF BROTHERS ADDITION TO THE CITY OF JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, CONTAINING IN ALL 7,829 SQ. FT. OR 0.18 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, the sum of thirty thousand dollars (**\$30,000**).

4. **CONVEYANCE:** Conveyance shall be made to Buyers or as directed by Buyers, by Dedication Deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property. Unless expressly reserved herein, such conveyance shall include mineral rights owned by Seller.

5. **PRO-RATIONS:** Taxes and special assessments, and allowable expenses due on or before closing shall be paid at closing from the proceeds of the sale.

6. **CLOSING:** The closing date will be immediate upon receipt of purchase price.

7. **POSSESSION:** Possession shall be delivered to Buyers: Upon Buyers Closing

8. **CONTINGENCY:** Purchase is contingent upon Buyer receiving grant funding for property acquisition.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH BUYER AND SELLER.

BUYER

SELLER

CITY OF JONESBORO

CRAIGHEAD COUNTY, AR

Name: _____

Title: _____ Mayor _____

Date: _____

ATTEST

City Clerk

Name: Chris Bass

Date: 10-10-18

Name: _____

Date: _____



Legislation Details (With Text)

File #:	RES-19:111	Version:	1	Name:	PURCHASE PROPERTY LOCATED AT 116 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 116 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO				
Sponsors:	Grants				
Indexes:	Property purchase - real				
Code sections:					
Attachments:	116 N Allis Appraisal.pdf 116 N. Allis offer-Signed.jpg				

Date	Ver.	Action By	Action	Result
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RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE PROPERTY LOCATED AT 116 N. ALLIS, JONESBORO, ARKANSAS FOR THE PURPOSE OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY (ADFA) GRANT AWARD FOR THE VETERANS VILLAGE OF JONESBORO

WHEREAS, the City of Jonesboro, Arkansas desires to purchase the property located at 116 N. Allis, Jonesboro, Arkansas for the purpose of the Veterans Village; and,

WHEREAS, an offer has been made and accepted by William and Sharon Hafford dated October 9, 2018 agreeing to sell their property located at 116 N. Allis, Jonesboro, Arkansas; and,

WHEREAS, the funding of the purchase of this property shall come from the ADFA grant funds

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO THAT:

SECTION 1: The Mayor and City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all necessary documents to complete this transaction from the ADFA grant funds.



APPRAISAL OF REAL PROPERTY

LOCATED AT:

116 N Allis St
Lot 2 Block B Brothers Addition
Jonesboro, AR 72401

FOR:

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

AS OF:

07/16/2018

BY:

Preston King

Bob Gibson and Associates Inc.
P O Box 3071
420 W Jefferson, Suite A
Jonesboro, AR 72401

July 23, 2018

City of Jonesboro
300 S Church St
Jonesboro, AR 72401

Re: Property: 116 N Allis St
Jonesboro, AR 72401
Client: City of Jonesboro (CLIENT)

Pursuant to your request, I have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows. To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties. This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached. The person signing this report has the knowledge and experience to complete this assignment competently. Please do not hesitate to contact me or any of our staff if we can be of additional service to you.


Preston King



SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	116 N Allis St
	Legal Description	Lot 2 Block B Brothers Addition
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
SALES PRICE	Sale Price	\$ 0
	Date of Sale	N/A
CLIENT	Client	City of Jonesboro
	Owner	William & Sharon Hafford
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,772
	Price per Square Foot	\$
	Location	Residential
	Age	~68
	Condition	Below Avg.
	Total Rooms	6
	Bedrooms	3
	Baths	1.1
APPRAISER	Appraiser	Preston King
	Date of Appraised Value	07/16/2018
VALUE	Final Estimate of Value	\$ 34,000

Exterior-Only Inspection Residential Appraisal Report File

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 116 N Allis St City Jonesboro State AR Zip Code 72401
 Borrower City of Jonesboro (CLIENT) Owner of Public Record William & Sharon Hafford County Craighead
 Legal Description Lot 2 Block B Brothers Addition
 Assessor's Parcel # 01-144181-05400 Tax Year 2017 R.E. Taxes \$ 211
 Neighborhood Name Jonesboro City Map Reference 27860 Census Tract 0006.02

SUBJECT
 Occupant ☐ Owner ☒ Tenant ☐ Vacant Special Assessments \$ 0 ☐ PUD HOA \$ 0 ☐ per year ☐ per month
 Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
 Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Valuation
 Lender/Client City of Jonesboro Address 300 S Church St. Jonesboro, AR 72401
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No
 Report data source(s) used, offering price(s), and date(s). According to the local MLS system, the subject has not been listed for sale within the last twelve months.
 I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

CONTRACT
 Contract Price \$ 0 Date of Contract N/A Is the property seller the owner of public record? ☐ Yes ☐ No Data Source(s)
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No
 If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD
 Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location	<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	50 %
Built-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	2	Low	Multi-Family	10 %
Neighborhood Boundaries	The area is bound to the north by Johnson Ave., to the south by Washington Ave., to the east by Marion Berry and to the west by Main St.			150	High	Commercial	25 %
Neighborhood Description	The subject is located in the city limits of Jonesboro. It is located in a residential type area that has a mixture of single & multi family units as well as commercial & industrial. The neighborhood has older improvements and has been developed for many years.			50	Pred.	Other	5 %

 Marketability appears average to fair.
 Market Conditions (including support for the above conclusions) Property values are stable in subject neighborhood. Demand/supply is in balance.
 Marketing time on average in subject development is estimated at 3-6 months based on this appraiser's research as well as discussions with other real estate professionals in the area. Available financing consists of VA, FHA, and Conventional loans.
 Dimensions See survey attached Area 7,728 sf Shape Rectangular View Residential
 Specific Zoning Classification I-1 Zoning Description Industrial
 Zoning Compliance ☐ Legal ☒ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe

SITE

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/> Public	Water	<input checked="" type="checkbox"/> Public	Street	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/> Public	Sanitary Sewer	<input checked="" type="checkbox"/> Public	Alley	<input type="checkbox"/>	<input type="checkbox"/>

 FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 05031C0044C FEMA Map Date 09/27/1991
 Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

IMPROVEMENTS
 Source(s) Used for Physical Characteristics of Property ☐ Appraisal Files ☒ MLS ☒ Assessment and Tax Records ☐ Prior Inspection ☐ Property Owner
☒ Other (describe) Exterior Inspection Data Source for Gross Living Area www.arcountydata.com

General Description		General Description		Heating/Cooling		Amenities		Car Storage	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	Concrete Slab	<input checked="" type="checkbox"/> Crawl Space	FWA	<input type="checkbox"/> HWBB	Fireplace(s) #	0	None	
# of Stories	1	Full Basement	<input type="checkbox"/> Finished	Radiant	<input type="checkbox"/> Other	Woodstove(s) #	0	<input checked="" type="checkbox"/> Driveway	# of Cars 1
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Partial Basement	<input type="checkbox"/> Finished			Patio/Deck	None	Driveway Surface	Concrete
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Exterior Walls	Wood Siding	Fuel	Gas	Porch	Porch	Garage	# of Cars 0
Design (Style)	Ranch	Roof Surface	Comp Shingle	<input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Individual	Pool	None	Carport	# of Cars 1
Year Built	~1950	Gutters & Downspouts	None	<input type="checkbox"/> Individual	<input type="checkbox"/> Other	Fence	Chainlink	Attached	<input type="checkbox"/> Detached
Effective Age (Yrs)	40	Window Type	Wood/Alum.	<input type="checkbox"/> Individual	<input type="checkbox"/> Other			Built-in	
Appliances	<input type="checkbox"/> Refrigerator <input type="checkbox"/> Range/Oven <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer	<input type="checkbox"/> Other (describe)							
Finished area above grade contains:	6 Rooms	3 Bedrooms	1.1 Bath(s)	1,772	Square Feet of Gross Living Area Above Grade				
Additional features (special energy efficient items, etc.) No additional features were noted.									
Describe the condition of the property and data source(s) (including apparent needed repairs, deterioration, renovations, remodeling, etc.). From an exterior observation, the subject appeared to be in fair to below average condition. Obvious deferred maintenance was noted from an exterior/drive by observation. Most information was provided by county data information. This report is made based on an extraordinary assumption that the interior of the subject is in similar type condition and quality as the exterior of the property. Any changes or differences could impact the opinion of value and is subject to review by the appraiser.									
Are there any apparent physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.									
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.									

Exterior-Only Inspection Residential Appraisal Report

File #

There are		N/A comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ N/A to \$ N/A	
There are		N/A comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ N/A to \$ N/A	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2
Address	116 N Allis St Jonesboro, AR 72401	1212 W Oak Ave Jonesboro, AR 72401	223 N Fisher St Jonesboro, AR 72401
Proximity to Subject	1.62 miles SW	2.04 miles W	0.15 miles NW
Sale Price	\$ 0	\$ 30,000	\$ 34,000
Sale Price/Gross Liv. Area	\$ sq.ft. \$ 17.58 sq.ft.	\$ 21.29 sq.ft.	\$ 19.38 sq.ft.
Data Source(s)	County Data, DOM = Unk	MLS 10073316, DOM = 63	County Data, DOM = Unk
Verification Source(s)	NEA Comp Service	County Data, NEA Comp Service	NEA Comp Service
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing	Unknown	0 Bank	0 Conventional
Concessions	None Known	0 None Known	0 None Known
Date of Sale/Time	04/2017	0 04/2018	0 10/2017
Location	Residential	Residential	Residential
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	7,728 sf	13,068 sf	0 27,878 sf
View	Residential	Residential	Residential
Design (Style)	Ranch	Ranch	Ranch
Quality of Construction	Fair	Similar	0 Similar
Actual Age	~68	~65	0 ~58
Condition	Fair	Similar	0 Similar
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths
Room Count	6 3 1.1	6 3 1.0	+1,000 6 3 2.0
Gross Living Area	1,772 sq.ft.	1,706 sq.ft.	+990 1,597 sq.ft.
Basement & Finished	0sf	0sf	0sf
Rooms Below Grade	0	0	0
Functional Utility	Average	Average	Average
Heating/Cooling	Central H&A	Central H&A	Central H&A
Energy Efficient Items	Typical	Similar	0 Similar
Garage/Carport	1 Carport Att.	1 Carport Att.	+1,000 1 Carport Att.
Porch/Patio/Deck	0 Porches	0 Porch/Patio	0 Porch/Patio
Extra	Fence	Fence	Fence
Net Adjustment (Total)		\$ 1,990	\$ 125
Adjusted Sale Price	Net Adj. 6.6 %	Net Adj. 0.4 %	Net Adj. 1.5 %
of Comparables	Gross Adj. 6.6 %	Gross Adj. 21.0 %	Gross Adj. 1.5 %
		\$ 31,990	\$ 34,125
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain			
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.			
Data Source(s) www.arcountydata.com			
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.			
Data Source(s) www.arcountydata.com			
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).			
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2
Date of Prior Sale/Transfer	10/11/2017	02/27/2017	None within one year
Price of Prior Sale/Transfer	0	\$0	None within one year
Data Source(s)	www.arcountydata.com	www.arcountydata.com	www.arcountydata.com
Effective Date of Data Source(s)	07/22/2018	07/22/2018	07/22/2018
Analysis of prior sale or transfer history of the subject property and comparable sales The subject transferred on 10/11/2017 via a beneficiary's deed for a price of \$0. Sale 1 transferred via a quit claim deed for a price of \$0 on 02/27/2017. It also transferred on 01/24/2017 via a contract sale deed for a price of \$0. Sale 2 did not transfer within a year of the sales used. Sale 3 did not transfer within a year of the sales used.			
Summary of Sales Comparison Approach Three sales were selected for comparison with the subject property. All three sales are considered to be in the subject's market area and if placed on the market at the same time I believe would be competing properties. Adjustments were made for the value adding characteristics. The sales chosen are similar to the subject in many ways including size, age/condition, neighborhood characteristics, site value and amenities that they contain. An even amount of weight was determined to be placed on all three sales. After analysis, my opinion of value via the sales Comparison Approach is \$34,000.			
See addenda for additional comments.			
Indicated Value by Sales Comparison Approach \$ 34,000			
Indicated Value by: Sales Comparison Approach \$ 34,000 Cost Approach (if developed) \$ Income Approach (if developed) \$			
The Sales, Income & Cost Approaches were all considered. The Sales Comparison Approach was the only approach conducted and in turn was given the most weight.			
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: Assumes marketable title and that all equipment is in good working order.			
Based on a visual inspection of the exterior areas of the subject property from at least the street, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 34,000, as of 07/16/2018, which is the date of inspection and the effective date of this appraisal.			

Exterior-Only Inspection Residential Appraisal Report File

The scope of work includes an identification of the property rights valued (fee simple interest), a definition of the value sought (market value), an opinion of the highest and best use (residential), physical observation of the subject site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The Cost, Sales, and Income Approaches were considered.

The first \$350 tax of a homeowner's primary residence has been waived. The tax amount reported in this appraisal is before this credit.

Highest and Best Use: The subject site's physical characteristics, such as size, dimensions, topography, and soil composite, is suitable for a single family residential improvement. There is no zoning restrictions on the property which would not hinder a single family residence. There are also no deed restrictions, to appraiser's knowledge, that limits the improvement of the site with a single family residence. The economic trend of the area is clearly single family residences. The effective age of most homes in this area is lower than the actual age, which supports demand for existing housing. Subject is currently improved with a single family detached residence. The improvements make a substantial contribution to the total property in excess of the site. Therefore, the current use (single family residential) represents the highest and best use of the site.

Clarification of Environmental Comments & Exhibits: The existence of hazardous substances, including without limitation to asbestos, polychlorinated biphenyls, petroleum leakage, lead based paint, molds, agricultural chemicals, etc, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the site and improvements. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated in this report. The appraiser, however, is not qualified nor licensed to test such substances or conditions. If the presence of such substances or environmental conditions may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover the same.

This appraisal is NOT a HOME INSPECTION and the appraiser is NOT ACTING as a HOME INSPECTOR when preparing the report. When performing the inspection of this property, the appraiser visually observed areas that were readily accessible. The appraiser is not required to disturb or move anything that obstructs access or visibility. The inspection is not technically exhaustive. The inspection does not offer warranties or guarantees of any kind.

NOTE: The intended user of this appraisal report is the Lender/Client. The intended use is to evaluate the subject property's market value for lending origination, existing loan servicing or foreclosure proceedings subject to the stated scope of work and indicated purpose on the order. No additional Intended Users are identified by the appraiser.

Extraordinary Assumption - This report is made subject to the extraordinary assumption that the interior of the subject is in similar condition to the exterior upon a drive-by inspection.

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) This approach was not deemed applicable.

Omitting this approach does not make this report misleading.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW

Source of cost data

Quality rating from cost service Effective date of cost data

Comments on Cost Approach (gross living area calculations, depreciation, etc.)

OPINION OF SITE VALUE = \$

DWELLING Sq.Ft. @ \$ = \$

Sq.Ft. @ \$ = \$

Garage/Carport Sq.Ft. @ \$ = \$

Total Estimate of Cost-New = \$

Less Physical Functional External

Depreciation = \$()

Depreciated Cost of Improvements = \$

"As-is" Value of Site Improvements = \$

Estimated Remaining Economic Life (HUD and VA only) Years INDICATED VALUE BY COST APPROACH = \$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) This approach was not conducted per engagement and scope of work.

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source(s)

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

Exterior-Only Inspection Residential Appraisal Report File

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a visual inspection of the exterior areas of the subject property from at least the street, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

The appraiser must be able to obtain adequate information about the physical characteristics (including, but not limited to, condition, room count, gross living area, etc.) of the subject property from the exterior-only inspection and reliable public and/or private sources to perform this appraisal. The appraiser should use the same type of data sources that he or she uses for comparable sales such as, but not limited to, multiple listing services, tax and assessment records, prior inspections, appraisal files, information provided by the property owner, etc.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Exterior-Only Inspection Residential Appraisal Report File

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a visual inspection of the exterior areas of the subject property from at least the street. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

Exterior-Only Inspection Residential Appraisal Report File

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER	
Signature 	
Name <u>Preston King</u>	
Company Name <u>Bob Gibson & Associates</u>	
Company Address <u>420 W. Jefferson Ave., Suite A, Jonesboro, AR 72401</u>	
Telephone Number <u>(870) 932-5206</u>	
Email Address <u>gibsonmj@swbell.net</u>	
Date of Signature and Report <u>07/23/2018</u>	
Effective Date of Appraisal <u>07/16/2018</u>	
State Certification # <u>CR 3948</u>	
or State License # _____	
or Other (describe) _____ State # _____	
State <u>AR</u>	
Expiration Date of Certification or License <u>12/31/2019</u>	
ADDRESS OF PROPERTY APPRAISED	
<u>116 N Allis St</u>	
<u>Jonesboro, AR 72401</u>	
APPRAISED VALUE OF SUBJECT PROPERTY \$	<u>34,000</u>
LENDER/CLIENT	
Name <u>Craig Light</u>	
Company Name <u>City of Jonesboro</u>	
Company Address <u>300 S Church St, Jonesboro, AR 72401</u>	
Email Address <u>CLight@jonesboro.org</u>	

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

<input type="checkbox"/> Did not inspect exterior of subject property
<input type="checkbox"/> Did inspect exterior of subject property from street
Date of Inspection _____

COMPARABLE SALES

<input type="checkbox"/> Did not inspect exterior of comparable sales from street
<input type="checkbox"/> Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No.

Client	City of Jonesboro			
Property Address	116 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	William & Sharon Hafford			

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client in determining fair market value of the subject property. If this report is placed in the hands of anyone other than the client, the client shall make such third party aware of all the assumptions and limiting conditions of the assignment. This report is being restricted to the stated client's use only and for the stated purposes only. No other user is identified and no other use is identified. The scope of this appraisal consisted of an observation of subject site from the public street. Pictures of the exterior of the improvements were taken and can be found in this report. **This report is being made based on an extraordinary assumption that the interior of the improvements are in similar type condition as the interior. Any differences that exist from what is observed and assumed are subject to review by the appraiser and the value is subject to change.** The livable area was derived from www.arcountydata.com which is believed to be a reliable source. The cost approach was not applicable/not completed (explained elsewhere in this report). The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood/subdivision. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. The income approach was not used in this report based on engagement and scope of work agreed on by client and appraiser. The approaches to value used in this report were reconciled and an opinion of value was rendered based on the data available. This report is an appraisal and not an environmental, structural, termite, or building inspection. If the user or client desires such type of reports, they should be ordered from a licensed home inspector or an environmental expert. This appraisal report does not guarantee that the property is free of defects. The appraiser is not a home inspector, termite inspector, or environmental inspector.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Digital Images:

Digitized images, such as photographs, maps, exhibits, etc., contained in this report, are unaltered from their original likeness. Digital images, however, may have been modified for formatting, brightness, or resolution. These modifications are made only to reduce file size or enhance readability and do not manipulate the original likeness.

Comps Over One Mile:

Comparable sales over one mile away were used because they are the best available in this area. Expanding the search to a radius greater than one mile developed sales that are still within the same market. These sales are the best comparables to the subject property and are therefore used in this report.

Comps Over Six Months:

A thorough search for comparable sales was made in this market area. Comparables that sold within six months of the date of appraisal were significantly different in location, size, age, conditions and other value influencing items. In the appraisers judgement, the comparables selected are a better indication of value than most recent sales.

Age Adjustments:

Age adjustments were made based off of the effective age of each property respectively. The effective age takes into consideration the condition of the property as well as the functional utility that remains with each property. A 1% adjustment per effective age difference was made based on the contract price of the sales.

Sales Concessions:

No sales concessions were conducted due to them being a traditional occurrence in this market. Not only are they a normal occurrence, but the lack of disclosures of sales concessions is poor. It is not a requirement in the state of Arkansas to disclose sales concessions and disclosing these sales concessions could result in violations of Arkansas law.

Client	City of Jonesboro		File No.
Property Address	116 N Allis St		
City	Jonesboro	County	Craighead
State	AR	Zip Code	72401
Owner	William & Sharon Hafford		

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☐ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☒ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)


My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 3-6 Months

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years. The appraisal is made restricted to the stated client's use only and no other user is identified. The use of the appraisal is for a fair market value opinion and for no other reason or purpose.

APPRAISER:

Signature: 
 Name: Preston King
 Certified Residential
 State Certification #: CR 3948
 or State License #: _____
 State: AR Expiration Date of Certification or License: 12/31/2019
 Date of Signature and Report: 07/23/2018
 Effective Date of Appraisal: 07/16/2018
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☒ Exterior-Only
 Date of Inspection (if applicable): 07/16/2018



SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only
 Date of Inspection (if applicable): _____

PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

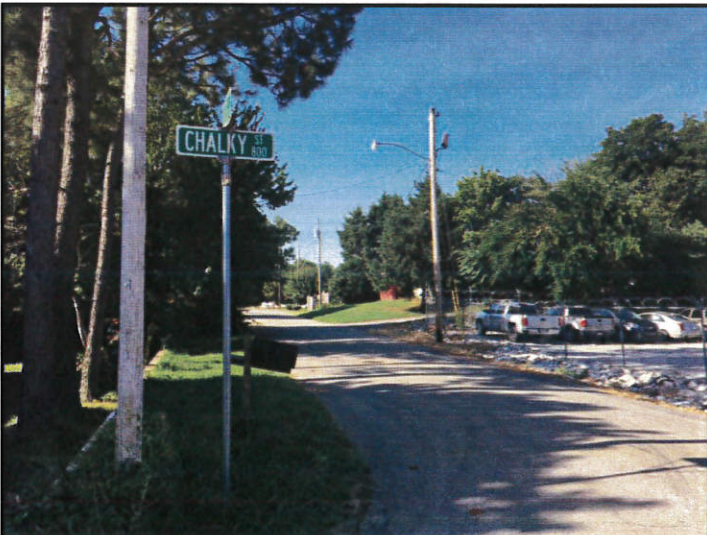
Please feel free to call us at any time if you have any questions about the confidentiality of the information that you provide to us.

Subject Photo Page

Client	City of Jonesboro				
Property Address	116 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	William & Sharon Hafford				

**Subject Front**

116 N Allis St
 Sales Price 0
 Gross Living Area 1,772
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.1
 Location Residential
 View Residential
 Site 7,728 sf
 Quality Fair
 Age ~68

**Subject Side View****Subject Street**

Comparable Photo Page

Client	City of Jonesboro				
Property Address	116 N Allis St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	William & Sharon Hafford				

**Comparable 1**

1212 W Oak Ave
 Prox. to Subject 1.62 miles SW
 Sales Price 30,000
 Gross Living Area 1,706
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Residential
 View Residential
 Site 13,068 sf
 Quality Similar
 Age ~65

**Comparable 2**

1729 W Matthews Ave
 Prox. to Subject 2.04 miles W
 Sales Price 34,000
 Gross Living Area 1,597
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location Residential
 View Residential
 Site 27,878 sf
 Quality Similar
 Age ~58

**Comparable 3**

223 N Fisher St
 Prox. to Subject 0.15 miles NW
 Sales Price 35,000
 Gross Living Area 1,806
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 1.1
 Location Residential
 View Residential
 Site 6,970 sf
 Quality Similar
 Age ~62

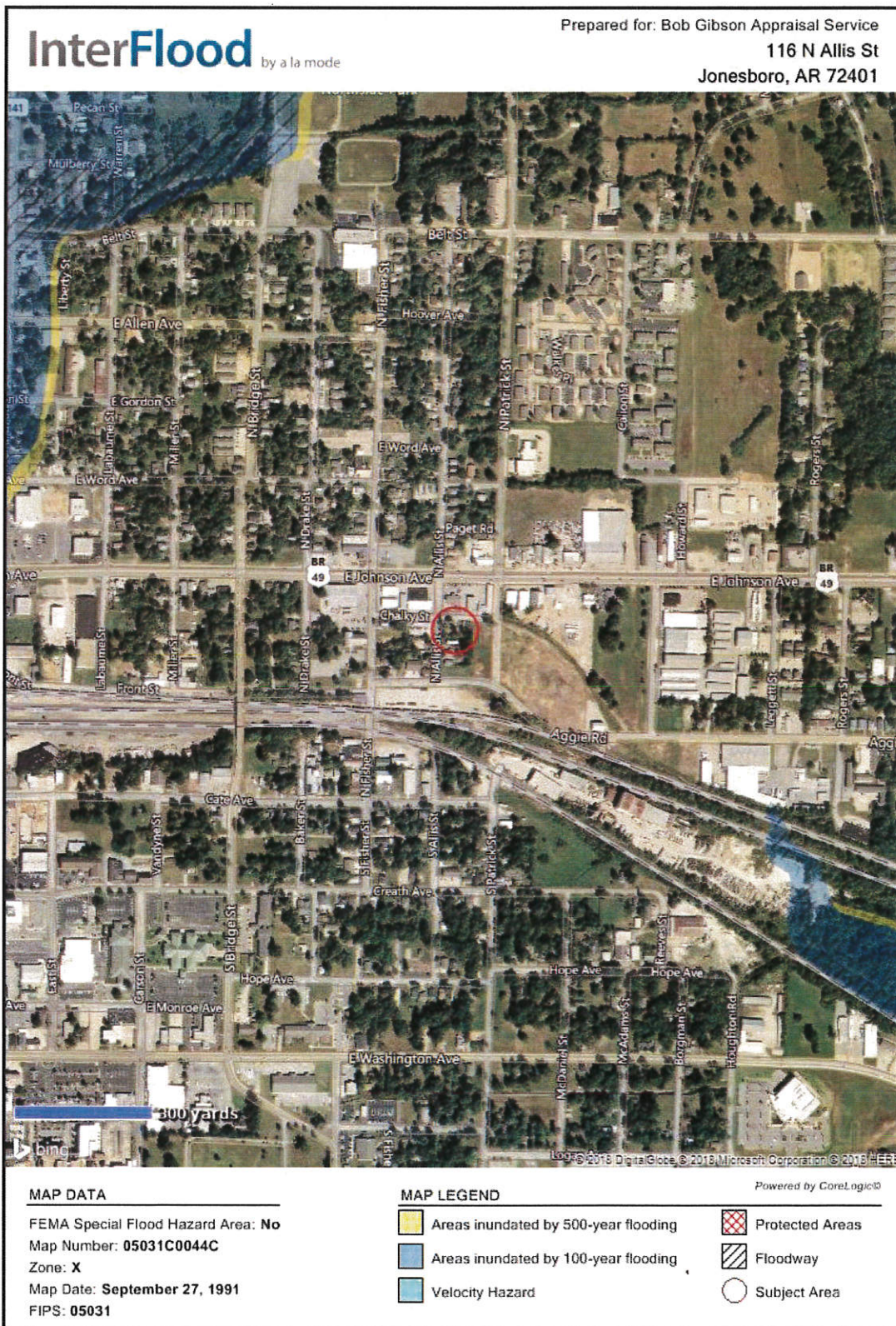
Comparable Sales Map

Client	City of Jonesboro			
Property Address	116 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	William & Sharon Hafford			



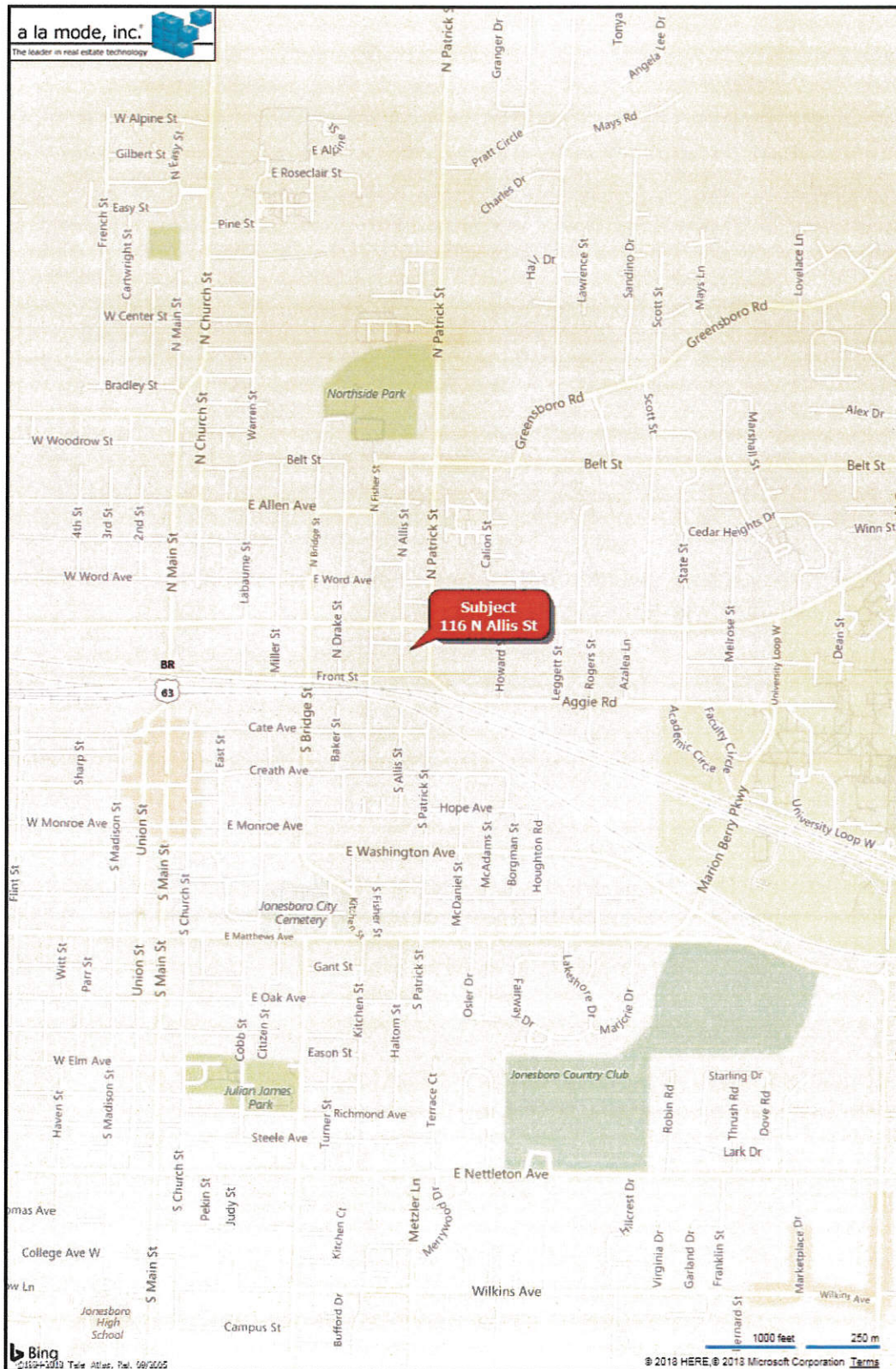
Flood Map

Client	City of Jonesboro			
Property Address	116 N Allis St			
City	Jonesboro	County	Craighead	State AR Zip Code 72401
Owner	William & Sharon Hafford			



Location Map

Client	City of Jonesboro						
Property Address	116 N Allis St						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Owner	William & Sharon Hafford						



Parcel Card - Page 1

7/23/2018

ARCountyData.Com - Parcel Detail Report

Parcel Detail Report

Created: 7/23/2018 10:01:09 AM

Basic Information

Parcel Number: 01-144181-05400
 County Name: Craighead County
 Mailing Address: HAFFORD WILLIAM T & SHARON
 275 COUNTY ROAD 344
 JONESBORO AR 72401-0449
 Property Address: HAFFORD WILLIAM T
 116 N ALLIS
 JONESBORO, AR
 Billing Address : HAFFORD WILLIAM T & SHARON
 275 COUNTY ROAD 344
 JONESBORO, AR 72401-0449
 Total Acres: 0.00
 Timber Acres: 0.00
 Sec-Twp-Rng: 18-14-04
 Lot/Block: 2/B
 Subdivision: BROTHERS ADD
 Legal Description: BROTHERS ADD
 School District: J JB JONESBORO CITY
 Homestead Parcel?: No
 Tax Status: Taxable
 Over 65?: No

Land Information

Land Type	Quantity	Front Width	Rear Width	Depth 1	Depth 2	Quarter
RESHS	1 lots [0 sqft]	0	0	0	0	

Valuation Information

Entry	Appraised	Assessed
Land:	5,000	1,000
Improvements:	29,350	5,870
Total Value:	34,350	6,870
Taxable Value:		5,010
Millage:		0.0422
Estimated Taxes:		\$211.42
Assessment Year:		2017

Tax Information

Year	Book	Tax Owed	Tax Paid	Balance
2017	Current	\$211.42	\$0.00	\$211.42
2016	Current	\$192.01	-\$192.01	\$0.00

Receipts

Receipt #	Book	Tax Year	ReceiptDate	Cash Amt	Check Amt	Credit Amt	Total
34389	Current	2016	10/16/2017	\$0.00	\$1,776.40	\$0.00	\$1,776.40

Sales History

Date	Price	Grantor	Grantee	Book	Page	Deed Type
4/21/1988	10,000	NIX	HAFFORD	359	257	WD(WARRANTY DEED)

Improvement Information

Residential Improvements
 Residential Improvement #1

Parcel Card - Page 2

7/23/2018

ARCountyData.Com - Parcel Detail Report



Living Area 1st Floor	1,772	Basement Unfinished	0
Living Area 2nd Floor	0	Basement Finished w/Partitions	0
		Basement Finished w/o Partitions	0
Living Area Total SF	1,772	Basement Total SF	0

Occupancy Type: Single Family
 Grade: D5+5
 Story Height: 1 Story
 Year Built: Year Built Not Available
 Effective Age: 45
 Construction Type: Std Frame
 Roof Type: Asphalt
 Heat / AC: Central
 Fireplace: 0
 Bathrooms: 1 full 1 half
 Foundation Type: Closed Piers
 Floor Type: Wood Subfloor
 Floor Covering: carpet:

1,772 sq ft

Additive Items:	Additive Item	Quantity	Size	Description
	CP		273	CARPORTS
	OP		15	OPEN PORCH
	PS		144	PATIO SLAB
	CDW		480	CONCRETE DRIVEWAY

Outbuildings / Yard Improvements:	OBYI Item	Quantity	Size	Description
	CLFX4		270	4' CHAIN LINK
	FLAT UB3		1	



Preston King Qualifications**QUALIFICATIONS OF
PRESTON J. KING****POSITION:**

State Certified Residential Appraiser, CR 3948
Bob Gibson & Associates
420 W. Jefferson Ave., Jonesboro, AR 72401
W: (870) 932-5206
C: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

 A handwritten signature in dark ink, appearing to read "Dennis M. Hall", is written over a horizontal line.

Chairman, AAL & CB

Preston King Certification

**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD****This is to certify that
Preston King****License #: CR 3948****has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.
This card is for identification purposes only.**

6/30/2019

A handwritten signature in cursive script, reading "Shannon Mueller".

Expiration Date_____
Chairman

REAL ESTATE CONTRACT FOR CITY OF JONESBORO OFFER AND ACCEPTANCE

1. **BUYERS:** The Buyers, **CITY OF JONESBORO, A MUNICIPAL CORPORATION** offer to buy, subject to the terms set forth herein, the following

2. **PROPERTY DESCRIPTION:**

A PART OF LOT 2 BLOCK B OF BROTHERS ADDITION TO THE CITY OF JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, CONTAINING IN ALL 7,728 SQ. FT. OR 0.18 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, the sum of forty five thousand dollars (**\$45,000**).

4. **CONVEYANCE:** Conveyance shall be made to Buyers or as directed by Buyers, by Dedication Deed, except it shall be subject to recorded restrictions and easements, if any, which do not materially affect the value of the property. Unless expressly reserved herein, such conveyance shall include mineral rights owned by Seller.

5. **PRO-RATIONS:** Taxes and special assessments, and allowable expenses due on or before closing shall be paid at closing from the proceeds of the sale.

6. **CLOSING:** The closing date will be immediate upon receipt of purchase price.

7. **POSSESSION:** Possession shall be delivered to Buyers: Upon Buyers Closing

8. **CONTINGENCY:** Purchase is contingent upon Buyer receiving grant funding for property acquisition.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH BUYER AND SELLER.

BUYER

SELLER

CITY OF JONESBORO
CRAIGHEAD COUNTY, AR

n

Name: _____

Title: _____ Mayor _____

Date: _____

ATTEST

City Clerk

Name: *Sharon Hafford*

Date: *10-9-18*

Name: *Sharon Hafford*

Date: *10-9-18*



Legislation Details (With Text)

File #:	RES-19:112	Version:	1	Name:	SUBMIT AN APPLICATION TO THE U.S. DEPARTMENT OF JUSTICE FOR THE 2019 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION TO SUBMIT AN APPLICATION TO THE U.S. DEPARTMENT OF JUSTICE FOR THE 2019 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM FOR THE CITY OF JONESBORO				
Sponsors:	Grants				
Indexes:	Grant				
Code sections:					
Attachments:	Edward Byrne Memorial Justice (JAG) FY19 Certification.pdf MOU - City and County, Edward Byrne Memorial Justice funding, 07292019.pdf				

Date	Ver.	Action By	Action	Result
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RESOLUTION TO SUBMIT AN APPLICATION TO THE U.S. DEPARTMENT OF JUSTICE FOR THE 2019 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM FOR THE CITY OF JONESBORO

Whereas, the City of Jonesboro, Arkansas, has been designated as a disparate jurisdiction with the Department of Justice and therefore must enter into a Memorandum of Understanding with Craighead County; and,

Whereas, the City of Jonesboro will apply for \$31,139 to purchase Police Vehicle Laptop Equipment Upgrades that will be compatible with the new E-Citation programs implemented; and,

Whereas, the JAG program is 100% federally funding requiring no local match; and,

Whereas, the U.S. Department of Justice requires an endorsement by the local governing body.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The City Council for the City of Jonesboro supports the application submission for the Bureau of Justice Assistance Fiscal Year 2019 Police Vehicle Laptop Equipment Upgrade grant funds.

SECTION 2: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this application and to enter into a Memorandum of Understanding to establish the basic guidelines and expectations between the City of Jonesboro and Craighead County regarding the administration of the Edward Byrne Memorial Justice (JAG) FY19 award from the Bureau of Justice Assistance.

SECTION 3: The Grants and Community Development Department is hereby authorized by the City Council for the City of Jonesboro to submit all necessary documents for this Federal-aid program.

Embedded Secure Document

The file <http://jonesboro.legistar.com/View.ashx?M=F&ID=7578700&GUID=D3A34011-F049-4404-83AD-5721E276D605> is a secure document that has been embedded in this document. Double click the pushpin to view.



Memorandum of Understanding Between
Craighead County, AR and the City of Jonesboro, AR

The purpose of this Memorandum of Understanding (MOU) is to establish the basic guidelines and expectations between the City of Jonesboro and Craighead County regarding the administration of the Edward Byrne Memorial Justice (JAG) FY19 award from the Bureau of Justice Assistance.

City of Jonesboro agrees:

- A. To receive 100% of the funds awarded and to be responsible for any required matching funds;
- B. To serve as the fiscal and reporting agent for both jurisdictions;
- C. That the funds in question will be provided for specified projects within the agreement and will only be used for those projects;
- D. That Craighead County will be provided access to JAG projects by use of the equipment purchased under this award;
- E. That the funding provided herein will provide a direct local benefit to both the City and the County and is in the best interests of both entities.

Craighead County agrees:

- A. That they will receive no funds under this award;
- B. That the funds in question will be provided for specified projects within the agreement and will only be used for those projects;
- C. That they will be provided access to JAG projects by use of the equipment purchased under this award;
- D. That the funding provided herein will provide a direct local benefit to both the City and the County and is in the best interests of both entities.

Terms of Agreement

- A. The term of this agreement is shall be for the duration of the program being funded by this award.

- B. Should either party desire to make changes to the agreement, they should provide 30 day notice to the other party of the proposed changes. Notice should be sent to the party and address below.

Date: _____

Judge Marvin Day
Craighead County
511 Union,
Jonesboro, AR 72401

Date: _____

Mayor Harold Perrin
City of Jonesboro
300 S. Church Street,
Jonesboro, AR 72401

Attested by: _____
Donna Jackson, City Clerk



Legislation Details (With Text)

File #:	RES-19:113	Version:	1	Name:	AGREEMENT WITH THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NATIONAL HOUSING TRUST FUND GRANT FOR THE VETERANS VILLAGE PROJECT
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NATIONAL HOUSING TRUST FUND GRANT FOR THE VETERANS VILLAGE PROJECT				
Sponsors:	Grants				
Indexes:	Contract, Grant				
Code sections:					
Attachments:	NHFT Veterans Village Agreement.pdf				

Date	Ver.	Action By	Action	Result
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RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NATIONAL HOUSING TRUST FUND GRANT FOR THE VETERANS VILLAGE PROJECT

Whereas, the City of Jonesboro was awarded the National Housing Trust Fund (NHFT) grant through Arkansas Development Finance Authority (ADFA) in the amount of \$1,058,925; and,

Whereas, the NHFT award provides funding to purchase four properties, site work and construction of nine Veterans homes; and,

Whereas, the City of Jonesboro will accept all accounting, reporting and project responsibilities for said grant.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The City of Jonesboro will enter into agreement with the National Housing Trust Fund (NHFT) grant through Arkansas Development Finance Authority (ADFA) in the amount of \$1,058,925; and

SECTION 2: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this application.

NATIONAL HOUSING TRUST FUND PROGRAM AGREEMENT
FOR RENTAL ACTIVITIES
BY AND BETWEEN
ARKANSAS DEVELOPMENT FINANCE AUTHORITY
AND
CITY OF JONESBORO

This Agreement (the "Agreement") is entered into this 31st day of July, 2019, by and between the Arkansas Development Finance Authority (hereafter designated as "ADFA") and the City of Jonesboro (hereafter designated as "Owner").

WHEREAS, ADFA has applied for and received National Housing Trust Fund (hereafter designated as "NHTF") (hereafter designated as the "NHTF Program") funding (hereinafter "NHTF Funds") from the United States Department of Housing and Urban Development (hereinafter designated as "HUD"); and

WHEREAS, Owner has applied for and been approved to construct nine (9) single family detached units, of which nine (9) will be reserved for extremely low income veterans; and

WHEREAS, Owner has evidenced the capacity to construct the affordable housing Project funded in part by this Agreement located in Jonesboro, Arkansas; and

WHEREAS, on or about February 21, 2019, ADFA Board of Directors approved the described use of NHTF Funds and authorized staff to enter into an Agreement with Owner to provide One Million Fifty-Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) in NHTF Funds to construct nine (9) single-family detached units for veterans. Seven (7) of these units will be efficiencies reserved for extremely low income veterans while two (2) of the units will be two-bedroom units reserved for extremely low income veterans.

NOW THEREFORE, ADFA and Owner hereby execute this Agreement to undertake the described affordable housing Project.

FURTHERMORE, ADFA and Owner agree as follows:

I. SCOPE OF SERVICE

- A. Owner shall complete construction of nine (9) units in Jonesboro, Arkansas, more particularly described in Exhibit "A" (hereinafter the "Project"). Seven (7) of the units will efficiencies reserved for extremely low income veterans. Two (2) of the units will be two-bedroom units reserved for extremely low income veterans.
- B. Owner shall construct nine (9) total single family detached units identified above to standards required in Section IV of this Agreement.
- C. All NHTF-assisted units shall be affirmatively marketed for rent to eligible veterans whose total household incomes do not exceed thirty percent (30%) area median income, determined by HUD, adjusted for family size, in accordance with 24 CFR 93.302.
- D. Owner shall establish, for housing constructed under the terms of this Agreement, rent limits which

do not exceed the NHTF limits as established by HUD in 24 CFR 93.302. .

- E. Owner shall establish initial rents and the procedures for future rent increases based on rules and regulations established in 24 CFR 93.302, Rental Housing.
- F. Owner shall provide a detailed construction schedule, attached as Attachment B and acceptable to ADFA, of activities to be completed under this Agreement.

II. PROJECT FUNDING

- A. ADFA hereby approves the award of NHTF Funds in the amount of One Million Fifty Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) to the Owner as owner of the Project located in the City of Jonesboro, Arkansas.
- B. Owner shall provide a detailed budget (See attached as Attachment A), acceptable to ADFA, indicating usage of all funds in the Project budget, including NHTF Funds provided under this Agreement.
- C. Owner shall ensure NHTF Funds provided under this Agreement will be requested for disbursement only in required amounts and as needed for payment of eligible costs for activities described and approved in this Agreement. Payments will be made by ADFA for eligible expenses actually incurred by Owner, and will not exceed actual cash requirements. ADFA reserves the right to liquidate funds available under this Agreement for eligible costs incurred by ADFA on behalf of Owner. The full amount of the grant, One Million Fifty Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) shall be disbursed as earned by verified performance of activities to be completed under this Agreement. **ANY PROGRAM INCOME GENERATED FROM THIS PROJECT SHALL BE REMITTED TO ADFA.**
- D. NHTF Funds provided under this Agreement will be in the form of a forgivable grant. The NHTF grant will remain a forgivable grant, as long as the development remains in compliance with NHTF and ADFA requirements for the entire affordability period of thirty (30) years.
- E. The Note shall be secured by a Mortgage encumbering the Project in favor of ADFA. The entire outstanding principal balance of the grant shall be due and payable upon sale of the Project or any portion thereof during the applicable affordability period, except that subsequent purchasers of the Project may be approved by ADFA, provided the subsequent purchaser agrees to: 1.) enter into an agreement with ADFA to own and operate the Project as affordable rental housing; and 2.) abide by all applicable NHTF Program requirements.
- F. If for any reason, Owner breaches any term of this Agreement, ADFA may require full repayment of any amounts advanced under this Agreement pursuant to Section VIII, Remedies on Default.
- G. NHTF Funds to be provided under this Agreement are contingent upon ADFA's determination to proceed, modify, or cancel the Project based on the results of a subsequent environmental review in accordance with 24 CFR § 93.301(f)(1).
- H. **NHTF FUNDS TO BE ALLOCATED UNDER THIS AGREEMENT ARE ENTIRELY CONTINGENT UPON THE FOLLOWING PROJECT DEADLINES:**
 - 1) Owner shall obtain all necessary permanent Project financing, including the permanent financing for the required period of affordability within SIX (6) MONTHS of the date of the NHTF Agreement; and

- 2) All Project Owners shall properly request a disbursement of HOME funds in part, and disbursement of funds shall be made by ADFA, no later than TWELVE (12) months after the date of the NHTF Agreement; and
- 3) All construction loan closings shall occur no later than EIGHT (8) MONTHS after the date of the NHTF Agreement. "Construction loan closing" is defined as the recordation of all construction financing loan documents, including, as applicable, the NHTF Deed of Trust and NHTF Regulatory Agreement.

I. THE ALLOCATION OF NHTF FUNDS TO BE PROVIDED UNDER THIS AGREEMENT IS CONTINGENT UPON THE OWNER MEETING ALL DEADLINES SET FORTH HEREIN OR OTHERWISE SET IN WRITING BY ADFA:

(a.) A pre-construction conference conducted by ADFA or in which ADFA is a participant must be held within thirty (30) calendar days of closing all funding sources for the Project; and

(b.) Owner shall provide no cause for ADFA not to be able to issue the Notice to Proceed within ten (10) calendar days of the pre-construction conference; and

(c.) Construction must begin within ten (10) calendar days after the pre-construction conference; and

(d.) If the Project has an award of federal low-income housing tax credits, the Project must be completed and placed in service by December 31st of the second year following carryover allocation; and

(e.) If the Project does not have an award of federal low-income housing tax credits, the Project must be completed and placed in service within two (2) years of the date of the Notice to Proceed.

FAILURE TO MEET ANY OF THE ABOVE PROJECT DEADLINES MAY RESULT IN ADFA'S RECAPTURE OF ANY NHTF FUNDS DISBURSED TO OWNER, CANCELLATION OF THE ENTIRE PROJECT NHTF FUND ALLOCATION AWARD, AND FUTURE APPLICATIONS FOR NHTF FUNDS BEING DENIED BY ADFA, IN ITS SOLE AND ABSOLUTE DISCRETION.

III. AFFORDABILITY

As provided in 24 CFR 93.302, all housing developed with funding provided under this Agreement shall be affordable and available to low-income veterans for a period of thirty (30) years for the NHTF Program, beginning upon the day of project completion. Total combined NHTF Program Period is thirty (30) years. If the housing does not meet the applicable affordability requirements for the full Affordability Period for any reason whatsoever, payment to ADFA of the unforgiven balance of NHTF Funds invested in the Project will be required according to the repayment terms set forth in Section VIII of this Agreement. Owner shall ensure the affordability requirements of the housing for the full Affordability Period through HUD- approved deed restrictions or other HUD-approved mechanisms. Affordability requirements shall be enforced by ADFA via a HUD-approved deed restriction encumbering the Project for the full Affordability Period.

ADFA will complete monitoring audits and will require an Annual Owners Certification to ensure

compliance of Part 93-Housing Trust Fund Code of Federal Regulations during the full term of the affordability period. Monitoring audits will include on-site and internal monitoring audits of project data and records.

IV. PROPERTY STANDARDS

- A. All affordable housing developed with NHTF Funds provided under this Agreement shall, upon completion, meet or exceed ADFA Minimum Design Standards , as well as the Property Standards set forth under 24 CFR 93.301. In addition, all housing assisted under this Agreement shall be maintained in compliance with all applicable minimum housing code standards, as established by ADFA, and as well as the Property Standards set forth under 24 CFR 93.301, for the duration of the Agreement and the full term of the required Affordability Period.
- B. Owner shall establish and maintain records for each NHTF-assisted housing unit to ensure adherence to all applicable minimum housing code standards, as established by ADFA, and all state and local housing, zoning, and building codes, as amended. Prior to processing any periodic pay requests for the Project, the Owner's compliance with all Property Standards will be verified by an ADFA inspection. The method of inspection by ADFA to ensure maintenance of required housing standards for the full period of affordability will be in accordance with 24 CFR 93.301 and 93.404(2).
- C. ADFA reserves the right to inspect at any time during normal business hours any and all construction accomplished under this Agreement to assure adherence to applicable Property Standards, minimum housing codes, as established by the local jurisdiction, and all state and local housing, zoning, building and fire codes, as amended. Owner agrees to abide by all policies, rules, and guidelines regarding inspection requirements and costs set forth by ADFA.
- D. Owner shall use only licensed contractors and subcontractors, reputable workmen, material suppliers, and agents acceptable to ADFA in the construction, marketing, and leasing of the housing units to be constructed under this Agreement.

V. NOTICES

Communication and details concerning this Agreement shall be directed to the following persons:

ADFA
Lori Brockway
NHTF Program Manager
900 West Capitol Ave., Suite 310
Little Rock, AR 72203

City of Jonesboro
300 North Church St.
Jonesboro, AR 72403
Attention: Regina Burkett

The contact persons listed above may be changed upon fifteen (15) days' written notice to the other party.

VI. ADMINISTRATIVE REQUIREMENTS

- A. Owner shall abide by all applicable federal, state, and local laws, regulations, codes, and ordinances in the performance of all activities required by this Agreement, and specifically agrees to adhere to applicable requirements of 24 CFR 93.405 – 93.408.
- B. Audits of the grantee and subgrantees must be conducted in accordance with 2 CFR part 200, subpart F. The use of HTF grant funds by the grantee must be audited not less than annually to ensure compliance with this part. Any financial statement submitted by the grantee to HUD must be reviewed by an independent certified public accountant, in accordance with Statements on Standards for Accounting and Review Services, which is issued by the American Institute of Certified Public Accountants. The recipient will submit to the grantee a cost certification performed by a certified public accountant for each project assisted with NHTF funds. The recipient will submit to the grantee an annual audit performed on each project assisted with NHTF funds, beginning the first year following the cost certification and with the final annual audit occurring the last year of the affordability period.
- C. Owner shall make available to ADFA at any time during normal business hours all financial, compliance and construction records of activities pertaining to funding and the Project covered by this Agreement to allow ADFA to conduct monitoring, performance, and compliance reviews and evaluations. Notwithstanding any other provision in this Agreement, ADFA will monitor the performance of Owner against the activities described in this Agreement. Substandard performance as determined by ADFA shall constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Owner within thirty (30) calendar days after being notified by ADFA, suspension or termination procedures may be initiated as specified in Section VIII or Section IX.
- D. Owner shall ensure that no person will be displaced from his or her dwelling as a direct result of activities assisted with NHTF Funds provided under this Agreement. In the event that displacement is unavoidable, the Owner will adhere to the Uniform Relocation Act.
- E. Owner shall affirmatively market all housing units developed under this Agreement to extremely income veterans in compliance with 24 CFR 93.350, Public Laws 88-352 and 90-284 (as amended) and ensure maintenance of documentation of affirmative marketing efforts to such persons. Prior to any funds being disbursed under this Agreement, Owner shall provide an affirmative marketing plan to ADFA documenting the planned affirmative marketing efforts to be undertaken by Owner regarding the Project.
- F. Owner shall not pay any part of funds received under this Agreement for lobbying the Executive or Legislative Branches of the Federal, State, or local government.
- G. Owner shall comply with the provisions of the National Environmental Policy Act of 1969, as applicable to Projects funded under this Agreement, the Flood Disaster Protection Act of 1973, and the Lead-Based Paint Poisoning Prevention Act, and the regulations promulgated thereunder, all as amended as applicable. Owner agrees to comply with the following regulations insofar as they apply to this Agreement, the Clean Air Act, Federal Water Pollution Control Act, Environmental Protection Agency regulations pursuant to 40 CFR 50, all as amended, as well as all other applicable environmental laws and regulations, as applicable. Owner shall ensure maintenance of documentation to evidence compliance with environmental statutes and regulations.

- H. Owner shall establish and ensure the eligibility of tenants leasing housing developed under this Agreement with regard to program requirements specified by the Department of Housing and Urban Development. In addition, Owner shall ensure maintenance of beneficiary information regarding persons assisted under this Agreement, including name, address, family size, social security number, race, sex, income, marital status, and whether the assisted person(s) is elderly, female head-of-household, handicapped, American Indian or Alaska Native, Hispanic, Caucasian, Black or African American, Asian, or Native Hawaiian or Pacific Islander. The information shall be maintained for each housing unit and person(s) or families assisted under this Agreement. Owner shall submit the beneficiary information to ADFA upon request.
- I. Owner shall provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988.
- J. Due to Title I of the Housing and Economic Recovery Act of 2008, Section 1131 not making Davis-Bacon applicable to the NHTF in its establishment, this project (funded by the NHTF) does not require adherence to Davis-Bacon standards.
- K. Owner shall ensure compliance with the requirements of Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), Executive Order 11246 (Equal Employment Opportunity), as amended by Executive Order 12086, and the regulations issued pursuant thereto, Executive Orders 11625, 12432, and 12138, which require affirmative actions to encourage participation by minority and women-owned business enterprises. Owner shall ensure that the provisions of this paragraph are included in every subcontract entered into by Owner associated with this Agreement and Project. Owner shall ensure maintenance of records and reports to document compliance with fair housing and equal opportunity requirements.
- L. Owner will ensure that all records required under this Agreement are retained for a period of five (5) years after the applicable required period of affordability has expired. When requested, Owner shall furnish, and cause all its subcontractors to furnish, all reports and information required hereunder, and will permit access to its books, records, and accounts, by ADFA, the Department of Housing and Urban Development or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the statutes, rules, regulations, and provisions stated herein.
- M. Owner shall ensure that where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, said employees shall not be required or permitted to work, be trained in, or receive services in buildings or surroundings, or under working conditions, which are unsanitary, hazardous, or dangerous to the participants' health or safety.
- N. Owner shall comply with Executive Order 11063, as amended by Executive Order 12259, and shall not discriminate against persons on the basis of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital or familial status, or status with regard to public assistance. Owner shall maintain records and documentation to evidence compliance with this

requirement. Owner shall take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Owner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

- O. Owner shall comply with Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Lower Income Persons in Connection with Assisted Projects, and regulations issued pursuant thereto. Owner shall cause a "Section 3 Clause" to appear in all subcontract agreements executed under this Agreement or in connection with this Project and shall take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of Section 3 or the regulations promulgated pursuant thereto. Owner shall not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of Section 3 and implementing regulations. Further, Owner shall not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of Section 3 and implementing regulations.
- P. Owner shall comply with Title VI of the Civil Rights Act of 1964, (Nondiscrimination in Federal-assisted Programs) as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Age Discrimination Act of 1975, along with all applicable regulations associated therewith, all as amended. Owner shall include the provisions of this paragraph in every subcontract entered into by Owner associated with this Agreement or this Project. Owner shall ensure maintenance of records and reports to document compliance.
- Q. Owner agrees that funds received under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization.
- R. Owner shall not further encumber the Project pursuant to this Agreement without the prior written approval of ADFA.
- S. Owner shall monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. Owner shall cause the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement. Executed copies of all subcontracts entered into by Owner shall be available for review by ADFA, along with documentation concerning the selection process.

VII. DEBARMENT AND SUSPENSION

Owner certifies that the Owner or its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from covered transactions by any federal department or agency;
- B. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement(s) or receiving stolen property;

- C. Are not presently indicted for or otherwise criminally charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated above, and;
- D. Have not within a three (3) year period preceding this Agreement had one (1) or more public transactions (Federal, State or local) terminated for cause or default.

VIII. REMEDIES ON DEFAULT

In accordance with 24 CFR 93.452, Owner agrees that in the event ADFA determines that a breach of this Agreement has occurred, ADFA may exercise any and all of its rights and remedies under applicable regulations, including the right to terminate this Agreement and recapture or terminate all unforgiven NHTF Funds allocated under this Agreement. More specifically:

- A. Except as provided in Section D below, if ADFA determines that Owner has materially failed to comply with any provision of this Agreement, or with any rules, statutes, regulations, or ordinances referred to herein, ADFA will notify Owner in writing and hand-deliver, with written receipt evidencing the date and time of delivery, or send by certified mail, return receipt requested, such Notice of Default to the party designated to receive such Notices in Section V of this Agreement. For purposes of this section, the term materially means "an important or essential term of the Agreement."
- B. Except as provided in Section D below, ADFA will allow Owner the opportunity to demonstrate compliance with the Agreement requirements in question. Owner shall offer evidence of such compliance within thirty (30) days from receipt of the written Notice of Default. Substantial compliance shall not constitute compliance with the terms and conditions of this Agreement unless ADFA expressly agrees to the substantial compliance in writing.
- C. If Owner fails to demonstrate to ADFA that it has fulfilled the requirement(s), ADFA may, in addition to imposing any of the special conditions specified in 24 CFR 93.452, take corrective or remedial action(s) as follows:
 - 1) Corrective or remedial action will be designed to prevent a continuation of the deficiency, mitigate any adverse effects, and prevent recurrence of the deficiency.
 - 2) Corrective or remedial action may include:
 - a. Preparing and following a schedule of actions for carrying out the affected activities, consisting of schedules, timetables, and milestones necessary to implement the affected activities.
 - b. Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions.
 - c. Canceling or revising activities likely to be affected by the performance deficiency, before expending NHTF funds for the activities.
 - d. Reprogramming NHTF funds that have not yet been expended from affected activities to other eligible activities.

- e. Reimbursing its NHTF account in any amount not used in accordance with the requirements of this part.
 - f. Suspending disbursement of NHTF funds for affected activities.
 - g. Establishing procedures to ensure compliance with NHTF.
- D. No notice of default will be required, and no opportunity to cure a default will be given, where the extent or nature of the default(s) is such that there is a likelihood of material loss, liability, or prejudice to ADFA or the Project, or both, from delay in action.
- E. In the event Owner dissolves the organization, ceases to exist, or becomes unable for any reason to fulfill its obligations under this Agreement, ADFA will require Owner to fully repay to ADFA any unforgiven amounts under this Agreement.
- F. Notwithstanding any other provision of this Agreement, should there be any fraud, misrepresentation, embezzlement, or any other criminal activity associated with this Project, ADFA may pursue all legal and equitable remedies available to it against the Owner.
- G. Any decision regarding corrective, remedial, legal or equitable remedies or actions to be taken regarding this Agreement or Project shall be at the sole option and discretion of ADFA. A decision by ADFA to pursue one course of action shall not constitute a waiver of any other course of action ADFA may pursue under this Section VIII, Remedies on Default.
- H. Pursuant to 24 CFR 93.403(2), should this Agreement be terminated before completion of the Project, either voluntarily or otherwise, any NHTF Funds invested in the Project that is the subject of this Agreement shall be repaid to the ADFA's NHTF Fund in accordance with 24 CFR 93.403.

IX. CANCELLATION OR TERMINATION

ADFA may terminate this Agreement upon thirty (30) days prior written notice to the Owner contact person indicated in Section V of this Agreement. The notice of termination shall set forth the reasons for such termination, the effective date of termination, and in the case of partial termination, the portion of the award to be terminated. However, in the case of partial termination, if ADFA, in its sole and absolute discretion, determines that the remaining portion of the funding provided under this Agreement will not accomplish the purposes for which the award was made, ADFA may terminate the award in its entirety under this section, Section VIII, or 24 CFR 93.403

Funding allocations may be cancelled or reduced and the Agreement may be terminated or amended by ADFA under any one of the following conditions:

- (a.) Owner is not in compliance with the requirements of this Agreement or any other applicable agreement, note, regulation, or law;

- (b.) Implementation of the Project is not in compliance with the time frames and goals stated in Attachment B or other sections of this NHTF Agreement, any approved amendments;
- (c.) funding as stated in the ADFA Board-approved application and NHTF Agreement have not been fulfilled;
- (d.) if Owner does not receive and maintain a carryover allocation pursuant to I.R.C. Section 42, when Owner is approved as a joint application with the low-income housing tax credit program; or
- (e.) the NHTF Department has been notified by HUD, Rural Development, or any other ADFA program that Project funds have been reduced or eliminated.

Upon notification by ADFA that funding is cancelled or reduced and the NHTF Agreement is terminated or amended, the Owner shall complete all work affected by the cancellation or reduction that is in progress and terminate any other activities that were to be paid for with NHTF Funds.

X. MISCELLANEOUS PROVISIONS

- A. The officials who executed this Agreement hereby represent and warrant that they have full and complete authority to act on behalf of ADFA and Owner, respectively, and that their signatures below, the terms and provisions hereof, constitute valid and enforceable obligations of each.
- B. This Agreement shall be executed in the original, and any number of executed copies. Any copy of this Agreement so executed shall be deemed an original and shall be deemed authentic for any other use.
- C. The terms and conditions of this Agreement shall be binding upon the parties hereto, their respective successors and assignees.
- D. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer and employee between the parties. Owner shall at all times remain an independent contractor with respect to the services to be performed under this Agreement.
- E. Owner shall not assign or transfer any interest in this Agreement without the prior written approval of ADFA.
- F. This Agreement shall be construed according to the laws of the State of Arkansas.
- G. Should any part, term or provision of this Agreement, or portions thereof, be determined by a court of competent jurisdiction to be illegal, void or unenforceable, the validity of the remaining portions or provisions shall not be affected thereby.

XI. INDEMNITY

Owner agrees, to the extent allowable by law, that it shall indemnify and hold harmless ADFA, its officers, agents, directors and employees from:

- A. Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of this Agreement.
- B. Any claims or losses resulting to any person or firm injured or damaged by the erroneous, willful or negligent acts or omissions, including disregard of Federal, State, and local statutes or regulations, by Owner, its officers, employees or subcontractors in the performance of this Agreement.
- C. Any claims or losses arising from the award of NHTF Funds, any reduction of the NHTF Fund, any reduction of the NHTF Fund award, any termination of the NHTF Fund award, and any recapture of NHTF Funds by the U.S. Department of Housing and Urban Development.
- D. Any claims or losses arising from the failure of Owner to comply with all applicable federal and state requirements, statutes, and laws.

XII. NON-RECOURSE PROVISION

Notwithstanding any of the foregoing provisions, it is expressly understood by the parties hereto that none of the partners, general or limited, of the Owner shall have any personal liability, and the sole recourse of ADFA shall be the Project and assets of the Owner.

XIII. TIME OF PERFORMANCE

Owner shall commence Project activities included in Section I., Scope of Services, only after receipt of the ADFA Notice to Proceed. Owner shall complete all activities included in Section I., Scope of Services, within two years from the date ADFA issues the Notice to Proceed. If Owner has an award of LIHTCs, the Project must be completed and placed in service by December 31 of the second year following carryover allocations.

XIV. TERM OF AGREEMENT

This Agreement shall be in full force and effect from the date first written above and shall remain in force for the full period of affordability applicable to the Project assisted with NHTF Funds under this Agreement.

XV. AMENDMENT OR MODIFICATION

THE PARTIES MAY AMEND OR MODIFY THIS AGREEMENT AT ANY TIME, PROVIDED THAT SUCH AMENDMENT(S) OR MODIFICATION(S) MAKE SPECIFIC REFERENCE TO THIS AGREEMENT, AND ARE EXECUTED IN WRITING BY A DULY AUTHORIZED REPRESENTATIVE OF BOTH PARTIES. SUCH AMENDMENT(S) OR MODIFICATION(S)

SHALL NEITHER INVALIDATE THIS AGREEMENT, NOR RELIEVE OR RELEASE THE PARTIES FROM THEIR OBLIGATIONS UNDER THIS AGREEMENT.

City of Jonesboro

By: _____
Name: _____
Title: _____
Date: _____
Federal I.D. No.: _____

Arkansas Development Finance Authority

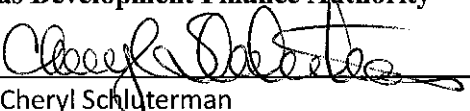
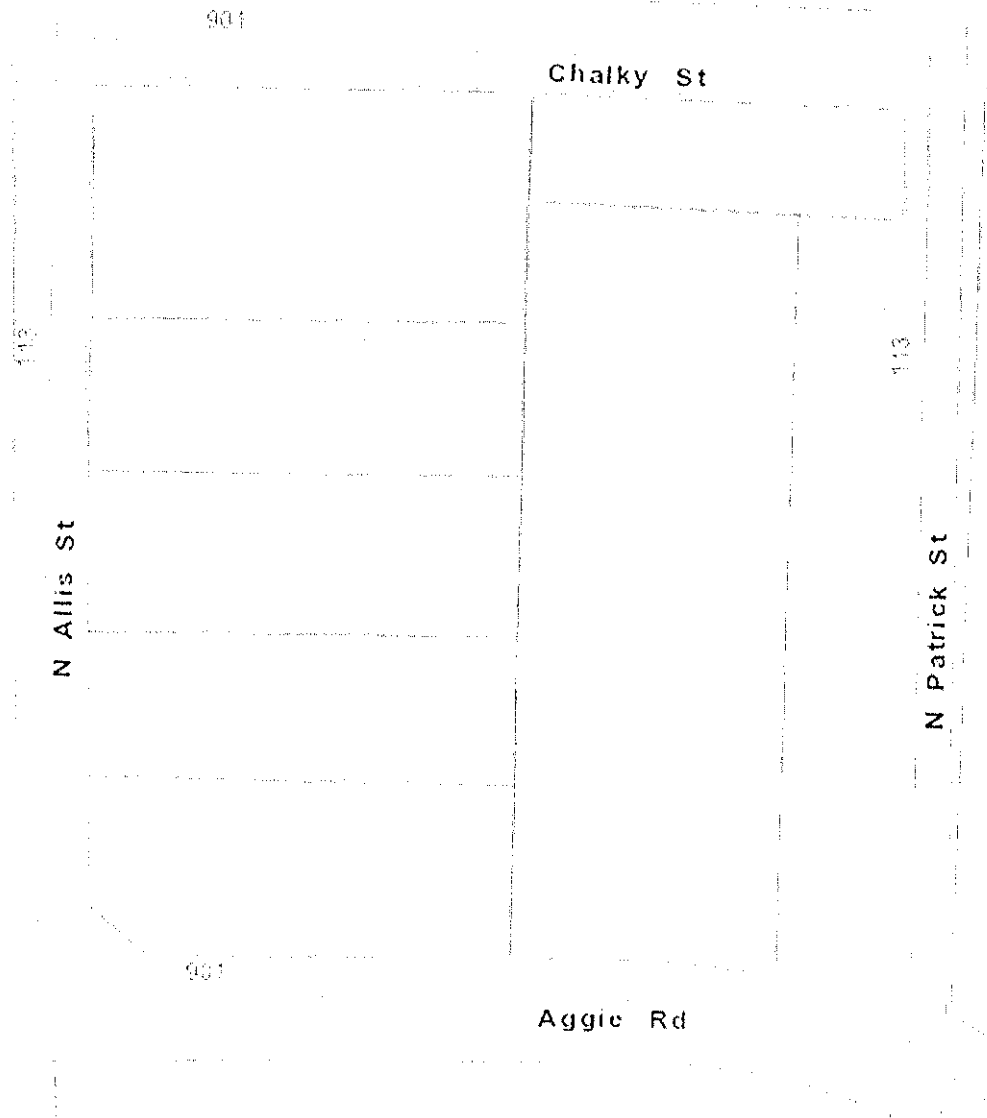
By:  _____
Name: Cheryl Schluterman
Title: President
Date: 7/30/19
Federal I.D. No.: 71-0503641

Exhibit A

Legal Description

In the County of Craighead, State of Arkansas:

The entire block bounded by Chalky Street on the north, N. Allis Street on the west, Aggie Road on the south, and N. Patrick on the east.



Attachment A

Sources and Uses

<u>SOURCE OF FUNDS</u>		<u>Amount of Funds</u>
NHTF Funds (ADFA)		\$1,058,925
Neighborhood Stabilization Program		\$32,300
Community Development Program Funding		\$12,000
Outside Agency Funding – City of Jonesboro		\$9,454
Total Sources:		\$1,112,679
<u>USES</u>		
Land Acquisition:		\$130,000
Hard Costs:		
Two Bedroom		\$228,000
SFD	2	\$572,000
Zero Bedroom		
SFD	7	
Site Improvement		\$200,000
Soft Costs:		
Potential Architect fees		\$17,750.00
Environmental		\$14,000.00
Ridge Surveying		\$3,000.00
Developer's Fee:		\$0
Total Development Cost:		\$1,164,750.00

Attachment B

Project Schedule:

<u>Activity</u>	<u>Completion Date</u>
Plans and Specs	10/31/2019
Site Acquisition	2/28/2020
Pre-Construction Conference	3/4/2020
Construction Begins	3/31/2020
Construction Complete	6/27/2021
<u>Expenditure of Funds</u>	<u>Completion Date</u>
25%	10/31/2019
50%	3/4/2020
75%	11/28/2020
100%	6/27/2021



Legislation Details (With Text)

File #:	RES-19:114	Version:	1	Name:	AGREEMENT WITH ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT FOR THE VETERANS VILLAGE HOUSING PROJECT
Type:	Resolution	Status:			To Be Introduced
File created:	8/7/2019	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT FOR THE VETERANS VILLAGE HOUSING PROJECT				
Sponsors:	Grants				
Indexes:	Contract, Grant				
Code sections:					
Attachments:	NSP- Agreement080819.pdf				

Date	Ver.	Action By	Action	Result
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RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH ARKANSAS DEVELOPMENT FINANCE AUTHORITY FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT FOR THE VETERANS VILLAGE HOUSING PROJECT

WHEREAS, the City of Jonesboro was awarded the Neighborhood Stabilization Program (NSP) grant through Arkansas Development Finance Authority (ADFA) in the amount of \$32,300; and,

WHEREAS, the NSP award provides funding to purchase the property at 106 N. Allis St.; and

WHEREAS, the City of Jonesboro will accept all accounting, reporting and project responsibilities for said grant.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION 1: The City of Jonesboro will enter into agreement with the Neighborhood Stabilization Program (NSP) grant through Arkansas Development Finance Authority (ADFA) in the amount of \$32,300; and,

SECTION 2: The Mayor and the City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this application.

**NEIGHBORHOOD STABILIZATION PROGRAM
AGREEMENT BY AND BETWEEN
ARKANSAS DEVELOPMENT FINANCE AUTHORITY AND
CITY OF JONESBORO**

This Agreement (the "Agreement") is entered into this ____ day of July 2019, by and between Arkansas Development Finance Authority, a public body, politic and corporate, organized under the laws of the State of Arkansas (hereafter designated as "ADFA"), and City of Jonesboro (hereafter designated as "Grantee").

WHEREAS, ADFA has applied for and received Neighborhood Stabilization Program (hereafter designated as "NSP1") funding from the United States Department of Housing and Urban Development (hereinafter designated as "HUD"); and

WHEREAS, the NSP1 Funds were allocated to ADFA under Title III of Division B of the Housing and Economic Recovery Act (HERA) of 2008 for the primary purpose of assisting in the redevelopment of vacant residential properties; and

WHEREAS, the NSP1 Funds must adhere to Community Development Block Grant (CDBG) requirements at 24 CFR Part 570, unless otherwise stated in HERA; and

WHEREAS, Grantee has applied for and been approved to purchase the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and to demolish the home located at this location—all for the later construction (funded by the National Housing Trust Fund) of a housing project for extremely low income veterans called Veterans Village; and

WHEREAS, Grantee has evidenced the capacity to purchase and demolish the home located at the aforementioned location; and

WHEREAS, on or about June 20, 2019, ADFA Board of Directors approved the described use of NSP1 Funds and authorized staff to enter into an Agreement with Grantee to provide of **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** in NSP1 Funds for the purchase of the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and the demolition of the home located at this location—all for the later construction (funded by the National Housing Trust Fund) of a housing project for extremely low income veterans called Veterans Village.

NOW THEREFORE, ADFA and Grantee hereby execute this Agreement to undertake the described activities.

FURTHERMORE, ADFA and Grantee agree as follows:

I. SCOPE OF SERVICE

- A. Grantee shall purchase the property located at Parcel 01-144181-36900 near the northeast corner of Aggie Road and N. Allis St. in Jonesboro, Craighead County, Arkansas and demolish the home located at this location, more particularly described in Attachment 'A' (hereinafter the "Development").

- B. Grantee shall provide a detailed schedule, acceptable to ADFA, of activities to be completed under this Agreement.

II. PROJECT FUNDING

- A. ADFA hereby approves the award of NSP1 Funds in the amount of **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** to the Grantee as developer of the Development located in the City of Jonesboro, AR.
- B. Grantee shall provide a detailed budget, acceptable to ADFA, indicating usage of all funds in the Development budget, including NSP1 Funds provided under this Agreement.
- C. Grantee shall ensure NSP1 Funds provided under this Agreement will be requested for disbursement only in required amounts and as needed for payment of eligible costs for activities described and approved in this Agreement. Payments will be made by ADFA for eligible expenses actually incurred by Grantee, and will not exceed actual cash requirements. ADFA reserves the right to liquidate funds available under this Agreement for eligible costs incurred by ADFA on behalf of Grantee. The full amount of the loan, **Thirty Two Thousand Three Hundred and 00/100 Dollars (\$32,300.00)** shall be disbursed as earned by verified performance of activities to be completed under this Agreement.
- D. NSP1 Funds provided under this Agreement will be in the form of a Forgivable Loan at zero percent (0%) interest.
- E. If for any reason, Grantee breaches any term of this Agreement, ADFA may require full repayment of any amounts advanced under this Agreement pursuant to Section VIII, Remedies on Default
- F. NSP1 Funds to be provided under this Agreement are contingent upon ADFA's determination to proceed, modify or cancel the project based on the results of a subsequent environmental review in accordance with HUD CPD Notice 01-11.

III. AFFORDABILITY

Under the terms of this NSP Agreement, one unit of the nine units in Veterans Village shall be affordable and available to extremely low income veterans for a period of **ten (10) years**, (the affordability period), beginning upon the day of project completion. Also, concurrent to the aforementioned affordability period, under the terms of the National Housing Trust Fund Program Agreement for Rental Activities by and between Arkansas Development Finance Authority and City of Jonesboro ("NHTF Agreement"), all housing developed under the NHTF Agreement for Veterans Village "shall be affordable and available to low-income veterans for a period of **thirty (30) years** for the NHTF Program, beginning upon the day of project completion." If the Development does not meet the applicable affordability requirements for the full affordability period for any reason whatsoever, payment to ADFA of the outstanding or remaining unforgiven balance of NSP1 Funds invested in the Development will be required according to the repayment terms set forth in Section VIII of this Agreement. Grantee shall ensure the affordability requirements of the Development for the full affordability period through HUD-approved deed restrictions or other HUD-approved mechanisms. Affordability requirements shall be enforced by ADFA via a HUD-approved deed restriction encumbering the

Development for the full affordability period.

IV. HOUSING QUALITY STANDARDS

- A. ADFA reserves the right to inspect at any time during normal business hours any and all activities accomplished under this Agreement to assure adherence to applicable Standards, as established by the local jurisdiction, and all state and local housing, zoning, building and fire codes, as amended.
- B. Grantee shall use only licensed contractors and subcontractors, reputable workmen, material suppliers and agents acceptable to ADFA under this Agreement.
- C. Grantee shall ensure contractors and subcontractors are not debarred, ineligible or suspended from working on federally-assisted projects in accordance with 24 CFR 570.609.

V. NOTICES

Communication and details concerning this Agreement shall be directed to the following persons:

ADFA
900 West Capitol, Suite 310
Little Rock, AR 72203
Attention: Lori Brockway

City of Jonesboro
300 North Church St.
Jonesboro, AR 72403
Attention: Regina Burkett

The contact persons listed above may be changed upon fifteen (15) days' written notice to the other party.

VI. ADMINISTRATIVE REQUIREMENTS

- A. Grantee shall abide by all applicable federal, state, and local laws, regulations, codes, and ordinances in the performance of all activities required by this Agreement, and specifically agrees to adhere to applicable requirements of 24 CFR 570.
- B. Grantee shall conduct an independent audit of the Development set forth under this Agreement after completion of the Development. This audit shall be in accordance with generally accepted accounting principles. An independent auditor acceptable to ADFA shall conduct the audit. Grantee shall provide ADFA with a copy of such audit upon completion and in accordance with the terms outlined in the Promissory Note. Any deficiencies noted in the audit report shall be fully cleared by Grantee within thirty (30) calendar days after receipt of said audit report by ADFA. Failure of Grantee to clear deficiencies noted in the audit report shall constitute a breach of this Agreement and ADFA may exercise any and all of its rights and remedies under Section VIII, Remedies on Default.
- C. Grantee shall adhere to the requirements of 2 CFR 200, OMB Circular No. A-122, OMB Circular No. A-133, 24 CFR Part 85, applicable uniform administrative requirements of 24 CFR 570.610, and the requirements of OMB Circular No. A-110, if applicable.
- D. Grantee shall make available to ADFA at any time during normal business hours all financial, compliance and redevelopment records of activities pertaining to funding and the Development covered by this Agreement to allow ADFA to conduct monitoring, performance, and compliance

- reviews and evaluations. Notwithstanding any other provision in this Agreement, ADFA will monitor the performance of Grantee against the activities described in this agreement. Substandard performance as determined by ADFA shall constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Grantee within thirty (30) calendar days after being notified by ADFA, suspension or termination procedures may be initiated as specified in Section VIII or Section IX.
- E. In accordance 24 CFR 570.606, Grantee shall ensure that no person will be displaced from his or her dwelling as a direct result of activities assisted with NSP1 Funds provided under this Agreement. In the event that displacement is unavoidable, the Grantee will adhere to the Uniform Relocation Act.
 - F. Grantee shall not pay any part of funds received under this Agreement for lobbying the Executive or Legislative Branches of the Federal, State, or local government.
 - G. Grantee shall adhere to the Conflict of Interest provisions at 24 CFR 570.611.
 - H. Grantee shall comply with the provisions of the National Environmental Policy Act of 1969, as applicable to Developments funded under this Agreement, the Flood Disaster Protection Act of 1973, and the Lead-Based Paint Poisoning Prevention Act, and the regulations promulgated thereunder, all as amended as applicable. Grantee agrees to comply with the following regulations insofar as they apply to this Agreement, the Clean Air Act, Federal Water Pollution Control Act, Environmental Protection Agency regulations pursuant to 40 CFR 50, all as amended, as well as all other applicable environmental laws and regulations, as applicable. Grantee shall ensure maintenance of documentation to evidence compliance with environmental statutes and regulations.
 - I. Grantee shall provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988.
 - J. Grantee shall ensure compliance with all requirements of the Davis-Bacon Act (applicable to projects with eight (8) or more NSP1-assisted single-family home) in accordance with 24 CFR 570.603, Contract Work Hours and Safety Standards Act, the Copeland Anti-Kickback Act, and all other applicable federal, state, and local laws and regulations pertaining to labor standards. Grantee shall ensure maintenance of adequate records and reports to evidence such compliance when applicable.
 - K. Grantee shall ensure compliance with the requirements of Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), Executive Order 11246 (Equal Employment Opportunity), as amended by Executive Order 12086, and the regulations issued pursuant thereto, Executive Orders 11625, 12432, and 12138, which require affirmative actions to encourage participation by minority and women-owned business enterprises. Grantee shall ensure that the provisions of this paragraph are included in every subcontract entered into by Grantee associated with this Agreement and Development. Grantee shall ensure maintenance of records and reports to document compliance with fair housing and equal opportunity requirements.
 - L. Grantee will ensure that all records required under this Agreement are retained for a period of five (5) years after the applicable required period of affordability has expired. When requested, Grantee shall furnish, and cause all its subcontractors to furnish, all reports and information required hereunder, and will permit access to its books, records, and accounts, by ADFA, the U.S. Department of Housing and Urban Development or its agent, or other authorized federal officials

- for purposes of investigation to ascertain compliance with the statutes, rules, regulations, and provisions stated herein.
- M. Grantee shall ensure that where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, said employees shall not be required or permitted to work, be trained in, or receive services in buildings or surroundings, or under working conditions, which are unsanitary, hazardous, or dangerous to the participants' health or safety.
 - N. Grantee shall comply with Executive Order 11063, as amended by Executive Order 12259, and shall not discriminate against persons on the basis of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital or familial status, or status with regard to public assistance. Grantee shall maintain records and documentation to evidence compliance with this requirement. Grantee shall take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.
 - O. Grantee shall comply with Section 3 of the Housing and Urban Development Act of 1968, Employment opportunities for Lower Income Persons in Connection with Assisted Developments, and regulations issued pursuant thereto. Grantee shall cause a "Section 3 Clause" to appear in all subcontract Agreements executed under this Agreement or in connection with this Development and shall take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of Section 3 or the regulations promulgated pursuant thereto. Grantee shall not subcontract with any subcontractor where it has notice or knowledge that the later has been found in violation of Section 3 and implementing regulations. Further, Grantee shall not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of Section 3 and implementing regulations.
 - P. Grantee shall comply with Title VI of the Civil Rights Act of 1964, (Nondiscrimination in Federal-assisted Programs) as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Age Discrimination Act of 1975, along with all applicable regulations associated therewith, all as amended. Grantee shall include the provisions of this paragraph in every subcontract entered into by Grantee associated with this Agreement or this Development. Grantee shall ensure maintenance of records and reports to document compliance.
 - Q. Grantee agrees that funds received under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization.
 - R. Grantee shall not further encumber the Development pursuant to this Agreement without the prior written approval of ADFA.
 - S. Grantee shall monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. Grantee shall cause the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement. Executed copies of all subcontracts entered into by Grantee shall be available for review by ADFA, along with documentation

concerning the selection process.

- T. Grantee shall submit quarterly performance reports to ADFA no later than fifteen (15) days following the end of each quarter and continuing until all funds are expended and the project is closed-out. The information in the quarterly reports shall be in accordance with reporting requirements listed in the ADFA NSP1 Policies and Procedures Manual.

VII. DEBARMENT AND SUSPENSION

Grantee certifies that the Grantee or its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from covered transactions by any federal department or agency;
- B. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement(s) or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated above, and;
- D. Have not within a three (3) year period preceding this Agreement had one (1) or more public transactions (Federal, State or local) terminated for cause or default.

VIII. REMEDIES ON DEFAULT

Grantee agrees that, in the event ADFA determines that a breach of this Agreement has occurred, ADFA may exercise any and all of its rights and remedies under applicable regulations, including the right to terminate this Agreement and recapture or terminate any and all NSP1 Funds allocated under this Agreement. More specifically:

- A. If ADFA determines that Grantee has materially failed to comply with any provision of this Agreement, or with any rules, statutes, regulations, or ordinances referred to herein, ADFA will notify Grantee in writing and hand-deliver, with written receipt evidencing the date and time of delivery, or send by certified mail, return receipt requested, such Notice of Default to the party designated to receive such Notices in Section V of this Agreement. For purposes of this section, the term materially means "an important or essential term of the Agreement."
- B. ADFA will allow Grantee the opportunity to demonstrate compliance with the Agreement requirements in question. Grantee shall offer evidence of such compliance within thirty (30) days from receipt of the written Notice of Default. Substantial compliance shall not constitute compliance with the terms and conditions of this Agreement unless ADFA expressly agrees to the substantial compliance in writing.
- C. If Grantee fails to demonstrate to ADFA that it has fulfilled the requirement(s), ADFA may take corrective or remedial action(s) as follows:
 - 1) Corrective or remedial action will be designed to prevent a continuation of the deficiency, mitigate any adverse effects, and prevent recurrence of the deficiency.

- 2) Corrective or remedial action may include:
- a. Temporarily withholding cash payments pending correction of the deficiency by Grantee.
 - b. Specific activities required by ADFA to correct the deficiency and to be accomplished by Grantee in a specified time frame.
 - c. Canceling or revising activities may affect the performance of this Agreement and create a deficiency in the original Agreement and may be grounds for making this contract void, and trigger remedies available to ADFA under this Agreement and/or NSP1 Program regulations.
 - d. Reprogramming any balance of NSP1 Funds made available under this Agreement from deficient activities, or any activity funded under this Agreement, to other eligible activities.
 - e. Suspension of NSP1 fund disbursements for deficient activities, or any activities funded under this Agreement and subsequent termination of this Agreement in its entirety.
 - f. Termination of this Agreement in its entirety and requiring that the Grantee repay to ADFA any and all NSP1 Funds advanced under this Agreement.
 - g. Removing Grantee from participation in any future allocations of NSP1 Funds from ADFA.
 - h. Taking other remedial actions that may be legally available to ADFA.
- D. In the event Grantee dissolves the organization, ceases to exist, or becomes unable for any reason to fulfill its obligations under this Agreement, ADFA will require Grantee to fully repay to ADFA any and all amounts advanced under this Agreement.
- E. Notwithstanding any other provision of this Agreement, should there be any fraud, misrepresentation, embezzlement, or any other criminal activity associated with this Development, ADFA may pursue all legal and equitable remedies available to it against the Grantee.
- F. Any decision regarding corrective, remedial, legal or equitable remedies or actions to be taken regarding this Agreement or Development shall be at the sole option and discretion of ADFA. A decision by ADFA to pursue one course of action shall not constitute a waiver of any other course of action ADFA may pursue under this Section VIII, Remedies on Default.
- G. Should this Agreement be terminated before completion of the Development, either voluntarily or otherwise, any NSP1 Funds invested in the Development that is the subject of this Agreement shall be repaid to ADFA's NSP1 Account.
- H. Notwithstanding anything to the contrary contained in this Agreement or the Mortgage, ADFA hereby agrees that Grantee shall have the right, but not the obligation, to cure any defaults of the Grantee hereunder.

IX. TERMINATION

ADFA may terminate this Agreement upon thirty (30) days prior written notice to the Grantee contact person indicated in Section V of this Agreement. The notice of termination shall set forth the reasons for such termination, the effective date of termination, and in the case of partial termination, the portion of the award to be terminated. However, in the case of partial termination, if ADFA, in its sole discretion, determines that the remaining portion of the funding provided under this Agreement will not accomplish the purposes for which the award was made, ADFA may terminate the award in its entirety under paragraph A of this section, Section VIII.

X. MISCELLANEOUS PROVISIONS

- A. The officials who executed this Agreement hereby represent and warrant that they have full and complete authority to act on behalf of ADFA and Grantee, respectively, and that their signatures below, the terms and provisions hereof, constitute valid and enforceable obligations of each.
- B. This Agreement shall be executed in the original, and any number of executed copies. Any copy of this Agreement so executed shall be deemed an original and shall be deemed authentic for any other use.
- C. The parties may amend or modify this Agreement at any time, provided that such amendment(s) or modification(s) make specific reference to this Agreement, and are executed in writing by a duly authorized representative of both parties. Such amendment(s) or modification(s) shall not invalidate this Agreement, nor relieve or release the parties from their obligations under this Agreement.
- D. The terms and conditions of this Agreement shall be binding upon the parties hereto, their respective successors and assignees.
- E. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer and employee between the parties. Grantee shall at all times remain an independent contractor with respect to the services to be performed under this Agreement.
- F. Grantee shall not assign or transfer any interest in this Agreement without the prior written approval of ADFA.
- G. This Agreement shall be construed according to the laws of the State of Arkansas.
- H. Should any part, term or provision of this Agreement, or portions thereof, be determined by a court of competent jurisdiction to be illegal, void or unenforceable, the validity of the remaining portions or provisions shall not be affected thereby.
- I. Grantee shall ensure contractor provides Payment and Performance Bond or an Irrevocable Letter of Credit in the full amount of construction costs.

XI. INDEMNITY

Owner agrees, to the extent allowable by law, that it shall indemnify and hold harmless ADFA, its officers, agents, directors and employees from:

- A. Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of this Agreement.
- B. Any claims or losses resulting to any person or firm injured or damaged by the erroneous, willful or negligent acts or omissions, including disregard of Federal, State, and local statutes or regulations, by Owner, its officers, employees or subcontractors in the performance of this Agreement.
- C. Any claims or losses arising from the award of NHTF Funds, any reduction of the NHTF Fund, any reduction of the NHTF Fund award, any termination of the NHTF Fund award, and any recapture of NHTF Funds by the U.S. Department of Housing and Urban Development.
- D. Any claims or losses arising from the failure of Owner to comply with all applicable federal and state requirements, statutes, and laws.

XII. NON-RECOURSE PROVISION

Notwithstanding any of the foregoing provisions, it is expressly understood by the parties hereto that none of the members or managers of the Grantee shall have any personal liability, and the sole recourse of ADFA shall be the Development and assets of the Grantee.

XIII. TIME OF PERFORMANCE

Grantee shall commence Development activities included in Section I., Scope of Services, only after receipt of the ADFA Notice to Proceed. Grantee shall complete all activities included in Section I., Scope of Services, within an eight (8) month period after the date of the Notice to Proceed.

XIV. TERM OF AGREEMENT

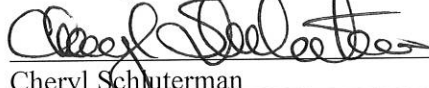
This Agreement shall be in full force and effect from the date first written above and shall remain in force for the full period of affordability applicable to the Development assisted with NSP1 Funds under this Agreement.

City of Jonesboro

By: _____
Name: _____
Title: _____

Date: _____
Federal I.D. No.: _____

Arkansas Development Finance Authority

By:  _____
Name: Cheryl Schuterman
Title: President

Date: 8/1/19
Federal I.D. No.: 71-0503641

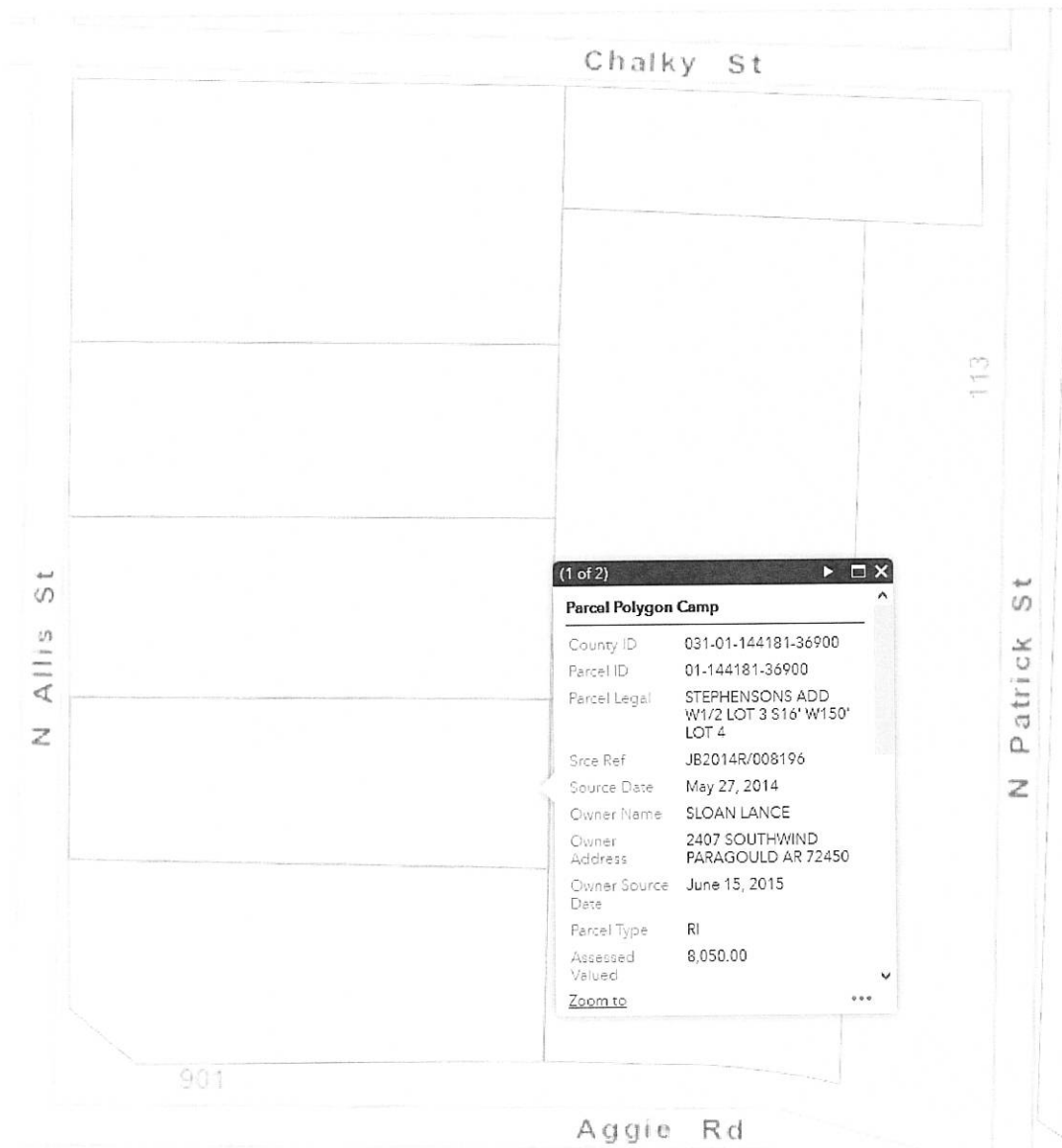
Attachment A

Legal Description

In the County of Craighead, State of Arkansas:

Stephensons Addition W1/2 Lot 3 S16' W150' Lot 4

Which is the same as Parcel #01-144181-36900 at the northeast corner of Aggie Road and N. Allis St.,
Jonesboro, AR



Attachment B
Project Schedule:

<u>Activity</u>	<u>Completion Date</u>
Plans and Specs	8/31/2019
Site Acquisition	9/30/2019
Pre-Construction Conference	10/30/2019
Construction Begins	11/15/2019
Construction Complete	1/31/2019

<u>Expenditure of Funds</u>	<u>Completion Date</u>
25%	9/30/2019
50%	11/15/2019
75%	12/15/2019
100%	1/31/2019

Attachment C

Sources and Uses

<u>SOURCE OF FUNDS</u>	<u>Amount of Funds</u>
NSP1 Funds (ADFA)	\$32,300
Private	
Community Development Program Funding –Jonesboro	\$10,000
Code Enforcement – Demo (Jonesboro)	\$10,000
Other	
Total Sources:	\$52,300

USES (Veterans Village)

Land Acquisition:		\$115,000.00
Hard Costs:		
Two Bedroom		\$228,000.00
SFD	2	\$500,500.00
Zero Bedroom		
SFD	7	
Site Improvement		\$170,000.00
Soft Costs:		
Potential Architect fees		\$44,925.00
Environmental		\$14,000.00
Ridge Surveying		\$3,000.00
Developer's Fee:		\$0.
Total Development Cost:		\$1,075,425.00