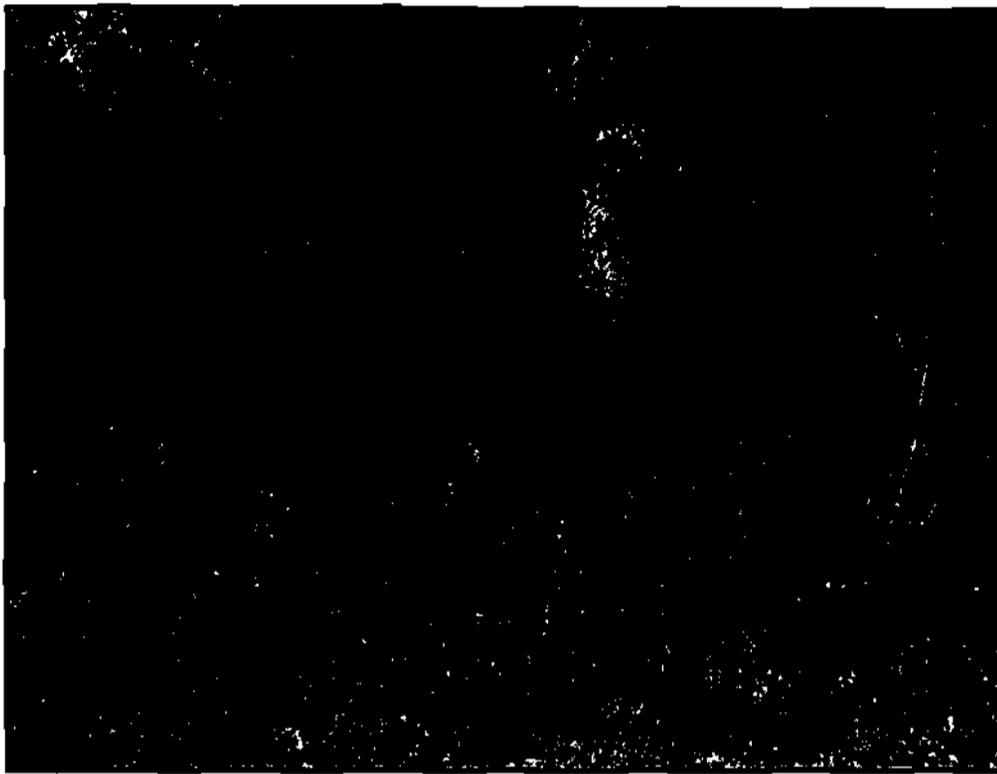


A



APPRAISAL OF REAL PROPERTY

LOCATED AT:

Caraway Road
/4, Section 8, Township 14 North, Range 4 East - Walker, Walker & Broadwa
Jonesboro, AR 72401-1813

FOR:

City of Jonesboro
Jonesboro, Arkansas

AS OF:

January 02, 2008

BY:

Larry D. Clark, SRA
Landmark Appraisal
Jonesboro, Arkansas

LAND APPRAISAL REPORT

File No.

IDENTIFICATION	Borrower <u>City of Jonesboro</u>	Census Tract <u>0006.01</u>	Map Reference <u>N/A</u>	
	Property Address <u>Caraway Road and two sites on Belt Street</u>			
	City <u>Jonesboro</u>	County <u>Craighead</u>	State <u>AR</u>	Zip Code <u>72401-1813</u>
	Legal Description <u>A part of the SE1/4, Section 8, Township 14 North, Range 4 East - Walker, Walker & Broadway Property</u>			
	Sale Price \$ <u>N/A</u>	Date of Sale _____	Loan Term _____ yrs.	Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD
Actual Real Estate Taxes \$ _____ (yr)		Loan charges to be paid by seller \$ _____		
Lender/Client <u>City of Jonesboro</u>		Address <u>Jonesboro, Arkansas</u>		
Occupant <u>Vacant land</u>		Appraiser <u>Larry D. Clark, SRA</u>		
Instructions to Appraiser _____				

NEIGHBORHOOD	Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	<table style="width: 100%; border-collapse: collapse;"> <tr> <td>Employment Stability</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Employment</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Shopping</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Schools</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Public Transportation</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Recreational Facilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Utilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Property Compatibility</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Protection from Detrimental Conditions</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Police and Fire Protection</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>General Appearance of Properties</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Appeal to Market</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																													
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%																																																														
Growth Rate	<input checked="" type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady																																																														
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow																																																														
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Declining																																																														
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.																																																														
Present Land Use	<u>45%</u> 1 Family <u>10%</u> 2-4 Family <u>45%</u> Apts. _____ % Condo _____ % Commercial																																																																
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)																																																														
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	_____ % Vacant																																																														
Single Family Price Range	\$ <u>55,000</u> to \$ <u>175,000</u> Predominant Value \$ <u>75,000</u>																																																																
Single Family Age	<u>5</u> yrs. to <u>60</u> yrs. Predominant Age <u>25</u> yrs.																																																																

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): The subject market area is located in the northeast section of the city. The area is bounded on the south by Johnson Avenue, on the west by Rogers, on the east by Stadium Blvd and on the north by vacant lands. Caraway Road to Johnson Avenue provides easy access to the major shopping, employment and educational facilities of the area.

SITE	Dimensions <u>Irregular</u>	=	<u>1.875</u> Sq. Ft. or Acres	<input type="checkbox"/> Corner Lot	
	Zoning classification <u>R-1, Single family residential</u>	Present Improvements <input type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations			
	Highest and best use <input type="checkbox"/> Present use <input type="checkbox"/> Other (specify) _____				
	Elec. <input checked="" type="checkbox"/>	Public	OFF SITE IMPROVEMENTS		
	Gas <input type="checkbox"/>	Other (Describe) _____	Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private	Topo <u>Sloping</u>	
	Water <input checked="" type="checkbox"/>		Surface <u>Asphalt</u>	Size <u>Large for the area</u>	
	San. Sewer <input checked="" type="checkbox"/>		Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private	Shape <u>Rectangular</u>	
	<input type="checkbox"/> Underground Elect. & Tel.		<input type="checkbox"/> Storm Sewer <input checked="" type="checkbox"/> Curb/Gutter	View <u>Residential</u>	
			<input type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights	Drainage <u>Appears adequate</u>	
	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 adverse easement or encroachments were noted. Lot size estimate from County Records, no recent survey was provided.</u>					

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.

MARKET DATA ANALYSIS	ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
	Address	<u>Caraway Road and two sites on Jonesboro</u>	<u>Evergreen Jonesboro</u>	<u>Off Highway 49 North Jonesboro</u>		<u>Ranchette Jonesboro</u>		<u>1.5 miles west</u>
Proximity to Subject		<u>5 blocks north</u>	<u>4 miles east</u>		<u>1.5 miles west</u>			
Sales Price	\$ <u>N/A</u>	\$ <u>17,000</u>	\$ <u>60,000</u>	\$ <u>64,000</u>				
Price sq.ft.	\$ _____	\$ <u>1.77</u>	\$ <u>0.28</u>	\$ <u>0.17</u>				
Data Source		<u>DR 762, Pg 804</u>	<u>DR 619, Pg 071</u>		<u>DR 720, Pg 025</u>			
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	
Location	<u>Avg/Urban</u>	<u>11/30/07</u>		<u>01/10/02</u>		<u>07/14/04</u>		
Site/View	<u>1.875 acres/Res</u>	<u>Avg/Urban</u>	<u>+20,000</u>	<u>5.00 acres/Avg</u>	<u>-40,000</u>	<u>8.82 acres/Avg</u>	<u>-47,500</u>	
Improvements	<u>None</u>	<u>None</u>		<u>None</u>		<u>None</u>		
Sales or Financing Concessions	<u>None</u>	<u>None</u>		<u>None</u>		<u>None</u>		
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>20,000</u>		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ <u>40,000</u>		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ <u>47,500</u>		
Indicated Value of Subject		<u>Net 117.6%</u> \$ <u>37,000</u>		<u>Net 66.7%</u> \$ <u>20,000</u>		<u>Net 74.2%</u> \$ <u>16,500</u>		

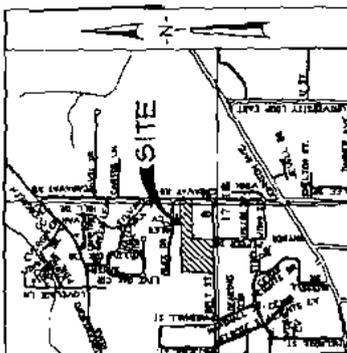
Comments on Market Data: All sales are located in the same or completing areas of the city. All have the same zoning and highest and best use. All sales were considered in the final estimate of market value.

Comments and Conditions of Appraisal: The appraisal is based on "as is" conditions. No Extraordinary Assumptions or Hypothetical Conditions were used in this report. See attached

RECONCILIATION	Final Reconciliation: <u>The Sales Comparison Approach was considered to be the most applicable. The Cost Approach and Income Capitalization Approaches were not considered applicable in this assignment.</u>
	I ESTIMATE THE MARKET VALUE, AS DESIRED, OF SUBJECT PROPERTY AS OF <u>January 02 2008</u> to be \$ <u>28,500.00</u>

Larry D. Clark, SRA Did Did Not Physically Inspect Property
 Appraiser(s) Review Appraiser (if applicable)

[Y2K]



DESCRIPTION TRACT A

TRACT A, SUBDIVISION OF TRACT A, COMMENCING AT THE POINT OF BEGINNING OF TRACT A, AND EXTENDING EAST ALONG THE NORTH LINE OF TRACT A TO THE POINT OF BEGINNING OF TRACT B, A DISTANCE OF 420.00 FEET, THENCE SOUTH ALONG THE EAST LINE OF TRACT A TO THE POINT OF BEGINNING OF TRACT C, A DISTANCE OF 420.00 FEET, THENCE WEST ALONG THE SOUTH LINE OF TRACT A TO THE POINT OF BEGINNING OF TRACT B, A DISTANCE OF 420.00 FEET, THENCE NORTH ALONG THE WEST LINE OF TRACT A TO THE POINT OF BEGINNING OF TRACT A, A DISTANCE OF 420.00 FEET, CONTAINING 1.00 ACRES, MORE OR LESS, AS SHOWN ON THE ATTACHED MAP.

DESCRIPTION TRACT B

TRACT B, SUBDIVISION OF TRACT A, COMMENCING AT THE POINT OF BEGINNING OF TRACT B, AND EXTENDING EAST ALONG THE NORTH LINE OF TRACT B TO THE POINT OF BEGINNING OF TRACT C, A DISTANCE OF 420.00 FEET, THENCE SOUTH ALONG THE EAST LINE OF TRACT B TO THE POINT OF BEGINNING OF TRACT C, A DISTANCE OF 420.00 FEET, THENCE WEST ALONG THE SOUTH LINE OF TRACT B TO THE POINT OF BEGINNING OF TRACT A, A DISTANCE OF 420.00 FEET, THENCE NORTH ALONG THE WEST LINE OF TRACT B TO THE POINT OF BEGINNING OF TRACT B, A DISTANCE OF 420.00 FEET, CONTAINING 1.00 ACRES, MORE OR LESS, AS SHOWN ON THE ATTACHED MAP.

DESCRIPTION TRACT C

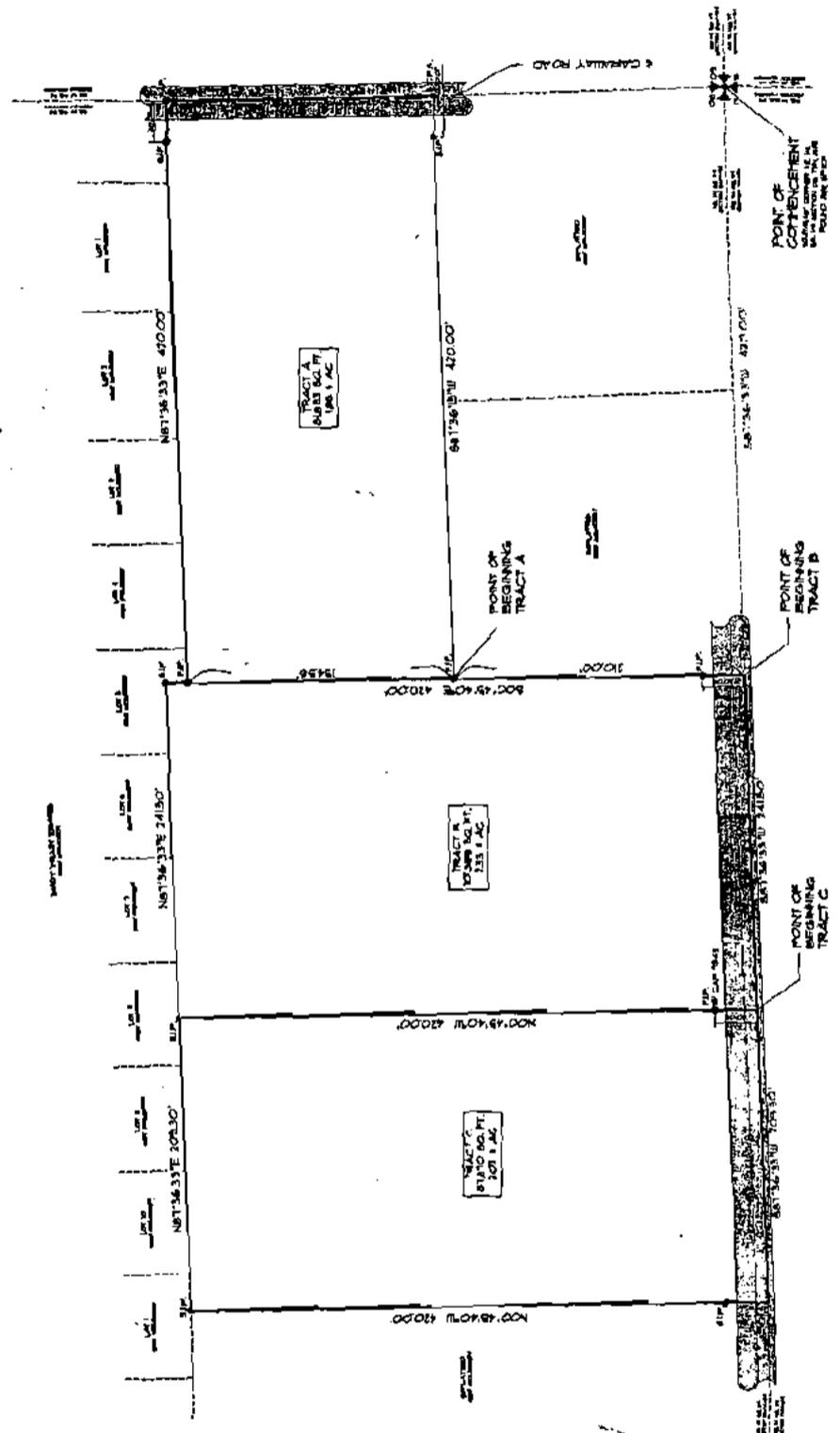
TRACT C, SUBDIVISION OF TRACT A, COMMENCING AT THE POINT OF BEGINNING OF TRACT C, AND EXTENDING EAST ALONG THE NORTH LINE OF TRACT C TO THE POINT OF BEGINNING OF TRACT D, A DISTANCE OF 420.00 FEET, THENCE SOUTH ALONG THE EAST LINE OF TRACT C TO THE POINT OF BEGINNING OF TRACT D, A DISTANCE OF 420.00 FEET, THENCE WEST ALONG THE SOUTH LINE OF TRACT C TO THE POINT OF BEGINNING OF TRACT B, A DISTANCE OF 420.00 FEET, THENCE NORTH ALONG THE WEST LINE OF TRACT C TO THE POINT OF BEGINNING OF TRACT C, A DISTANCE OF 420.00 FEET, CONTAINING 1.00 ACRES, MORE OR LESS, AS SHOWN ON THE ATTACHED MAP.

SURVEYOR'S CERTIFICATION

I, the undersigned, being duly qualified and sworn, do hereby certify that the foregoing is a true and correct copy of the original survey records and maps on file in my office, and that the same have been examined and found to be correct and true to the original records and maps on file in my office.

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112



LEGEND

--- PROPERTY LINE
 --- EASEMENT
 --- RIGHT OF WAY
 --- CENTERLINE

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

BOUNDARY SURVEY

ASSOCIATED ENGINEERS AND TESTING, LLC
 100 NORTH CHASE STREET, SUITE 200
 FAYETTEVILLE, MISSISSIPPI 39301
 PHONE: 601-799-1111
 FAX: 601-799-1112

ASSUMPTIONS AND CONDITIONS

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary Assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Hypothetical Condition; That which is contrary to what exists but is supposed for the purpose of analysis.

Comment: Hypothetical Conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis.

The report was not completed under any Extraordinary Assumptions or Hypothetical Conditions.

PHOTOGRAPH ADDENDUM

Borrower/Client	City of Jonesboro						
Property Address	Caraway Road and two sites on Belt Street						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401-1813
Lender	City of Jonesboro						



View looking west



Street scene

EXPOSURE TIME

Based on sales records for the market area, Exposure Time was estimated at 3 to 6 months.

SCOPE OF WORK

After discussions with Mr. Harry Hardwick, it was determined that a Market Value estimate of the fee simple interest would best serve the client.

Information provided by the client as well as data contained in the Craighead County Assessment records was used to identify the property.

A drive by inspection was conducted of the site and its market area.

Data about the site and region was used to determine the Highest and Best Use of the site.

Information about sales of similar sites in the area were used to make an estimate of the Market Value of the property.

All the data gathered during the analysis was prepared in a Summary Appraisal Report, that was report in a form report.

INTENDED USE AND USER

The intended user of this report is Mr. Harry Hardwick, a representative of the City of Jonesboro. The report is to be used in purchase decisions.

HISTORY OF OWNERSHIP

The property has not sold in the preceding 36 months

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: Caraway Road and two sites on Belt Street, Jonesboro, AR 72401-1813

APPRAISER:

Signature: 
 Name: Larry D. Clark, SRA
 Date Signed: January 12, 2008
 State Certification #: CG-0129
 or State License #: _____
 State: Arkansas
 Expiration Date of Certification or License: June 30, 2008

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

LARRY D. CLARK
CLARK & ASSOCIATES
P.O. BOX 9288
JONESBORO, ARKANSAS 72403
870-931-9116 (OFFICE NUMBER)
870-931-1929 (FAX NUMBER)
LDCLARK@BSCN.COM (E-MAIL ADDRESS)

Education

Arkansas State University, 1976
B.S. Degree in Real Estate and Insurance

Professional Training

Course VIII, American Institute, Chicago, IL 1977
Course 1-A, American Institute, Memphis, TN 1978
Income Capitalization, N.A.I.F.A. Ft. Smith, AR 1980
Farm, Ranch & Rural Appraisal, N.A.I.F.A. St. Louis, MO 1981
SPP, A & B, Appraisal Institute, Memphis, TN 1991
Course 1BA, Appraisal Institute, Dallas, TX 1991
Course 1BB, Appraisal Institute, Dallas, TX 1991
Case Studies, Appraisal Institute, Talahassie, FL 1991
Report Writing, Appraisal Institute, Talahassie, FL 1991
SPP, A & B, Appraisal Institute, St. Louis, MO 1996
Course 120, Appraisal Institute, Houston, TX 1996
Course 110, Appraisal Institute, Houston, TX 1997
Course 510, Appraisal Institute, Knoxville, TN 1999
Course 710, Appraisal Institute, Nashville, TN 2002
Course 430, Appraisal Institute, Memphis, TN 2002
Course 530, Appraisal Institute, Atlanta, GA 2006
Course 520, Appraisal Institute, Houston, TX 2006

As of the date of this report, Larry D. Clark, SRA has completed the requirements under the continuing education program of the Appraisal Institute

Professional Designations

SRA, 1987, the Appraisal Institute
Certified National Instructor for N.A.I.F.A., 1987 to 1995

Professional Organizations, Offices and Committees

Vice President of the Arkansas Chapter of the Appraisal Institute. Committee Member of the Residential Appraisal Board Curriculum Division for the Appraisal Institute (1995-1997), Arkansas Chapter Appraisal Institute, Board of Directors (1997-1999)

Appraisal Experience

Appraiser, Security Federal Savings & Loan, Sikeston, MO.
(1976-1979)
Chief Appraiser, United Federal Savings & Loan, Jonesboro, AR.
(1980-1986)
President and principal of Clark Appraisal Service, Jonesboro,
AR. (1986-1992)
Regional Manager/Appraiser for Pyron, Clark & Associates,
Jonesboro, AR (1992-1994)
President and principal of Clark Appraisal Service, Jonesboro,
AR (1994-1995)
Real Estate Risk Assessment division of NationsBank, Little
Rock, AR. (1995 to 1998)
President and principal of Clark & Associates, Jonesboro, AR
(1998 to 2006)
Chief Appraiser for Liberty Bank of Arkansas, Jonesboro, AR,
August 2006 to present.

Wide range of experience in the valuation of income producing
properties, including office buildings, subdivisions, hotels
& motels, multi-family complexes, shopping centers,
industrial properties, and special use projects.
Appraisal assignments in Arkansas, Missouri, Tennessee,
Mississippi, Illinois, Texas and Arizona.
Evaluation experience in performing subdivision analysis,
feasibility studies and evaluation of plans for Chapter 11
bankruptcy reorganization.
Experience in compliance with current FDIC/OCC, RTC and OTS
appraisal standards.

Special Assignments

Appointed by Governor Jim Guy Tucker to term as member of the
Arkansas Appraiser Licensing and Certification Board (1994-
1997)

Publications

Contributing author to the Appraisal Review, a national real
estate publication, Volume 17, 1981.

Partial List of Clients

ARKANSAS LENDERS

Boatmen's National Bank, Simmons Bank, Citizens Bank, The Arkansas
Bank, Wynne Bank, Mercantile Bank, Union Planters, Security Bank,
Midsouth Bank, Pocahontas Federal Savings & Loan, United Federal
Savings & Loan, Citizens Bank, Bank of Trumann, Home Federal
Savings & Loan, Arkansas Bank.

CORPORATE CLIENTS

Southern Pacific Railroad, General Motors Acceptance Corp., Prudential Insurance Company of America, Mortgage Guaranty Insurance Corporation

GOVERNMENT CLIENTS Arkansas Highway and Transportation Department, Resolution Trust Corporation (RTC), Federal Deposit Insurance Corporation (FDIC), Federal Home Loan Mortgage Corporation, Federal National Mortgage Corporation (FannieMae), City of Jonesboro, City of Osceola, City of Rector, Arkansas Appraiser Licensing & Certification Board, Arkansas State University. Arkansas Game & Fish Commission.