

APPRAISAL OF REAL PROPERTY

LOCATED AT:

734 Valley Dr
Lot 18 Block A Western Heights Revised
Jonesboro, AR 72401-7019

FOR:

City Of Jonesboro Claude Martin
515 W. Washington
Jonesboro, AR 72401

AS OF:

April 19, 2005

BY:

Bob Gibson

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	734 Valley Dr
	Legal Description	Lot 18 Block A Western Heights Revised
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401-7019
	Census Tract	0003.00
	Map Reference	NA
SALES PRICE	Sale Price	\$ NA
	Date of Sale	NA
CLIENT	Borrower / Client	/Client City of Jonesboro
	Lender	City Of Jonesboro Claude Martin
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,479
	Price per Square Foot	\$ NA
	Location	Urban-Avg
	Age	40 Act / 15 Eff
	Condition	Average - Good
	Total Rooms	7
	Bedrooms	2
Baths	1	
APPRAISER	Appraiser	Bob Gibson
	Date of Appraised Value	April 19, 2005
VALUE	Final Estimate of Value	\$ 87,000

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

April 19, 2005

City Of Jonesboro Claude Martin
515 W. Washington
Jonesboro, AR 72401

Re: Property: 734 Valley Dr
Jonesboro, AR 72401-7019
Borrower: /Client City of Jonesboro

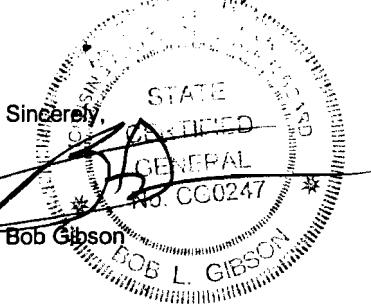
Pursuant to your request, I have prepared a appraisal report of the property captioned in the "Summary of Salient Features" which follows. As you have requested, I have prepared this report in accordance with most area lenders. To the best of my knowledge, this report conforms to the current requirements 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.

Sincerely,

Bob Gibson



UNIFORM RESIDENTIAL APPRAISAL REPORT

Property Description

File No.

Property Address	734 Valley Dr	City	Jonesboro	State	AR	Zip Code	72401-7019
Legal Description	Lot 18 Block A Western Heights Revised			County	Craighead		
Assessor's Parcel No.	01-143251-28100	Tax Year	2003	R.E. Taxes	\$ 455.52	Special Assessments	\$ 0.00
Borrower /Client	City of Jonesboro	Current Owner	Florine Hoffman	Occupant:	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> Vacant
Property rights appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	Project Type	<input type="checkbox"/> PUD	<input type="checkbox"/> Condominium (HUD/VA only)	HOA \$	NA /Mo.
Neighborhood or Project Name	Western Heights		Map Reference	NA		Census Tract	0003.00
Sale Price \$	NA	Date of Sale	NA				
Lender/Client	City Of Jonesboro	Aubrey Scott	Address 515 W. Washington, Jonesboro, AR 72401				
Appraiser	Bob Gibson Address 420 West Jefferson, Suite A, Jonesboro, AR 72403						

Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single family housing		Present land use %		Land use change	
Built up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%		<input checked="" type="checkbox"/> Owner	PRICE \$ (000)	AGE (yrs)	One family	90	<input checked="" type="checkbox"/> Not likely
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input type="checkbox"/> Tenant	80	Low 10	2-4 family		<input type="checkbox"/> In process	
Property values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-5%)	100	High 40	Multi-family		To:	
Demand/supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vac (over 5%)	Predominant		Commercial	10		
Marketing time	<input type="checkbox"/> Under 3 mos.	<input checked="" type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.		90	40	Vacant			

Note: Race and the racial composition of the neighborhood are not appraisal factors.
 Neighborhood boundaries and characteristics: Subject is located to the north by Wood St., to the east by S. Culberhouse, to the south by Southwest Dr. and to the west by Wood St. also. No negative influences noted.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
 Subject is located in a mature fully developed subdivision that is approximately 40 years old. Downtown Jonesboro is approximately 1.0 miles to the northeast. The Indian Mall Shopping Center is approximately 1.0 miles to the east. Public schools and neighborhood shopping center are located in close proximity to our subject.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
 The current market appears to be stable with no unusual concessions. Available financing consists of VA, FHA, and Conventional loans.

Project Information for PUDs (If applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? Yes No NA
 Approximate total number of units in the subject project: NA Approximate total number of units for sale in the subject project: NA
 Describe common elements and recreational facilities: NA

Dimensions	75 X 174.5 X 75 X 173			Topography	Slopes to the back			
Site area	130, 125 +/- .30 Acres +/-	Corner Lot	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Size	Average			
Specific zoning classification and description	R-1 Single Family			Shape	Rectangular			
Zoning compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal nonconforming (Grandfathered use)	<input type="checkbox"/> Illegal	<input type="checkbox"/> No zoning	Drainage	Poor		
Highest & best use as improved:	<input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use (explain)			View	Average - Res			
Utilities	Public	Other	Off-site Improvements	Type	Public	Private	Landscaping	Average
Electricity	<input checked="" type="checkbox"/>		Street	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Driveway Surface	Concrete
Gas	<input checked="" type="checkbox"/>		Curb/gutter	Concrete	<input type="checkbox"/>	<input type="checkbox"/>	Apparent easements	Typical Utilities
Water	<input checked="" type="checkbox"/>		Sidewalk		<input type="checkbox"/>	<input type="checkbox"/>	FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Sanitary sewer	<input checked="" type="checkbox"/>		Street lights		<input type="checkbox"/>	<input type="checkbox"/>	FEMA Zone	X Map Date 9/27/1991
Storm sewer	<input checked="" type="checkbox"/>		Alley		<input type="checkbox"/>	<input type="checkbox"/>	FEMA Map No.	05031C0131C
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):								No apparent
adverse or unfavorable easements or encroachments noted during the physical inspection.								

GENERAL DESCRIPTION	EXTERIOR DESCRIPTION			FOUNDATION		BASEMENT		INSULATION	
	No. of Units	Foundation	Conc. Blks	Slab	No	Area Sq. Ft.	NA	Roof	<input type="checkbox"/>
No. of Stories	1	Exterior Walls	BV - Vinyl	Crawl Space	Yes	% Finished	NA	Ceiling	<input checked="" type="checkbox"/>
Type (Det./Att.)	Detached	Roof Surface	Comp Shingles	Basement	No	Ceiling	NA	Walls	<input checked="" type="checkbox"/>
Design (Style)	Ranch	Gutters & Dwnspts.	Aluminum	Sump Pump	No	Walls	NA	Floor	<input type="checkbox"/>
Existing/Proposed	Existing	Window Type	Wood	Dampness	Yes	Floor	NA	None	<input type="checkbox"/>
Age (Yrs.)	40 Act	Storm/Screens	Yes	Settlement	None Noted	Outside Entry	NA	Unknown	<input type="checkbox"/>
Effective Age (Yrs.)	15 Eff	Manufactured House	No	Infestation	None Noted				

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												NA
Level 1		1	1	1	1			2	1	X		1,479
Level 2												

Finished area above grade contains: 7 Rooms; 2 Bedroom(s); 1 Bath(s); 1,479 Square Feet of Gross Living Area

INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE:
Floors	Cpt, Ceramic, Wd - A	Type	FWA	Refrigerator	<input type="checkbox"/>	None <input type="checkbox"/>
Walls	Panel-Drywall- Avg	Fuel	Gas	Range/Oven	<input checked="" type="checkbox"/>	Garage # of cars
Trim/Finish	Stained	Condition	Average	Disposal	<input checked="" type="checkbox"/>	Attached X
Bath Floor	Ceramic	COOLING		Dishwasher	<input checked="" type="checkbox"/>	Detached
Bath Wainscot	Drywall	Central	Electric	Fan/Hood	<input checked="" type="checkbox"/>	Built-In
Doors	Masonite - Flat	Other	No	Microwave	<input type="checkbox"/>	Carport 1 Carport
		Condition	Average	Washer/Dryer	<input type="checkbox"/>	Driveway
				Finished	<input type="checkbox"/>	

Additional features (special energy efficient items, etc.): Owner spent \$40,000 the last few years. New floor covering, new furnace, new siding, roof, built-in-cabinets and bath remodeled.

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.:
 observed nothing in the area that might reduce the value of this property. The Appraiser

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: No adverse environmental conditions were observed and none are known to the appraiser.

UNIFORM RESIDENTIAL APPRAISAL REPORT

Valuation Section

File No.

COST APPROACH	ESTIMATED SITE VALUE	= \$	20,000	Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): See attached for measurements. Cost figures were from the Marshall & Swift Residential Evaluation Service and from appraiser's knowledge of local market.	
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:				
	Dwelling	1,479 Sq. Ft. @\$ 56.20	= \$		83,120
		Sq. Ft. @\$	=		
	Kit,Patio,Deck,Pch,Fnc		=		5,500
	Garage/Carport	248 Sq. Ft. @\$ 10.00	=		2,480
	Total Estimated Cost New		= \$		91,100
	Less	Physical	Functional		External
	Depreciation	13,665			= \$ 13,665
	Depreciated Value of Improvements		= \$		77,435
"As-is" Value of Site Improvements		= \$	1,500		
INDICATED VALUE BY COST APPROACH		= \$	98,935		

SALES COMPARISON ANALYSIS	ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
		734 Valley Dr. Address Jonesboro		2000 S. Culberhouse Jonesboro		2009 Wood Jonesboro		910 Locust Jonesboro
	Proximity to Subject		0.35 miles		0.28 miles		0.18 miles	
	Sales Price	\$ NA	\$ 85,000		\$ 85,000		\$ 88,000	
	Price/Gross Living Area	\$ NA	\$ 54.31		\$ 52.76		\$ 53.30	
	Data and/or Verification Source	Inspection	DR bk/pg 687 / 459 Comp. Services		DR bk/pg 687 / 516 Comp. service		DR bk/pg 677 / 141 Comp. service	
	VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
	Sales or Financing Concessions	NA	NA		NA		NA	
	Date of Sale/Time		12-22-04		12-27-04		07-28-04	
	Location	Urban-Avg	Urban-Avg		Urban - Avg		Urban - Avg	
	Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
	Site	.30 Ac+-(20,000)	.25 (20,000)		.62 (30,000) -10,000		.31 (20,000)	
	View	Average - Res	Average-Res		Average-Res		Average-Res	
	Design and Appeal	1.0	1.0		1.0		1.0	
	Quality of Construction	BV - Vinyl	BV - Mas		BV - Wood		BV	
	Age	40 Act / 15 Eff	40 Act / 18 Eff +2,550		50 Act / 25 Eff +8,500		42 Act / 15 Eff	
	Condition	Average - Good	Average +5,000		Average +5,000		Average +5,000	
	Above Grade Room Count	Total Bdrms: Baths 7 2 1	Total Bdrms: Baths 6 3 2 -1,500		Total Bdrms: Baths 6 2 1.5 -750		Total Bdrms: Baths 7 3 2 -1,500	
	Gross Living Area	1,479 Sq. Ft.	1,565 Sq. Ft. -2,150		1,611 Sq. Ft. -3,300		1,651 Sq. Ft. -4,300	
	Basement & Finished Rooms Below Grade	NA	NA		NA		NA	
	Functional Utility	Average	Average		Average		Average	
	Heating/Cooling	CH&A	CH&A		CH&A		CH&A	
	Energy Efficient Items	Some	Some		Some		Some	
	Garage/Carport	1 CP	2 CP -1,500		2 CP -1,500		2 Garage -3,500	
	Porch, Patio, Deck, Fireplace(s), etc.	Pch-Patio-Dk No	Pch-Patio +1,000 1 FP -1,500		Pch-Patio +1,000 1 FP -1,500		Cvd Pch - Patio No	
	Fence, Pool, etc.	Fence	Fence-Storm -500		No +1,500		Fence	
	Kitchen	KE - 4	Average		Average		Average	
	Net Adj. (total)		☒ + ☐ - \$ 1,400		☐ + ☒ - \$ 1,050		☐ + ☒ - \$ 4,300	
	Adjusted Sales Price of Comparable		\$ 86,400		\$ 83,950		\$ 83,700	

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): A \$5,000 adjustment was made for the improvements made to our subject over the past 4 years.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	No Prior Sales During Past 3 Years	No Prior Sales During Past Year	No Prior Sales During Past Year	No Prior Sales During Past Year

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: NA

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 87,000
 INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ NA /Mo. x Gross Rent Multiplier NA = \$

RECONCILIATION	This appraisal is made <input checked="" type="checkbox"/> "as is" <input type="checkbox"/> subject to the repairs, alterations, inspections or conditions listed below <input type="checkbox"/> subject to completion per plans & specifications.	
	Conditions of Appraisal: THIS APPRAISER ASSUMES A MARKETABLE TITLE AND THAT ALL EQUIPMENT ASSOCIATED WITH THE SUBJECT TO BE IN GOOD WORKING ORDER.	
	Final Reconciliation: The Cost, Income & Sales Comparison Approaches were considered. However, the Income Approach was not applicable due to the majority of property in the area being owner occupied. More weight was given to the Sales Comparison Approach in the final reconciliation.	
	The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6/93).	
	I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF April 19, 2005 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 87,000	
	APPRaiser:	SUPERVISORY APPRAISER (ONLY IF REQUIRED):
	Signature	Signature <input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property
	Name Bob Gibson	Name
	Date Report Signed April 19, 2005	Date Report Signed
	State Certification # CG0247 State AR	State Certification # State
Or State License # State	Or State License # State	

UNIFORM RESIDENTIAL APPRAISAL REPORT MARKET DATA ANALYSIS

These recent sales of properties are most similar and proximate to subject and have been considered 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 the 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	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	734 Valley Dr. Jonesboro	1001 Owens Jonesboro		738 Valley Dr. Jonesboro		805 Owens Jonesboro	
Proximity to Subject		0.07 miles		0.02 miles		0.15 miles	
Sales Price	\$ NA	\$ 83,000		\$ 80,000		\$ 71,000	
Price/Gross Living Area	\$ NA / sq ft	\$ 63.12 / sq ft		\$ 60.84 / sq ft		\$ 54.91 / sq ft	
Data and/or Verification Sources	Inspection	DR bk/pg 684 / 698		DR bk/pg 686 / 282		DR bk/pg 672 / 993	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Sales or Financing Concessions		NA		NA		NA	
Date of Sale/Time		11-08-04		12-03-04		06-08-04	
Location	Urban-Avg	Urban - Avg		Urban - Avg		Urban - Avg	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	.30 Act+-(20,000)	.21 (20,000)		.39 (22,500)	-2,500	.26 (20,000)	
View	Average - Res	Average - Res		Average - Res		Average-Res	
Design and Appeal	1.0	1.0		1.0		1.0	
Quality of Construction	BV - Vinyl	BV		BV		Metal	+5,000
Age	40 Act / 15 Eff	40 Act / 15 Eff		42 Act / 15 Eff		46 Act / 15 Eff	
Condition	Average - Good	Average	+5,000	Average	+5,000	Average	+5,000
Above Grade	Total Bdrms: Baths	Total Bdrms: Baths		Total Bdrms: Baths		Total Bdrms: Baths	
Room Count	7 2 1	5 3 1		6 2 2	-1,500	5 3 1	
Gross Living Area	1,479 Sq. Ft.	1,315 Sq. Ft.	+3,625	1,315 Sq. Ft.	+4,100	1,293 Sq. Ft.	+4,650
Basement & Finished Rooms Below Grade	NA	NA		NA		NA	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	CH&A	CH&A		CH&A		CH&A	
Energy Efficient Items	Some	Some		Some		Some	
Garage/Carport	1 CP	1 Garage	-1,000	1 CP		None	+1,500
Porch, Patio, Deck, Fireplace(s), etc.	Pch-Patio-Dk No	Cvd Pch,Patio No		Porch No	+2,000	Pch,deck No	+1,000
Fence, Pool, etc.	Fence	Fence-Shop	-2,500	Fence		Fence-Shelter	-500
Kitchen	KE - 4	Average		Average		Average	
Net Adj. (total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 5,125		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 7,100		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 16,650	
Adjusted Sales Price of Comparable		\$ 88,125		\$ 87,100		\$ 87,650	
Date, Price and Data Source for prior sales within year of appraisal	No Prior Sales During Past 3 Years						
COMMENTS	Comments:						

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro Claude Martin			

PURPOSE & FUNCTION:

The purpose of this appraisal is to estimate the market value of the subject property. The function of the appraisal is to assist the client in determining value for asset disposition purposes.

Gramm-Leach-Bliley (GLB) Act Compliance/Intended User:

This report has been prepared for the Lender/Client as shown on page one of the report. The purpose of the report is to aid in determining the suitability of the subject property as collateral for a mortgage. The borrower is neither the appraiser's client or the intended user of this report. In accordance with the GLB Act, no non-public information regarding the borrower and/or the subject property has been conveyed by the appraiser to the Lender/Client only, except the following when/if they are observed: Differences with public records regarding dwelling size, dwelling condition, or areas finished that are not shown in public records; any safety or environmental problems/conditions observed; whether or not the subject property is owner occupied, vacant, or tenant occupied. Zoning compliance will be reported. When a property is rented, actual rent and lease information will be reported to the Lender/Client. Any apparent encroachments, easements, functional and external obsolescence will also be reported to the Lender/Client.

COMPS OVER SIX MONTHS

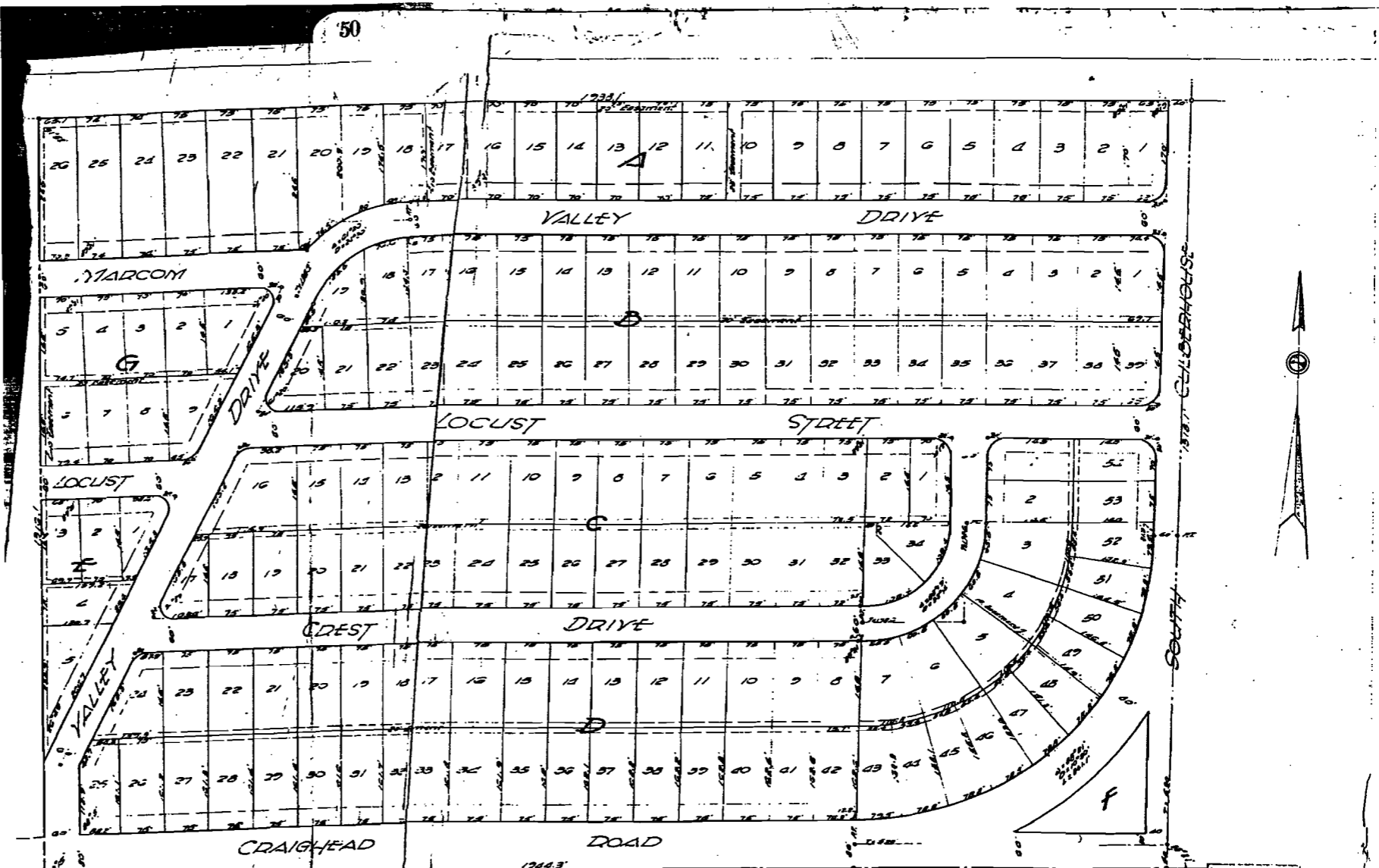
A thorough search for comparable sales was made in this market area. Comparables that sold within six months of the date of appraisal were significantly different in location, size, age, conditions and other value influencing items. In the appraisers judgement, the comparables selected are a better indication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

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 appraisers judgement, the sales selected are better indicators of the value of the subject property than those with smaller net adjustments

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.



**REVISED PLAT OF
WESTERN HEIGHTS SUBDIVISION
JONESBORO, ARK.**

Scale 1" = 100'
Plotted 3-12-58 by
FRED HAYWOOD
Reg. C.E.

SEC. 14, T12N, R23E
T12N, R23E

FINAL

APPROVED

Jonesboro City Planning
Commission

Date *[Signature]*

Chairman *[Signature]*

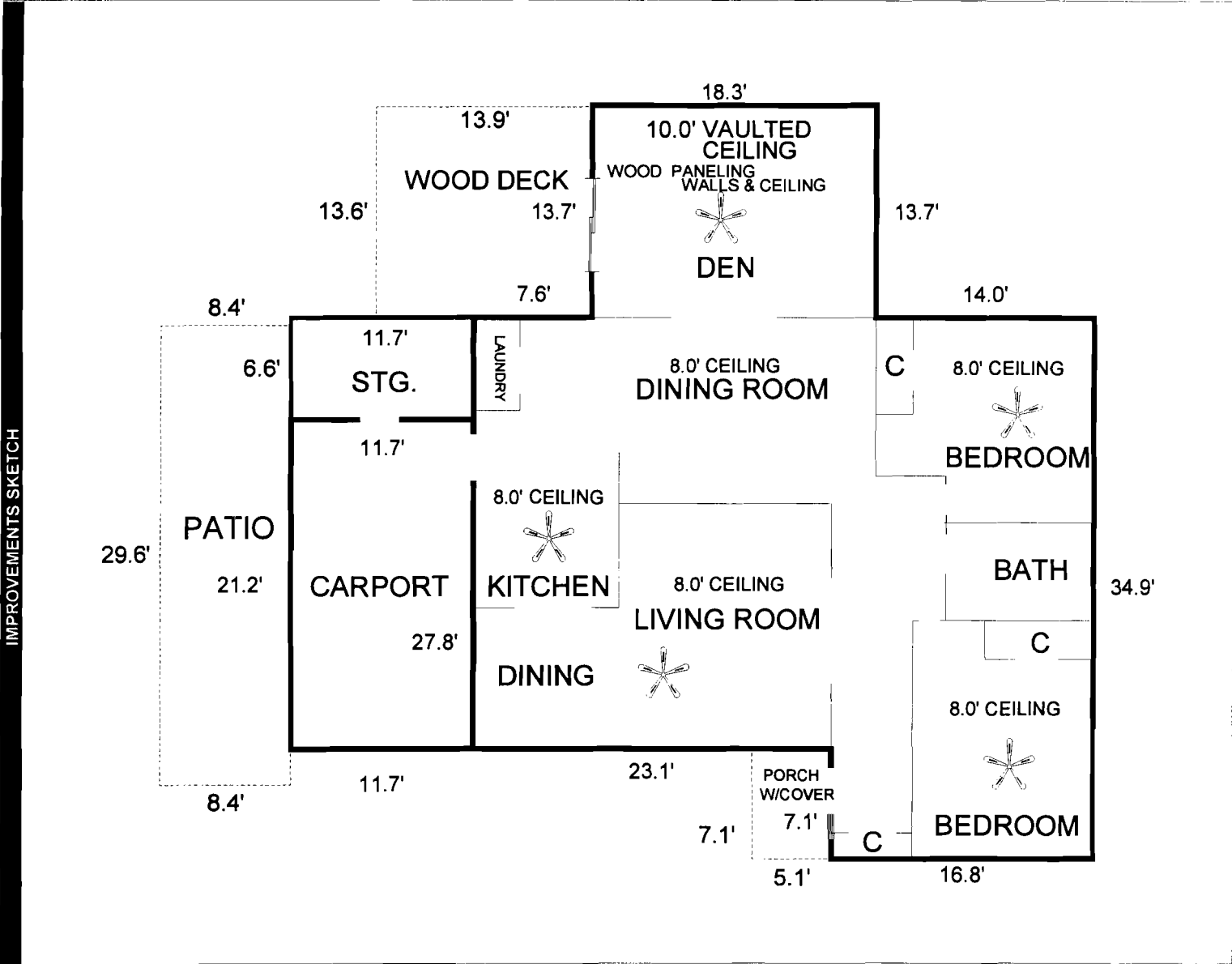
Secretary *[Signature]*

Filed for record this 9th day of April, 1958, 11:15 A.M.
Helen Taylor, Circuit Clerk
By *[Signature]* Ernest D. E.

See Deed Record 137 Page 4/6

SKETCH/AREA TABLE ADDENDUM

Property Address 734 VALLEY DR.
City JONESBORO **County** CRAIGHEAD **State** AR. **Zip** 72401-7019
Borrower FLORINE HOFFMAN
Lender/Client
Appraiser Name BOB GIBSON & ASSOCIATES **Appr Address** 420 W. JEFFERSON- JONESBORO, AR. 72401



Comments:

Scale: 1 = 10

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY				LIVING AREA BREAKDOWN		
Code	Description	Size	Net Totals	Breakdown		Subtotals
GLA1	First Floor	1479.21	1479.21	First Floor		
P/P	WOOD DECK	189.04		13.7	x 18.3	250.71
	PORCH W/ COVER	36.21		16.8	x 34.9	586.32
	PATIO	248.64	473.89	23.1	x 27.8	642.18
GAR	CARPORT	248.04	248.04			
OTH	OUTSIDE STORAGE	77.22	77.22			
TOTAL LIVABLE (rounded)			1479	3 Calculations Total (rounded)		1479

Subject Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			



Subject Front

734 Valley Dr.	
Sales Price	NA
Gross Living Area	1,479
Total Rooms	7
Total Bedrooms	2
Total Bathrooms	1
Location	Urban-Avg
View	Average - Res
Site	130, 125 + - .30 Acres + -
Quality	BV - Vinyl
Age	40 Act / 15 Eff



Subject Rear



Subject Street

Subject Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			



Subject

734 Valley Dr.	
Sales Price	NA
Gross Living Area	1,479
Total Rooms	7
Total Bedrooms	2
Total Bathrooms	1
Location	Urban-Avg
View	Average - Res
Site	130, 125 + - .30 Acres + -
Quality	BV - Vinyl
Age	40 Act / 15 Eff



Subject Rear



Subject

Subject Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			

Subject Front

734 Valley Dr.
 Sales Price NA
 Gross Living Area 1,479
 Total Rooms 7
 Total Bedrooms 2
 Total Bathrooms 1
 Location Urban-Avg
 View Average - Res
 Site 130, 125 + - .30 Acres + -
 Quality BV - Vinyl
 Age 40 Act / 15 Eff



Subject



Subject



Subject Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			

Subject

734 Valley Dr.
 Sales Price NA
 Gross Living Area 1,479
 Total Rooms 7
 Total Bedrooms 2
 Total Bathrooms 1
 Location Urban-Avg
 View Average - Res
 Site 130, 125 + - .30 Acres + -
 Quality BV - Vinyl
 Age 40 Act / 15 Eff



Subject



Subject



Comparable Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			



Comparable 1

2000 S. Culberhouse	
Prox. to Subject	0.35 miles
Sale Price	85,000
Gross Living Area	1,565
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Urban-Avg
View	Average-Res
Site	.25 (20,000)
Quality	BV - Mas
Age	40 Act / 18 Eff



Comparable 2

2009 Wood	
Prox. to Subject	0.28 miles
Sale Price	85,000
Gross Living Area	1,611
Total Rooms	6
Total Bedrooms	2
Total Bathrooms	1.5
Location	Urban - Avg
View	Average-Res
Site	.62 (30,000)
Quality	BV - Wood
Age	50 Act / 25 Eff



Comparable 3

910 Locust	
Prox. to Subject	0.18 miles
Sale Price	88,000
Gross Living Area	1,651
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2
Location	Urban - Avg
View	Average-Res
Site	.31 (20,000)
Quality	BV
Age	42 Act / 15 Eff

Comparable Photo Page

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			



Comparable 4

1001 Owens	
Prox. to Subject	0.07 miles
Sale Price	83,000
Gross Living Area	1,315
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1
Location	Urban - Avg
View	Average - Res
Site	.21 (20,000)
Quality	BV
Age	40 Act / 15 Eff



Comparable 5

738 Valley Dr.	
Prox. to Subject	0.02 miles
Sale Price	80,000
Gross Living Area	1,315
Total Rooms	6
Total Bedrooms	2
Total Bathrooms	2
Location	Urban - Avg
View	Average - Res
Site	.39 (20,000)
Quality	BV
Age	42 Act / 15 Eff



Comparable 6

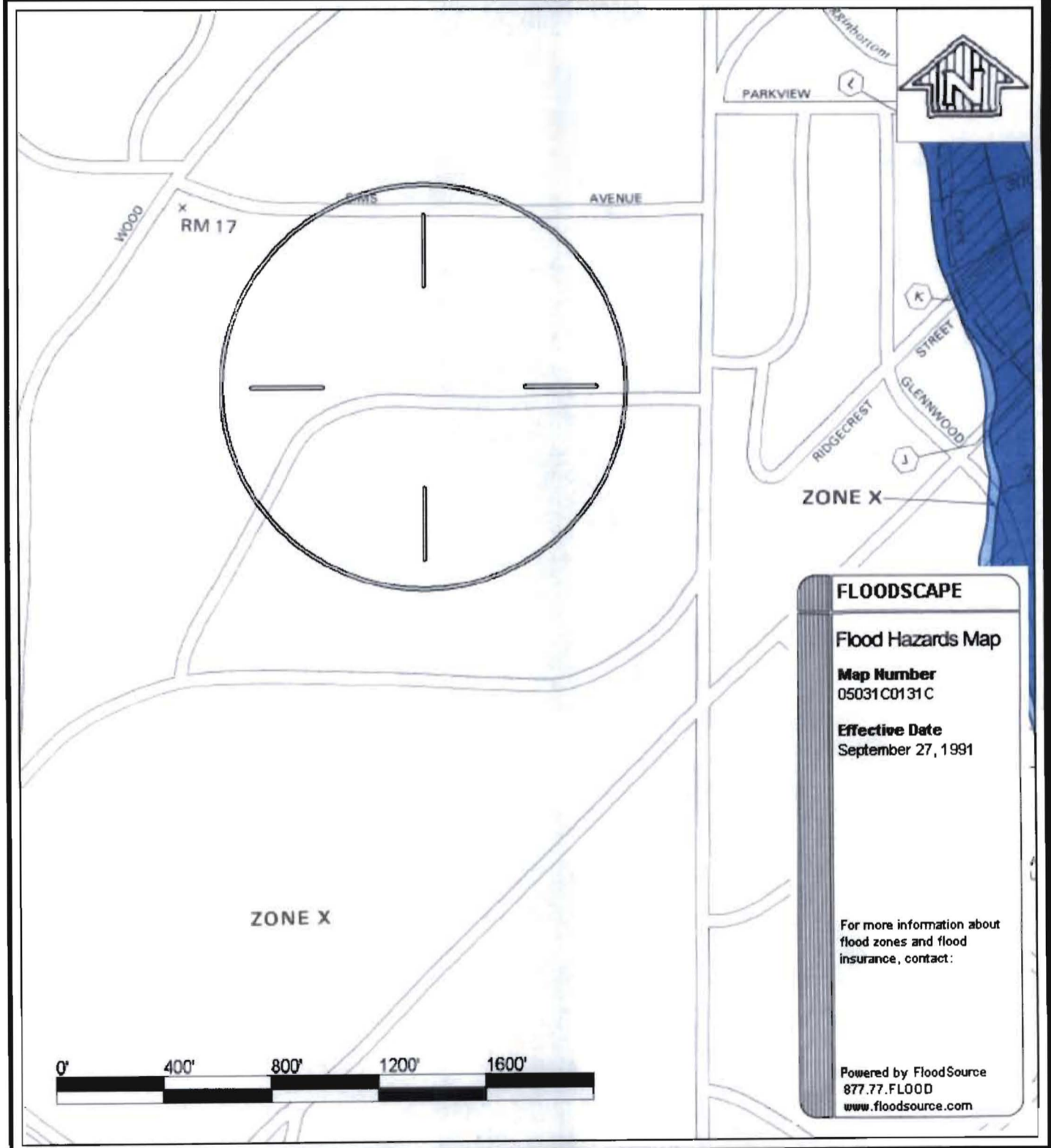
805 Owens	
Prox. to Subject	0.15 miles
Sale Price	71,000
Gross Living Area	1,293
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	1
Location	Urban - Avg
View	Average-Res
Site	.26 (20,000)
Quality	Metal
Age	46 Act / 15 Eff

Flood Map

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			

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Prepared for:
Bob Gibson Appraisal Service
734 Valley Dr
Jonesboro, AR 72401-7019



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ENVIRONMENTAL ADDENDUM
APPARENT* HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

Borrower/Client /Client City of Jonesboro				
Address 734 Valley Dr				
City Jonesboro	County Craighead	State AR	Zip code 72401-701	
Lender City Of Jonesboro				

***Apparent** is defined as that which is visible, obvious, evident or manifest to the appraiser.

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

- Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- The value estimated in this appraisal is based on the assumption that there is an adequate supply of safe, lead-free Drinking Water.

Comments _____

- Sanitary Waste is removed from the property by a municipal sewer system.
- Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.

Comments _____

- There are no **apparent** signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.

Comments _____

- All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- The improvements were constructed after 1979. No **apparent** friable Asbestos was observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous Asbestos material on the property.

Comments _____

- There were no **apparent** leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- There was no **apparent** visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.

Comments _____

- The appraiser is not aware of any Radon tests made on the subject property within the past 12 months (except as reported in Comments below).
- The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of Radon or Radium.
- The appraiser is not aware of any nearby properties (except as reported in Comments below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- The value estimated in this appraisal is based on the assumption that the Radon level is at or below EPA recommended levels.

Comments _____

- There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.

Comments _____

- There are no apparent Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
- The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.

Comments _____

- All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
- The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.

Comments _____

- All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
- The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.

Comments _____

- There are no apparent signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
- The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.

Comments _____

- The site does not contain any apparent Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
- The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).

Comments Subject doesn't appear to lie in a flood zone.

- There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise _____
 - Radiation + Electromagnetic Radiation _____
 - Light Pollution _____
 - Waste Heat _____
 - Acid Mine Drainage _____
 - Agricultural Pollution _____
 - Geological Hazards _____
 - Nearby Hazardous Property _____
 - Infectious Medical Wastes _____
 - Pesticides _____
 - Others (Chemical Storage + Storage Drums, Pipelines, etc.) _____

- The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.

When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

MULTI-PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS

Bob Gibson Appraisal Service

Borrower/Client /Client City of Jonesboro			
Property Address 734 Valley Dr			
City Jonesboro	County Craighead	State AR	Zip Code 72401-7019
Lender City Of Jonesboro			

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.

PURPOSE & FUNCTION OF APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a federally related transaction.

EXTENT OF APPRAISAL PROCESS

- The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.
- The Reproduction Cost is based on Marshall & Swift supplemented by the appraiser's knowledge of the local market.
- Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.
- The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.
- The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.
- For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

SUBJECT PROPERTY OFFERING INFORMATION

- According to Owner the subject property:
- has not been offered for sale in the past: 30 days 1 year 3 years.
 - is currently offered for sale for \$ _____.
 - was offered for sale within the past: 30 days 1 year 3 years for \$ _____.
 - Offering information was considered in the final reconciliation of value.
 - Offering information was not considered in the final reconciliation of value.
 - Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

SALES HISTORY OF SUBJECT PROPERTY

- According to Owner the subject property:
- Has not transferred in the past twelve months. in the past thirty-six months. in the past 5 years.
 - Has transferred in the past twelve months. in the past thirty-six months. in the past 5 years.
 - All prior sales which have occurred in the past _____ are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer

FEMA FLOOD HAZARD DATA

- Subject property is not located in a FEMA Special Flood Hazard Area.
- Subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
X	05031C0131C	9/27/1991	

- The community does not participate in the National Flood Insurance Program.
- The community does participate in the National Flood Insurance Program.
- It is covered by a regular program.
- It is covered by an emergency program.

CURRENT SALES CONTRACT

- The subject property is currently not under contract.
- The contract and/or escrow instructions were not available for review. The unavailability of the contract is explained later in the addenda section.
- The contract and/or escrow instructions were reviewed. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller

- The contract indicated that personal property was not included in the sale.
- The contract indicated that personal property was included. It consisted of _____ Estimated contributory value is \$ _____
- Personal property was not included in the final value estimate.
- Personal property was included in the final value estimate.
- The contract indicated no financing concessions or other incentives.
- The contract indicated the following concessions or incentives: _____
- If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

MARKET OVERVIEW Include an explanation of current market conditions and trends.

3-6 months is considered a reasonable marketing period for the subject property based on MLS data, appraisers knowledge of the local market and discussions with brokers and agents.

ADDITIONAL CERTIFICATION

The Appraiser certifies and agrees that:


- (1) The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP"), except that the Departure Provision of the USPAP does not apply.
- (2) Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- (3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

ADDITIONAL COMMENTS

APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Signature  Effective Date April 19, 2005 Date Prepared April 19, 2005
 Appraiser's Name (print) Bob Gibson Phone # 870-932-5206
 State AR License Certification # CG0247 Tax ID # 71-0792672

CO-SIGNING APPRAISER'S CERTIFICATION

- The co-signing appraiser has personally inspected the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.
- The co-signing appraiser has not personally inspected the interior of the subject property and:
- has not inspected the exterior of the subject property and all comparable sales listed in the report.
- has inspected the exterior of the subject property and all comparable sales listed in the report.
- The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.
- The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.

CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Co-Signing Appraiser's Signature _____ Effective Date _____ Date Prepared _____
 Co-Signing Appraiser's Name (print) _____ Phone # _____
 State _____ License Certification # _____ Tax ID # _____

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.

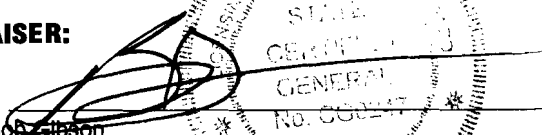
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

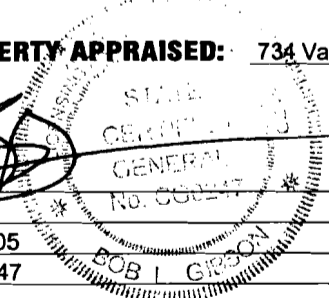
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those 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: 734 Valley Dr, Jonesboro, AR 72401-7019

APPRAISER:

Signature: 
 Name: Bob Gibson
 Date Signed: April 19, 2005
 State Certification #: CG0247
 or State License #: _____
 State: AR
 Expiration Date of Certification or License: 6/30/2005



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

File No.

QUALIFICATIONS OF BOB L. GIBSON

POSITION: Real Estate Appraiser/Consultant, 420 W. Jefferson, Jonesboro, Arkansas, 72401 Telephone: (870) 932-5206.

PROFESSIONAL EXPERIENCE:

Chief Appraiser for Home Federal Savings. 1965 to 1975, Fee Appraiser for area financial and real estate concerns, 1965 to 1980.

President of H.S.C. Service Corporation. Developed three (3) Subdivisions, constructed single-family homes, one hotel, and numerous condominiums from 1975 to 1990.

EDUCATION:

B.S. Degree in Business Administration and minor in Economics from Arkansas State University in 1965.

Graduate of School of Savings & Loans at University of Indiana, Bloomington, Indiana, 1979 to 1982.

U.S. League of Savings Associations Appraised Study Course, 1965.

Principles of Real Estate Appraising-1968 Audit, Arkansas State University.

National Association of Independent Fee Appraisers, Principles of Residential Real Estate, 1990.

NAIF Income Property Appraising, 1990.

Marshall and Swifts Valuation Guides Seminar - Residential and Commercial Cost Approach, 1990.

The Appraisal Institute - Real Estate Appraisal Methods, 1991.

Uniform Standards of Professional Appraisal Practice, 1991.

Techniques of Income Property Appraising, 1991.

Uniform Residential Appraisal Report Seminar, IFA, Jonesboro, 1993.

FIRREA: Overview and Practical Application Seminar, IFA, Jonesboro, AR, 1994.

American Disabilities Act Seminar, I.F.A., Jonesboro, Arkansas 1993.

HUD Guidelines - Lender Selection of the Appraiser, I.F.A., Little Rock, Arkansas, Dec. 7, 1994 - Member of Lender Appraiser Selection Roster, HUD, Little Rock, Arkansas.

Appraiser Accountability and Legal Liabilities Seminar, Arkansas Appraisal Foundation, Little Rock, Arkansas, May 10, 1995.

Standards of Professional Practice, I.F.A., Jonesboro, Arkansas, 1996.

HUD/FHA Appraiser Training, HUD/FHA, Hot Springs, Arkansas, 1996.

Legal Journal, West Memphis, Arkansas, April 30, 1998.

Principles of Condemnation, San Antonio, Texas, June 3, 1999.

Arkansas Appraisal Board Annual Meeting, Little Rock, AR April 18, 2000.

USPAP, Kelton Schools, Jonesboro, Arkansas, May 17, 2000.

USPAP Update, RCI, Jonesboro, Arkansas, January 20, 2003.

PROFESSIONAL MEMBERSHIP:

Charter Member of National Society of Environmental Consultants.

Master Senior Appraisers (MSA), National Association of Master Appraisers.

CERTIFICATION AND DESIGNATION:

State Certified Residential Appraiser #CG0247, December 28, 1991.

State Certified General Appraiser #CG0247, January 6, 1992.

PARTIAL LIST OF CLIENTS:

Belz-Burrow, Wells Fargo, Union Planters Bank of NEA, Regions Bank, Simmons Bank, Heringer Lone Star, Griffin Petroleum Co., Caldwell Construction Co., First Financial Mortgage, Fowler Foods, MidSouth Bank, Matthews Oil Co., Heritage Bank, Bank of America, First Community Bank, American State Bank, Bank of Jonesboro.