

APPRAISAL REPORT

FOR

**CITY OF JONESBORO
JONESBORO, AR 72401**

**HIGHWAY 49 N
JONESBORO, ARKANSAS**

APRIL 22, 2002

BY

**BOB GIBSON AND ASSOCIATES APPRAISAL SERVICE
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April 23, 2002

City of Jonesboro
Jonesboro, AR 72401

Attention: Larry Johnson

At your request, we have inspected and appraised the real estate located at Highway 49N in the city of Jonesboro, AR. The enclosed report is being presented as a Complete Appraisal in the form of a "SUMMARY APPRAISAL REPORT" as directed by Standard 2, Rule 2-2^(b) of the USPAP.

The purpose of this appraisal is to express our opinion of the market value of the fee simple interest in the real estate, subject to the definition of value, assumptions and limiting conditions, and certifications contained in the attached report.

It is our understanding that this appraisal report is to be used for the purpose of determining fair market value; it may be invalid if used for any other purpose or valuation date.

Based on the data and conclusions presented in the attached report, it is our opinion that as of April 22, 2002, the market value of the subject property appraised was:

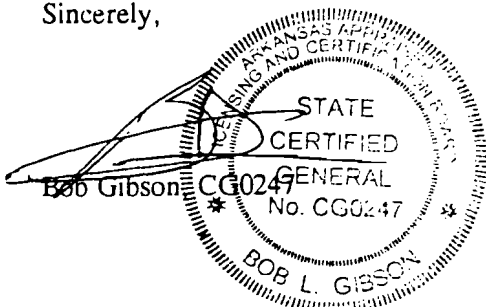
NINETY-SEVEN THOUSAND DOLLARS
(\$97,000)

Bob Gibson and Associates has performed the subject appraisal under the requirements and policies of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA). It is our practice to adhere to the Uniform Standards Board of the Appraisal Foundation. In addition, we have followed the implementation rules of the Office of the Comptroller of the Currency and Federal Reserve Board.

Descriptions of the property appraised, together with explanations of the appraisal procedures used, are presented in this report.

A copy of this report and the field data from which it was prepared will be retained in our files and are available for review upon request.

Sincerely,



BOB GIBSON AND ASSOCIATES

SUMMARY OF IMPORTANT DATA AND CONCLUSIONS

PROPERTY:	Pentecostals of Jonesboro Church
LOCATION:	Highway 49 N
PROPERTY RIGHTS APPRAISED:	Fee Simple Interest
OWNERSHIP:	City of Jonesboro
ZONING:	None
LAND AREA:	125' x 345'
PRINCIPAL IMPROVEMENTS:	Pentecostals of Jonesboro Church
SITE:	125' x 345'
UTILITIES:	Public water and sewer, natural gas, refuse collection, electricity, & telephone services.
AGE OF THE IMPROVEMENTS:	15 Years Effective
HIGHEST AND BEST USE:	Present
MARKET VALUE:	\$97,000
INSPECTION DATE:	April 22, 2002
VALUATION DATE:	April 23, 2002

ASSUMPTIONS AND LIMITING CONDITIONS

Paragraph 1. There is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all the limiting conditions and assumptions of the assignment and related discussions. The Appraiser assumes no responsibilities for any cost incurred to discover or correct any deficiencies in the property.

Paragraph 2. This appraisal is for no purpose other than property valuation, and the appraisers are neither qualified nor attempting to go beyond that narrow scope. The reader should be aware that there are also inherent limitations to the accuracy of the information and analysis contained in this appraisal. Before making any decision based on the information and analysis contained in this report, it is critically important to read this entire section to understand these limitations.

Appraisal is not a survey.

Paragraph 3. It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted with the report.

Paragraph 4. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships. The reliability of the information contained on any such map or drawing is assumed by the appraiser and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments, or other survey matters.

Appraisal is not a legal opinion.

Paragraph 5. No responsibility is assumed for matters of a legal nature that affect title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable. The value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments. We are not usually provided an abstract of the property being appraised and, in any event, we neither made a detailed examination of it nor do we give any legal opinion concerning it.

Paragraph 6. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal.

Paragraph 7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report. Information and analysis shown in this report concerning these items is based only on a rudimentary investigation. Any significant question should be addressed to local zoning or land use officials and/or an attorney.

Paragraph 8. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns on these items since we have not made a comprehensive examination of laws and regulations affecting the subject property.

Appraisal is not an engineering or property inspection report.

Paragraph 9. This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The appraisers are not construction, engineering, environmental, or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.

Paragraph 10. The observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, and all mechanicals and construction is based on a casual inspection only and no detailed inspection was made. For instance, we are not experts on heating systems and no attempt was made to inspect the interior of the furnace. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless so stated in the report.

Paragraph 11. Some items such as conditions behind walls, above ceilings, behind locked doors, or under the ground are not exposed to casual view and therefore were not inspected. The existence of insulation, if any is mentioned, was found by conversation with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements about insulation cannot be guaranteed.

Paragraph 12. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures that would render it more or less valuable. No responsibility is assumed for such conditions, or for the engineering that may be required to discover such factors. Since no engineering or percolation tests were made, no liability is assumed for soil conditions. Sub-surface rights (mineral and oil) were not considered in making this appraisal.

Paragraph 13. Wells and septic systems, if any, are assumed to be in good working condition and of sufficient size and capacity for the stated highest and best use.

Paragraph 14. We are not environmental experts, and we do not have the expertise necessary to determine the existence of environmental hazards such as the presence of urea-formaldehyde foam insulation, toxic waste, asbestos or hazardous building materials, or any other environmental hazards on the subject or surrounding properties. If we know of any problems of this nature which we believe would create a significant problem, they are disclosed in this report. Nondisclosure should not be taken as an indication that such a problem does not exist, however. An expert in the field should be consulted if any interested party has questions on environmental factors.

Paragraph 15. No chemical or scientific tests were performed by the appraiser on the subject property, and it is assumed that the air, water, ground, and general environment associated with the property present no physical or health hazard of any kind unless otherwise noted in the report. It is further assumed that the lot does not contain any type of dump site and that there are no underground tanks (or any underground source) leaking toxic or hazardous chemicals into the groundwater or the environment unless otherwise noted in the report.

Paragraph 16. The age of any improvements to the subject property mentioned in this report should be considered a rough estimate. We are not sufficiently skilled in the construction trades to be able to reliably estimate the age of improvements by observation. We therefore rely on circumstantial evidence which may come into our possession (such as dates on architectural plans) or conversations with those who might be somewhat familiar with the history of the property such as property owners, onsite personnel, or others. Parties interested in knowing the exact age of improvements on the land should contact us to ascertain the source of our data and then make a decision as to whether they wish to pursue additional investigation.

Paragraph 17. Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a construction expert be hired for a detailed investigation.

Appraisal is made under conditions of uncertainty with limited data.

Paragraph 18. As can be seen from limitations presented above, this appraisal has been performed with a limited amount of data. Data limitations result from a lack of certain areas of expertise by the appraiser (that go beyond the scope of the ordinary knowledge of an appraiser), the inability of the appraiser to view certain portions of the property, the inherent limitations of relying upon information provided by others, etc.

Paragraph 19. There is also an economic constraint, however. The appraisal budget (and the fee for this appraisal) did not contain unlimited funds for investigation. We have spent our time and effort in the investigative stage of this appraisal in those areas where we think it will do the most good, but inevitably there is a significant possibility that we do not possess all information relevant to the subject property.

Paragraph 20. Before relying on any statement made in this appraisal report, interested parties should contact us for the exact extent of our data collection on any point which they believe to be important to their decision making. This will enable such interested parties to determine whether they think the extent of our data gathering process was adequate for their needs or whether they would like to pursue additional data gathering for a higher level of certainty.

Paragraph 21. Information (including projections of income and expenses) provided by local sources, such as government agencies, financial institutions, accountants, attorneys, and others is assumed to be true, correct, and reliable. No responsibility for the accuracy of such information is assumed by the appraiser.

Paragraph 22. The comparable sales data relied upon in the appraisal is believed to be from reliable sources. Though all the comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.

Paragraph 23. Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.

Paragraph 24. All values shown in the appraisal report are projections based on our analysis as of the date of the appraisal. These values may not be valid in other time periods or as conditions change. We take no responsibility for events, conditions, or circumstances affecting the property's market value that take place subsequent to either the date of value contained in this report or the date of our field inspection, whichever occurs first.

Paragraph 25. Since projected mathematical models and other projections are based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

Paragraph 26. This appraisal is an estimate of value based on an analysis of information known to us at the time the appraisal was made. We do not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice.

Paragraph 27. Opinions and estimates expressed herein represent our best judgment but should not be construed as advice or recommendation to act. Any actions taken by you, the client, or any others should be based on your own judgment, and the decision process should consider many factors other than just the value estimate and information given in this report.

Appraisal report limitations.

Paragraph 28. Appraisal reports are technical documents addressed to the specific technical needs of clients. Casual readers should understand that this report does not contain all of the information we have concerning the subject property or the real estate market. While no factors we believe to be significant but unknown to the client have been knowingly withheld, it is always possible that we have information of significance which may be important to others but which, with our limited acquaintance of the property and our limited expertise, does not seem to be important to us.

Paragraph 29. Appraisal reports made for lenders are technical documents specifically made to lender requirements. Casual readers are cautioned about their limitations and cautioned against possible misinterpretation of the information contained in these reports.

Paragraph 30. The appraiser should be contacted with any questions before this report is relied on for decision making.

Paragraph 31. This appraisal was prepared at the request of and for the exclusive use of the client to whom the appraisal is addressed. No third party shall have any right to use or rely upon this appraisal for any purpose.

Paragraph 32. There are no requirements, by reason of this appraisal, to give testimony or appear in court or any pretrial conference or appearance required by subpoena with reference to the property in question, unless sufficient notice is given to allow adequate preparation and additional fees are paid by the client at our regular rates for such appearances and the preparation necessitated thereby.

Paragraph 33. This report is made for the information and/or guidance of the client and possession of this report, or a copy thereof, does not carry with it a right of publication. neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organization of which the appraiser is a member be identified without the written consent of the appraiser.

Paragraph 34. It is suggested that those who possess this appraisal report should not give copies to others. Certainly legal advice should be obtained on potential liability issues before this is done. Anyone who gives out an incomplete or altered copy of the appraisal report (including all attachments) does so at their own risk and assumes complete liability for any harm caused by giving out the incomplete or altered copy. Neither the appraiser nor this company assumes any liability for harm caused by reliance upon an incomplete or altered copy of the appraisal report given out by others. Anyone with a question on whether their copy of an appraisal report is incomplete or altered should contact our office.

Paragraph 35. Values and conclusions for various components of the subject parcel as contained within this report are valid only when making a summation; they are not to be used independently for any purpose and must be considered invalid if so used. The allocation of the total value in this report between land and improvements applies only under the reported highest and best use of the property. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Paragraph 36. Additional Certification: (1) This appraisal conforms to the Uniform Standards or Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the Departure Provision of the USPAP does not apply. (2) Their compensation is not contingent upon the reporting of a 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.

PHOTOGRAPH ADDENDA

Borrower/Client				
Property Address Hwy 49 N				
City	Jonesboro	County	Craighead	State AR
				Zip Code 72401
Lender	City of Jonesboro			



PHOTOGRAPH ADDENDA

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IDENTIFICATION OF THE PROPERTY

The subject property is the real property and land located at Highway 49 N, Jonesboro AR which is occupied by Pentecostals of Jonesboro Church.

A copy of the legal description is included in the addenda of this report.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to express our opinion of the market value of the fee simple interest as of April 23, 2002.

INSPECTION DATE

The property was inspected by personnel of Bob Gibson and Associates Appraisal Services, on April 22, 2002. This appraisal assumes that there would be no substantial changes between the inspection date and valuation date.

FUNCTION OF THE APPRAISAL

It is our understanding that this appraisal report is to be used to determine fair market value; it may be invalid if used for any other purpose or valuation date.

ENVIRONMENTAL ISSUES

An environmental assessment of the subject property is beyond the scope of this report. Any reference to environmental issues indicates our research into the environmental aspects affecting the market and is not to be construed as an opinion regarding specific issues concerning the subject property unless otherwise noted in this report.

SCOPE OF THE APPRAISAL

The scope of the appraisal included a physical inspection of the subject property, a visual review of the comparable properties, and an analysis of regional and neighborhood trends. All market data were verified by buyer, seller, broker, deed, title company, and/or leasing agent wherever possible. The accumulated data were summarized in this report and then processed into a value.

The appraisal has accordingly been completed under those assumptions and limiting conditions that follow the certification contained in this report.

APPRAISALS DEFINITION

The following definitions are pertinent to this report.

Market Value

The most probable price which a property should bring in a competitive 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 consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised and each acting in what he considers his own best interest.
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. 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.

Market Value is synonymous with the legal term "fair market value."

Fee Simple Interest

Fee simple interest is defined as absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.

Reproduction Cost New

Reproduction cost new is the cost of construction, at current prices, of an exact duplicate, or replica, using the same materials, construction standards, design, layout, and quality of workmanship, and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building.

Replacement Cost New

Replacement cost new is the cost of construction, at current prices, of a building having utility equivalent to the building being appraised but built with modern materials and according to current standards, design and layout.

Depreciation

Depreciation is defined as a loss in value from all causes, including factors of deterioration, functional obsolescence, and/or external obsolescence.

AREA DATA

The subject property is located in Jonesboro, Craighead County, Arkansas which is in Northeast Arkansas. Jonesboro is within 150 miles (northeast) of Little Rock, Arkansas and 70 miles northwest of Memphis, Tennessee. Jonesboro is approximately 45 miles from Interstate 55 and approximately 35 miles from US Highway 67 at Newport. These highways are four lane, controlled access roads leading to Memphis and Little Rock, respectively. Highway 63 from Jonesboro to Interstate 55 is four lane. Due to the highway systems in this area, these metropolitan areas are considered to be relatively accessible.

Jonesboro, and Craighead County can be considered primarily a regional shopping, medical and educational center for Northeast Arkansas. The seven surrounding counties which represents a population of 233,264 in the 2000 census.

The major highways in the area are US Highway 63, Highway 18, Highway 1 and Highway 49.

The population of Jonesboro according to a 1990 census was 46,535 and the 2000 census indicated 55,515, an increase of 8,980 or approximately 21 % (not compounded). The "Economic Profile of Craighead County" indicates a county population of 68,959 in 1990 with the population increasing to 82,148 in the 2000 census, which is an approximate 19% increase (not compounded).

According to the most recent employment data (November 2001), Craighead County had a civilian labor force of 44,500 of which 1,925 were unemployed resulting in an unemployment rate of 3.4%. For the same month, the Arkansas rate was 4.5% and the national rate was 4.5%. The county's previous months rate was 4.3%. The average annual rate for 2000 was 3.6% with an average labor force of 43,725 and an average of 1,550 being unemployed.

Rural Craighead county is primarily a farming community with rice, soybeans and wheat being the major crops. The number of farms in Craighead County has declined every year since 1954 but the farms have become larger. Jonesboro is located on Crowley's Ridge which is hilly and wooded with most of the remaining county being productive farm land.

Jonesboro is the largest city in the county and the County Seat. Two hospitals and Arkansas State University are located in the city. Highway 63 By Pass is relatively new with service roads being added. Residential growth has been mostly along Crowley's Ridge and Industrial growth has primarily been in the more level portions of the city.

**MANUFACTURING and BUSINESS EMPLOYERS-JONESBORO AREA
EMPLOYING AT LEAST 150 PERSONS**

<u>COMPANY</u>	<u>NO.EMPLOYED</u>	<u>PRODUCT LINE</u>
Arkansas Glass Container Corp.	280	Glass Containers
Armour Swift-Eckrich, Deli/Foods	240	Sausages and other prepared meats
Best Diversified Products	176	Conveyors
Colson Caster Corporation	410	Casters
Dana Corporation	375	Light Axles
Delta, Inc.	400	Tool Boxes
Farr Company	195	Air Filtration Systems
Frito-Lay, Inc.	520	Snack foods
General Electric	248	Electric Motors
Hytrol Conveyor Co.	915	Conveyors
Riceland Foods	350	Rice, Rice Flour, Rice by Products
Thomas & Betts Corporation	300	Electrical Components
World Color	690	Printing
Wal-Mart Super Centers	940	Retail
City of Jonesboro	395	Government
MDR Cartage	425	Trucking
Sears	200	Retail
Southwestern Bell Telephone Co.	250	Utility
Craighead County	265	Government
HealthSouth Rehabilitation Hospital	200	Health care
Jonesboro Human Development Cntr.	225	Human services
Crowley's Ridge Development Council	375	Human services
Dillard's	220	Clothing
Lowe's of Jonesboro	180	Building materials
U.S. Postal Service	198	Postal service
Mid-South Health Systems	156	Health care
Arkansas State University	1,600	Education
St. Bernard's Regional Medical Center	1,820	Health care
Jonesboro Public Schools	624	Education
Regional Medical Center of Northeast AR	380	Health care
Nettleton Public Schools	328	Education
Northeast Arkansas Clinic	247	Health care
Westside Public Schools	225	Education
Valley View Public Schools	154	Education

According to the 1998 Manufacturers Register, Arkansas has 3,416 manufacturing plants employing 257,562 workers. Jonesboro, with 124 manufacturing plants, ranks fourth among Arkansas cities, trailing only behind Little Rock, Fort Smith, and North Little Rock. Paragould, located approximately 20 miles Northeast, ranks 14th with 52 manufacturing firms, while Blytheville is 21st with 38 manufacturing companies.

GROWING

The Jonesboro Metropolitan Statistical Area's economy declined by 50 jobs from June of 2000 to June of 2001, with employment hitting 42,575. During the same period the civilian labor force grew by 275 to 44,500 persons, so the jobless rate increased from 3.9 percent a year ago to 4.3 percent this past June.

POPULATION FIGURES

	Jonesboro	Craighead County
Population (2000 Est)	55515	82148
Number of Households (2000)	24263	32301
Income Per Household (1997)	-	31515
Income Per Capita (1997)	-	19595
Jonesboro MSA Retail Sales (2001)	\$180,962,000	\$854,992,000

SPECIFIC ECONOMIC ACTIVITY

The unemployment rate in Jonesboro increased to 4.3% in the second quarter and remains below the state and national average. Total permit values increased by 235% since the first quarter, with non-residential construction increasing by nearly 468%. Retail sales, however, decreased by 11.8% in the first quarter.

FINANCE

The number of mortgage loans increased by 25% since the first quarter and is 36% above its level of a year ago. The dollar volume of mortgage loans increased by 37%, and is 20% above the 2000 second quarter level.

CONSTRUCTION

Overall, total permit values increased by 235% since the first quarter, and were 118% higher than in the second quarter of 2000. Residential permits increased by 93% and were 24% above the figure posted a year ago. Non-residential permits increased by 468%, and were 276% higher than the 2000 second quarter level.

RETAIL TRADE

Retail sales, excluding auto sales, have been adjusted to obtain a more accurate gauge of actual retail activity. Overall, retail sales decreased by 11.8% since the first quarter. Retail sales are 6.9% higher than the second quarter of 2000.

CIVILIAN LABOR FORCE SUMMARY

Non-agricultural wage and salary jobs in the Jonesboro labor area totaled 44,500 at the end of the first quarter. The local unemployment rate increased to 4.3% and continues to be low.

Nonagricultural wage and salary jobs in the Jonesboro labor area totaled 41,825 at the end of the first quarter. The local unemployment rate dropped to 3.7% and continues to be low..

**EMPLOYMENT
JONESBORO LABOR AREA
CRAIGHEAD COUNTY, ARKANSAS**

	June 2001	May 2001	June 2000
Civilian Labor Force	44500	44225	43425
Employment, Total	42575	42625	41750
Unemployment	1925	1600	1675
Jonesboro MSA Unemployment Rate	4.3%	3.6%	3.9%
State of Arkansas Unemployment Rate	4.9%	4.6%	4.5%
United States Unemployment Rate	4.5%	4.4%	4.0%

Source: Greater Jonesboro Chamber of Commerce Volume 1, Number 10 ,November 2001

INDUSTRY COMMENTS

Jonesboro has more than its share of successful, nationally know manufacturing concerns. Good sites, a trained work force, good transportation facilities, and a favorable tax stricture combine to make this an ideal industrial climate.

Cooperation among county, municipal, and state officials is excellent. In fact, many Arkansas communities have completely financed incoming industries through progressive legislation.

The Jonesboro Industrial Development Corporation, an aggressive entity operating with the Greater Jonesboro Chamber of Commerce, has been very successful in working with industrial recruits to bring new jobs to the county.

Growth in the industrial sector has been so good, in fact, that the existing industrial sectors are nearly full and the City of Jonesboro operates four (4) established industrial parks.

TRANSPORTATION

RAILROADS

Burlington Northern - Main Line
Southern Pacific - Main Line
Union Pacific - Main Line

WATERWAYS

River - Mississippi
Nearest Port Facilities:
Osceola, Arkansas (50 Miles)
West Memphis, Arkansas (50 Miles)
Memphis, Tennessee (50 Miles)

BUS

Serviced by Greyhound
Charter bus service by Great Southern Coaches

HIGHWAYS

Interstate Highways: I-55 (44 Miles) and I-40 (63 Miles)
Federal System Numbers: 49 and 63
State Highways: 1, 18, 141, 226 and 351
Number of Interstate Carriers: 53
Number of Intrastate Carriers: 6

AIRPORT

Local Service: Jonesboro Municipal Airport

Main Runway Length: 5,599 Ft. Long x 150 Ft. Wide
Other Runway Lengths: 4,101 Ft. Long x 150 Ft. Wide
The airport has recently added an airport terminal.

Lighted: Yes
High Intensity Approach: Yes
Paved Surface: Yes

Services Offered at Airport: **Commuter Service, car rental,
Hanging and fueling of aircraft, maintenance, flight service school and
aircraft instruction, charter service. Flight service station gives weather
advisories to pilots, pre-flight and in-flight.

Nearest Commercial Airport: Memphis International Airport, Memphis, TN
Distance from Jonesboro: 65 miles

Major Air Carriers: American Airlines, Delta Airlines, Northwest Airlines, United Airlines, Northwest
Airlinks (Commuter), Exec Express (Commuter), Transworld Express, Aero
Cancun

NEIGHBORHOOD ANALYSIS

Subject is bound to the North by Farville, to the East by farm land and vacant land, to the South by Prospect Road and to the West by the City of Jonesboro. The area is primarily undeveloped with some scattered housing and commercial property. The commercial property is located along Highway 49N and Johnson Avenue. Traffic flow along this route is approximately 12,000 to 15,000 cars per day according to the 2000 Arkansas Highway Traffic survey. Highway 49 connects Jonesboro and Paragould and has recently been four laned. The new Sage Meadows Golf Course is located approximately 3 miles North of our subject site.

SITE DATA

Subject site fronts on Highway 49N. The survey obtained by the appraiser is old(9-1-59) and hard to read. The site appears to be 125' frontage and 345' in depth, approximately 1 acre. A survey may be necessary to obtain the correct dimensions.

The exact soil and subsoil content of the subject site and the neighborhood are unknown and there has been no samples or analyses made available. Due to the condition of existing improvements in the neighborhood, there are apparently no atypical soil related construction problems that would make building prohibitive.

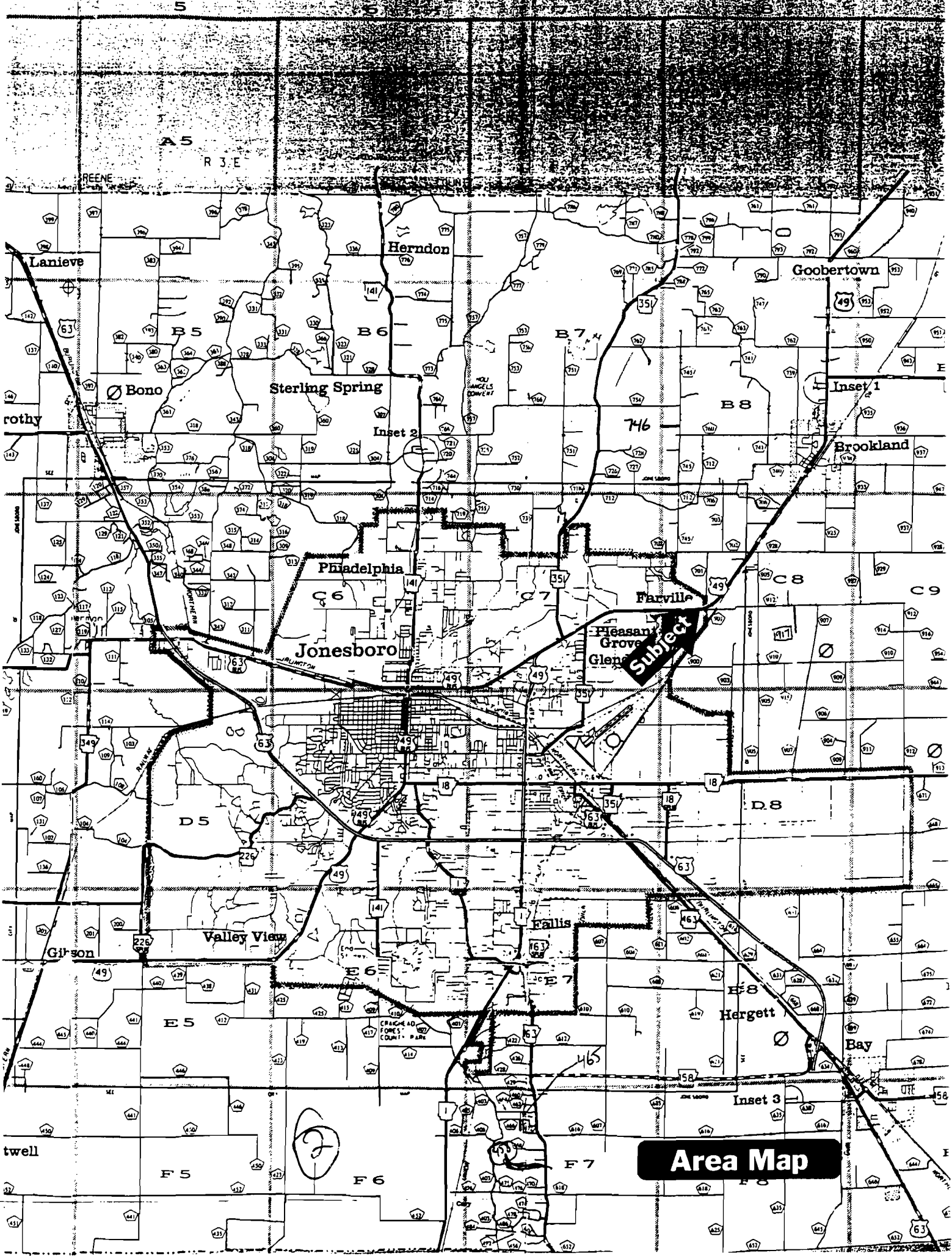
The subject is not situated in a HUD flood hazard area, according to flood map Community Number 05031C0063C, dated September 27, 1991 which is included in the addenda of the report.

Water, gas, electric, cable and telephone services are available to the site. Public sewer is not available. The facility is served by a septic system.

The subject is encumbered by various minor utility easements, none of which adversely affects overall site utility.

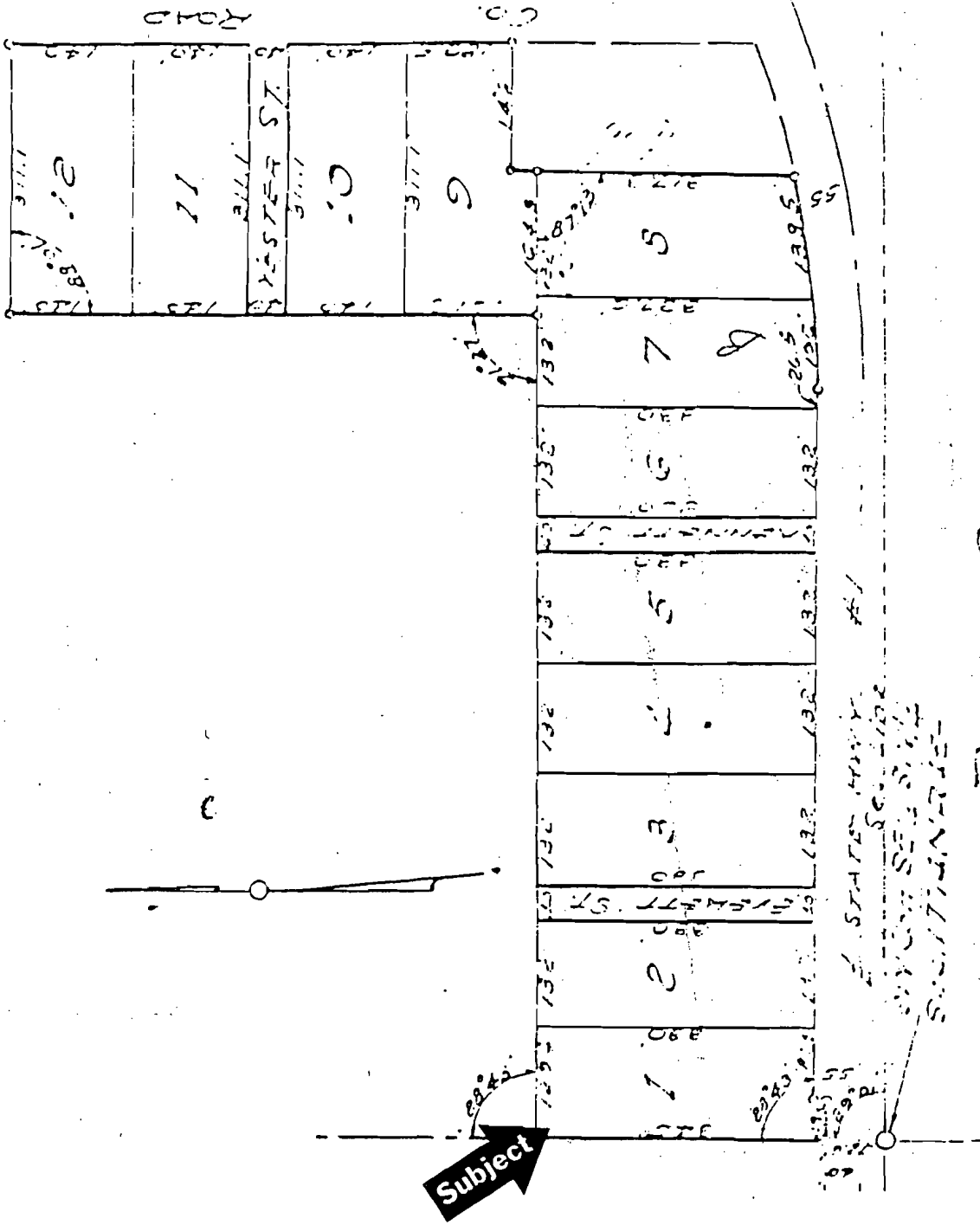
ASSESSMENT AND TAXES

This is not applicable to our subject property.



Area Map

At Farrville



B. H. H. CO.
 100 N. 3rd St.
 NEW YORK, N. Y.
 100 N. 3rd St.
 NEW YORK, N. Y.

ZONING

Subject is not zoned.

IMPROVEMENT DATA

Subject is a 3,401 sq ft concrete block building that was originally constructed as a fire station. Recently a church has renovated and is holding weekly services. The floor is concrete slab over reinforced concrete footings. The side walls are concrete blocks with the front and side area being faced with brick. The roof is composition shingles with gutters. The roof system is metal beams supported by the concrete block walls. Interior walls are concrete block and wood frame with gypsum board. In some areas, the ceiling is suspended and drywall. Flooring is a combination of carpet, tile and vinyl. The entire facility is centrally heated and cooled. The front parking is asphalt and is in need of repair or replacement. Roof leaks where furnace is connected and in one other location. Improvements were made by the church to include partitions, carpet, vinyl and painting.

CONDITION AND FUNCTIONAL UTILITY

The subject improvements are in averagendition and typical of other facilities of this type. The building has an effective age of approximately 15 years. Overall, the property appears to be in reasonably average condition for its age and is functional for its current use.

MARKETING PERIOD

A determination of a "reasonable" marketing period must recognize that real property is not generally a highly liquid asset. Marketing periods vary significantly with respect to property type, location and market conditions. Sales, offerings, options, and transactions involving properties having comparable marketability are considered. Information from multiple listing services, Realtors, lenders, owners, and investors is also considered. All data is considered in relationship to current national, regional, and local economic and development trends.

Considering these factors in relationship to the characteristics of the subject, a reasonable marketing period is exposure up to 12 months on the open market.

STATEMENT OF OWNERSHIP

According to the Craighead County Tax Assessor's Office, the property has had no change in ownership in the last 36 months.

SUBJECT PROPERTY OFFERING INFORMATION

According to the City of Jonesboro, the subject property has not been offered for sale in the last 30 days. The purpose of this appraisal is to establish a fair market value for sale.

ITEMS OF PERSONAL NATURE

Items of personal nature were not included in the final value estimate.

HIGHEST AND BEST USE

Highest and Best Use is defined as the reasonable and probable use that supports the highest present value, as defined as of the date of the appraisal.

The following tests must be passed in determining the highest and best use:

The use must be within the realm of probability; that is, it must be likely, not speculative or conjectural.

The use must be legal.

A demand must exist for such use.

The use must be profitable.

The use must be such as to return to the land, as well as the property on the whole, the highest net return.

Four stages are included in the analysis of highest and best use:

Possible Use: determine the physically possible uses for the subject site.

Permissible use: determine which uses are legally permitted for the subject site.

Feasible use: determine which possible and permissible uses will produce a net return to the subject site.

Most profitable use: determine which use, among the feasible uses, is the most profitable use of the subject site.

The highest and best use of the land as if vacant and available for use may be different from the highest and best use of improved property. This is true when the improvements do not constitute an appropriate use. The existing use will continue unless and until land value in its highest and best use exceeds the sum value of the entire property in its existing use and the cost to remove the improvements.

Since the appraisal of the subject property is based on a particular premise of use, the highest and best use analysis determines just what this premise of use should be. A highest and best use analysis consists of considering the highest and best use of a property under two assumptions: (1) with a vacant and available site and (2) with the property as improved. These two assumptions on highest and best use are correlated into one final estimate of highest and best use.

AS VACANT AND AVAILABLE

The first major aspect of the highest and best use analysis is considering the property as if it were vacant and available for development. This assumption is made to determine whether the land alone is worth more than the existing property, as is. In other words, this is the beginning benchmark to compare with the highest and best use of the property as is, to determine whether the site is presently under-utilized.

POSSIBLE USE - The physical aspects of the land impose the first constraints on any possible use of the property. The appraised tract is a rectangular tract consisting of 1.0 ac +/- or 43,125 sq ft. The site is level and above street grade and has good access to Hwy 49N. Based on the physical aspects of the land parcel, a variety of land uses are possible.

PERMISSIBLE USE - The subject is not zoned. There are no known easements that would negatively affect the development of the tract. Therefore, under no zoning, a variety of commercial uses would be permissible.

FEASIBLE USES - The demand for vacant land along Highway 49 N is stable. Development along this area consists of fast food services, financial institutions, a veterinarian, convenience stores, a fire station, hospital, Arkansas State University, and residential housing. It is my opinion that development of the site for commercial use would provide a positive net return to the land and would, therefore, be considered feasible.

MOST PROFITABLE USE - In the final analysis, a determination must be made as to which feasible use is the highest and best use of the parcel as if vacant. Based on the current demand for commercial space, coupled with the limited number of potential sites with Hwy 49 frontage, my opinion is that if the site were vacant and available, the highest and best use would be for commercial development.

AS PRESENTLY IMPROVED

The appraised property is presently improved with a church building. The present improvements were designed and constructed as a fire station. However, the layout of the building allows for various other uses. The present improvements make a substantial contribution to the total property in excess of the site. Therefore, no alternative legal use could economically justify removal of the existing improvements. The existing facility represents the highest and best use of the site.

CONCLUSION OF HIGHEST AND BEST VALUE

Based on the preceding analysis of the site as if it were vacant and available for development, and also as presently improved with a commercial building, it is my opinion that the highest and best use is as commercial.

APPRAISAL PROCESS

Appraisers commonly think of value in three different ways.

COST APPROACH TO VALUE - The current cost of reproducing or replacing a property less depreciation from all sources, that is, physical deterioration and functional and external obsolescence. This appraisal utilizes replacement costs derived from publications of *Marshall and Swift Valuation Service*. This cost data has been further verified as accurate by interviews with contractors involved in construction of similar construction facilities.

Although entrepreneurial profit is recognized as a residual cost, it is not included in the replacement cost new estimate. Rather, the reconciliation portion of the report attempts to identify any such profit through other approaches to value.

SALES COMPARISON APPROACH TO VALUE - The value indicated by recent sales of comparable properties in the marketplace.

INCOME CAPITALIZATION APPROACH TO VALUE - The value which the net earning power of the property will support, based upon a capitalization of net operating income of the real estate.

In the majority of our assignments, the appraiser will utilize all three approaches. On occasion he may believe the value indication from one approach will be more significant than the other two, yet he will use all three as a check against each one and to test his own judgement.

There are appraisal problems in which all approaches cannot be applied. A value indication for vacant land cannot be obtained through the use of the cost approach, nor one for a specialized property by the sales comparison approach, and but rarely for an owner-occupied home by the income capitalization approach. The use of all three approaches is pertinent in the solution of most appraisal problems; their application is well established in appraisal technique and held to be part of the fundamental procedure.

In any determination of value, local market data are sought on such factor as sales and offerings of similar properties and tracts of vacant land, current prices for construction materials and labor, rentals of similar properties and their operation expenses, and current rates of return on investments and properties. From these data, values may be developed for the land and the property as a whole.

Three generally accepted methods may be used in the valuation of the fee simple interest on an improved property: the cost approach, the sales comparison approach, and the income approach.

COMPARABLE LAND SALES

Sale #1

Grantor/Grantee: Frank Macon/Rodney Vaughn
Location: Johnson Ave @ Jewell
Date: 1-7-97
Record: 526/118
Sales Price: \$130,000
Acres: 2.35
Price/Acre: \$55,319.15
Sq Ft: 102,366
Price/Frt Ft: \$319.18
Comments: Site of Veterinarian Clinic. Has 200' frontage along Jewell, utility easement along front, rear, and Jewell street side. Has two access drives from Johnson.

Sale #2

Grantor/Grantee: C Rodney Vaughn/The Arkansas Bank
Location: Johnson Avenue
Date: 4-29-97
Record: 537/245
Sales Price: \$100,000
Acres: .68 acre +/-
Price/Acre: \$147,058.82
Sq Ft: 29,260.8
Price/Sq Ft: \$3.42
Price/Frt Ft: \$666.67
Comments: Located on corner of Johnson and Jewell. Vacant at time of sale. Being improved with a branch bank.

Sale #3

Grantor/Grantee: Arns/Ken Wayman
Location: Key Place Lot #1
Record: 552/977
Sales Price: \$41,666
Acres: .46 acre
Price/Acre: \$90,605
Price/Sq Ft: \$2.08
Price/Frt Ft: \$308 +/-

Sale #4
Grantor/Grantee: Summit Properties/Norman Barnett
Location: Hwy 49 North
Record: 586/014
Sales Price: \$150,000
Acres: 1.244
Price/Acre: \$120,593
Price/Sq Ft: \$2.77
Price/Frt Ft: \$813
Comments: Site of Fred's Dollar Store

After adjustments for time of sale, size, and location, a value of \$1.00/sq ft has been given our subject. Therefore, $\$1.00 \times 43,125 \text{ sq ft} = \$43,125$. Rounded \$43,000

COST APPROACH

In the cost approach to valuation, an estimate is made of the current cost of reproduction of the improvements. This amount is then adjusted to reflect depreciation resulting from physical deterioration, wear and tear, and utility, on the basis of personal inspection and in comparison with component parts of similar new units. This analysis also recognizes factors of functional and economic obsolescence.

Functional obsolescence is a loss in value caused by factors inherent with a building equipment unit, such as changes in construction materials and techniques, which result in excess capital cost in existing facilities, lack of full use of space, and inability to expand or update the property. Economic obsolescence is caused by external factors, such as general economic conditions, availability of financing, or inharmonious uses.

The adjusted indicated cost is then added to the estimated market value of the land.

The estimated cost of reproduction new of the building and land improvements is based on data in the Marshall and Swift Valuation Service, adjusted for costs prevailing in the Jonesboro area. Depreciation is based on the observed condition, with consideration given to age and economic life of the improvements and market conditions.

An analysis of the cost approach follows:

Summary Report

Property Owner : City of Jonesboro
 Property Address : Hwy 49
 Property City : Jonesboro
 State/Province : AR
 ZIP/Postal Code : 72401

Section 1

Occupancy	<u>Class</u>	<u>Height</u>	<u>Rank</u>
100% Church	Masonry bearing walls	12.00	1.0
Total Area	: 3,392		
Number of Stories (Section)	: 1.00		
Shape	: 2.00		

Components	<u>Units/%</u>	<u>Other</u>
HVAC (Heating):		
Warmed and Cooled Air	100%	
Exterior Walls:		
Brick with Block Back-up	50%	
Concrete Block	50%	
Land and Site:		
Land	43,000	
Site Improvements	3,500	

Cost as of 10/2001

Basic Structure	<u>Units/%</u>	<u>Cost</u>	<u>Total</u>
Base Cost	3,392	34.07	115,565
Exterior Walls	3,392	7.32	24,846
Heating & Cooling	3,392	8.91	30,223
Basic Structure Cost	3,392	50.30	170,634
Extras			
Site Improvements - Depreciated			3,500
Replacement Cost New	3,392	51.34	174,134
Less Depreciation			
Physical & Functional	26.0%		45,275
Depreciated Cost	3,392	37.99	128,859
Miscellaneous			
Land			43,000
Total Cost	3,392	50.67	171,859

INCOME APPROACH PROPERTY OPERATING STATEMENT

GROSS ANNUAL INCOME:

<u>12 x \$900/month</u>	<u>\$ 10,800</u>
LESS: VACANCY LOSS-5% -	\$ <u>540</u>
PLUS: OTHER INCOME	\$ <u>-0-</u>
 EFFECTIVE ANNUAL GROSS INCOME	 <u>\$ 10,260</u>

LESS EXPENSES

Fixed expenses:

Real estate taxes	\$ <u>exempt</u>	
Insurance	\$ <u>800</u>	
		\$ <u>800</u>

Operating expenses:

Personnel	\$ <u>-0-</u>	
Utilities	\$ <u>-0-</u>	
Maintenance/Repairs	\$ <u>300</u>	
		\$ <u>300</u>

Reserves for Replacement:

Roof	\$ <u>500</u>	
Heat-A/C	\$ <u>1000</u>	
Hot Water	\$ <u>50</u>	
Floor Cover	\$ <u>500</u>	
		\$ <u>2,050</u>

ANNUAL EXPENSES AND RESERVES: \$ 3,150

NET ANNUAL INCOME TO BE CAPITALIZED \$7,110 USING A 9.0139% CAPITALIZATION RATE
SUBJECT PROPERTY WOULD BE VALUED AT \$ 78,878.

ROUNDED \$ 80,000

Mortgage-Equity Capitalization Copr. 1986 a la mode, inc.

Holding Period (yrs)	=	10
Equity Yield Rate	=	12.00%
Loan Ratio	=	80.00%
Loan Term (yrs)	=	20
Loan Rate	=	8.00%
Appreciation/Depreciation	=	0.00%

Band of Investment Method			Cap Rate
Capital Source	Portion	Rate	
Mortgage Loan	= 80.00%	10.04%	8.0298%
Equity Funds	= 20.00%	12.00%	2.4000%
			=====
		Overall Rate	= 10.4298%

Less Equity Buildup through Debt Reduction			
Debt Reduction %	= 31.06%		
Sinking Fund Factor	= 0.05698		
Loan Ratio	= 80.00%		1.4159%
			=====
		Basic Rate	= 9.0139%

Less Equity Buildup through Appreciation/Depreciation			
Appreciation/Depreciation	= 0.00%		
Sinking Fund Factor	= 0.05698		0.0000%
			=====
		Final Rate	= 9.0139%

RENT ANALYSIS

The income to investment properties consists primarily of rent. Different types of rent affect the quality of the income studied in the income capitalization approach to value. The five types of rent are contract rent, market rent, excess rent, percentage rent, and overage rent.

Contract Rent is the actual rental income specified in a lease. It is the rent agreed on by the landlord and the tenant and it may be higher, lower, or the same as market rent.

Market Rent is the rental income that a property would most probably command in the open market; it is indicated by the current rents paid and asked for comparable space as of the date of the appraisal. Market rent is sometimes referred to as economic rent.

Excess Rent is the amount by which contract rent exceeds market rent at the time of the appraisal. Excess rent is created by a lease that is favorable to the lessor and may reflect an advantageous location, unusual management, or a lease negotiated in a stronger rental market. Excess rent can be expected to continue for the remainder of the lease but, due to the higher risk associated with the receipt of excess rent, it is often calculated separately and capitalized at a higher rate.

Percentage Rent is rental income received in accordance with the terms of a percentage clause in a lease. Percentage rent is typically derived from retail store tenants on the basis of a certain percentage of their retail sales.

Overage Rent is percentage rent paid over and above the guaranteed minimum rent. This type of rent should not be confused with excess rent. Overage rent is a contract rent; it may be market rent, part market and part excess rent, or excess rent only.

To a certain extent, the interest being appraised determines how rents are analyzed and estimated. The valuation of fee simple interests in income-producing real estate is based on the market rent the property is capable of generating. However, to value proposed projects without actual leases, properties leased at market rent, and owner-occupied properties, only market rent estimates are used in the income capitalization approach.

This is not applicable to our subject due to the nature of the subject property.

SALES COMPARISON APPROACH

In the Sales Comparison Approach to valuation, similar properties recently sold or offered for sale in the local market are analyzed and compared with the property being appraised. Adjustments are made for differences in such factors as time of the sale, location, size, type, age and condition of the improvement, and prospective use. This approach has its greatest value in appraisal situation involving common elements, such as land or improved properties within a particular development, all with similar amenities.

Two methods are utilized to arrive at a value by the sales comparison approach: the effective gross income multiplier and the price per square foot of net leasable building area.

An effective gross income multiplier is usually not adjusted because the relative desirability in the market is presumable reflected in both the rental rate that the property can command and the selling price.

The price per square foot of net leasable building area is calculated by dividing the sale price of the comparable by its net leasable area. After all analysis have been converted, adjustments are made to the price per square foot of net leasable area. This adjustment can include property rights conveyed, financing, conditions of sale, date of sale, location, and physical characteristics.

IMPROVED SALE NO. 1

Property Identification

Record ID 11
Property Type Commercial
Property Name Curves
Address 2609 Southwest Square Circle, Jonesboro, Craighead County,
Arkansas 72401
Location Southwest Drive
Tax ID 30066-0720-0000

Sale Data

Grantor M/M Carroll Caldwell
Grantee Francis Davis, etal
Sale Date January 30, 1998
Deed Book/Page 553/822
Property Rights Fee simple
Conditions of Sale Market negotiated
Financing Cash to seller

Sale Price \$180,000

Land Data

Land Size 0.610 Acres or 26,572 SF
Front Footage 50 ft Southwest Square Circle
Zoning C-3 Commercial
Topography Slightly rolling
Utilities All City
Dimensions 50 x 266 x 50 x 166.29 x 207.08
Shape Irregular
Landscaping Average
Rail Service None
Fencing None
Flood Info Zone "AE"
User 5 No
User 6 Asphalt 2 lane
User 7 Low

General Physical Data

Building Name Curves
Building Type Single tenant
Gross SF 3,000
Net SF 3,000
No. of Units 1

IMPROVED SALE NO. 1 (Cont.)

Construction Type	Metal wall on steel frame
Roof Type	Metal
Foundation	Concrete slab
Electrical	Adequate
HVAC	100%
Sprinklers	None
Stories	1
Floor Height	12
Year Built	1996
Condition	Good

Income Analysis

PGI	\$22,800
Vacancy	\$1,140
EGI	\$21,660
Expenses	\$1,943
NOI	\$19,717

Indicators

Sale Price/Gross SF	\$60.00
Sale Price/Net SF	\$60.00
Sale Price/Unit	\$180,000
Bldg Price/Gross SF	\$21.00
Bldg Price/Net SF	\$21.00
Floor Area Ratio	0.11
Land to Building Ratio	8.86:1
Occupancy at Sale	Curves
PGIM	7.89
EGIM	8.31
Expenses/SF	\$0.65
Overall or Cap Rate	10.95%
NOI/SF	\$6.57

IMPROVED SALE NO. 2

Property Identification

Record ID	23
Property Type	Warehouse/Industrial
Property Name	Gulf Life Insurance
Address	2710 Phillips Drive, Jonesboro, Craighead County, Arkansas 72401
Tax ID	19173-0001-0001 and 19173-0002-0000

Sale Data

Grantor	Wood
Grantee	P & I Investments, LLC
Sale Date	December 12, 1996
Deed Book/Page	524/375
Property Rights	Fee simple
Conditions of Sale	Market negotiated
Financing	Cash to seller

Sale Price	\$165,000
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Land Data

Land Size	0.544 Acres or 23,703 SF
Front Footage	70 ft Phillips Drive
Zoning	C-2 Commercial
Topography	Level
Utilities	All city utilities
Landscaping	Average
Rail Service	N / A
Fencing	N / A
Flood Info	Zone X
User 5	No
User 6	2 lane asphalt
User 7	Moderate

General Physical Data

Building Name	Gulf life insurance
Building Type	Single tenant
Gross SF	2,408
Net Rentable SF	2,408
Construction Type	Masonry
Foundation	Concrete
Electrical	Average
HVAC	Central Heat & Air
Sprinklers	No
Condition	Average

IMPROVED SALE NO. 2 (Cont.)**Income Analysis**

PGI	\$15,652
Vacancy	\$783
EGI	\$14,869
Expenses	\$2,973
NOI	\$11,896

Indicators

Sale Price/Gross SF	\$68.52
Bldg Price/Gross SF	\$48.80
Floor Area Ratio	0.10
Land to Building Ratio	9.84:1
PGIM	10.54
EGIM	11.1
Expenses/SF	\$1.23
Overall or Cap Rate	7.21%
NOI/SF	\$4.94

IMPROVED SALE NO. 3

Property Identification

Record ID 29
Property Type Commercial
Property Name Watersports
Address 3651 Stadium Blvd, Jonesboro, Craighead County, Arkansas 72401
Tax ID 18556-0732-0000

Sale Data

Grantor M/M Jack Harrington
Grantee M/M Wayne Farley etal
Sale Date March 25, 1999
Deed Book/Page 573/274
Property Rights Fee simple
Conditions of Sale Market negotiated
Financing Cash to seller

Sale Price \$225,000

Land Data

Land Size 1.435 Acres or 62,509 SF
Front Footage 108 ft Stadium Blvd
Zoning C-3 Commercial
Topography Level
Utilities All city
Dimensions Irregular
Landscaping Average
Fencing Chain link Security
Flood Info Not in flood hazard area

General Physical Data

Building Name Watersports
Building Type Single tenant
Net SF 3,600 First Floor
Net SF 300 Second Floor
Construction Type Metal/Metal
Roof Type Metal
Foundation Concrete
Stories 2
Year Built 1995

General Physical Data

Building Type Single tenant

IMPROVED SALE NO. 3 (Cont.)
Summary for Multiple Buildings

<u>Building Name</u>	<u>Const. Type</u>	<u>Year Built</u>	<u>Gross SF</u>	<u>Net SF</u>	<u>No. Stories</u>	<u>Avg. Fl. Ht.</u>
Watersports	Metal/Metal	1995	3,600	300	2	

Gross SF 3,900

Income Analysis

PGI	\$30,000
Vacancy	\$1,500
EGI	\$28,500
Expenses	\$3,800
NOI	\$24,700

Indicators

Sale Price/Gross SF	\$57.69
PGIM	7.5
EGIM	7.89
Expenses/SF	\$0.97
Overall or Cap Rate	10.98%
NOI/SF	\$6.33

Remarks

There is approximately 2400 square feet of finished space on the first floor and 1200 square foot that is used as shop space. Additionally, there is a 300 square foot finished area over the first floor finished area that is divided into a break room and bathroom. The parking lot is gravel and is average condition.

SALE #4:

Grantor/Grantee: PFS&L to McMurray
Location: 2805 Stadium
Date of Sale: 2/17/97
Record: 531/059
Sales Price: \$120,000
Bldg.Sq.Ft.: 2,800 sq.ft. Retail and 2,450 sq.ft. Warehouse = total 5,250
Price/Sq.ft.: \$22.86
Acres: .528
Land sq.ft.: 22,000
Comments: Distress sales from savings and loan.

SALE #5:

Grantor/Grantee: Michael Nelson
Location: 3711 Stadium
Date of Sale: 7/10/97
Record: 543/241
Sales Price: \$100,000
Bldg.Sq.Ft.: 2,400 sq.ft.
Price/Sq.ft.: \$41.67
Acres: .39
Land sq.ft.: 17,000
Comments: 2,400 square post building on slab. 16 x 18 office with CH&A. Shop/Garage suspended heater.

SALE #6:

Grantor/Grantee: Jaybee Enterprises to Homer VanDewoestyne
Location: 3501 W. Parker Rd.
Date of Sale: 4/10/98
Record: 557/144
Sales Price: \$205,000
Bldg.Sq.Ft.: 7,170 sq.ft.
Price/Sq.ft.: \$28.59
Acres: 1.0 acre
Comments: Main building 6,702 sq.ft. Building warehouse 468 Approximately 25% of the main building is office space.

SALE #7:

Grantor/Grantee: BB Vance/Ed Turner
Location: 1410 S Madison
Date of Sale: 3-1-96
Record: 495/271
Sales Price: \$158,000
Bldg.Sq.Ft.: 6248 sq ft
Price/Sq.ft.: \$25.28
Comments: Site of automotive repair shop. Sold again to Jonesboro School District on 11-9-99 for \$207,500 or \$33.21/sq ft.

After adjustments for time of sale, size, and location a value of \$28/sq ft has been placed on our subject. Therefore, \$28 x 3401 sq ft = \$95,228. Rounded \$95,000.

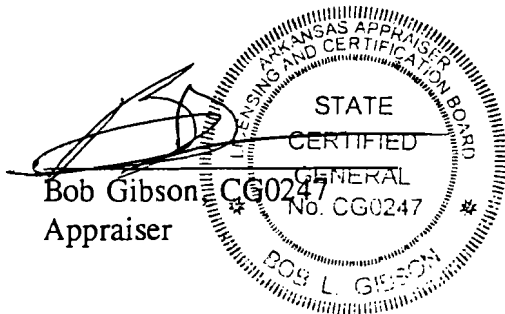
CORRELATION AND FINAL VALUE CONCLUSION

This appraisal was made to express an opinion of the value of the fee simple interest in the real estate as if offered for sale on the open market. Application of the three appropriate appraisal methods resulted in the following indications of value:

COST APPROACH:	\$172,000
SALES COMPARISON APPROACH:	\$95,000
INCOME CAPITALIZATION APPROACH:	\$80,000

The cost approach is most appropriate when the improvements are new or nearly new and represent the highest and best use of the land, or when the facilities are of a special-purpose or specialized-use nature. In other circumstances, the extent of depreciation dictated by the age and character of the improvements and the external influences of the current industrial market make a market estimate by this approach less reliable. Generally, the sales comparison and income capitalization approaches are better indicators of the value of a property in the open market since they more accurately reflect current market activity and the motives of buyers and sellers for use or for investment purposes. The stated value conclusion therefore is more heavily weighted on the Sales Approach.

Based on the investigation and premise outlined, as of April 22 ,2002, the Market Value of the fee simple interest in the real estate, assuming it to be offered for sale on the open market is \$97,000.



ADDENDA

Warranty Deed

KNOW ALL MEN BY THESE PRESENTS:

THAT Farville Volunteer Fire Department Association
for and in consideration of the sum of Ten and no/100----- (\$10.00)----- DOLLARS
and other good and valuable considerations to it in hand paid by
The City of Jonesboro, Arkansas, the receipt of which is hereby
acknowledged

do hereby grant, bargain, sell and convey unto the said The City of Jonesboro, Arkansas,
Grantee
and unto its successors and assigns forever, the following lands lying in the County of Craighead and
State of Arkansas, to-wit:

Lot 1 of Kennett Subdivision of a part of the East Half of the
Southwest Quarter of Section 1, Township 14 North, Range 4 East,
as shown by plat in Deed Record 123 Page 90, Subject to Bill
of Assurance in Deed Record 146 Page 40 at Jonesboro, Arkansas,
and to easements as shown on said plat.

To have and to hold the same unto the said Grantee
and unto its successors and assigns forever, with all appurtenances thereunto belonging.
And hereby covenant with said Grantee
that well forever warrant and defend the title to the said lands against all claims whatever.
WITNESS my hand and seal on this _____ day of _____, 1994.
FARVILLE VOLUNTEER FIRE DEPARTMENT ASSOCIATION
By: Robert Cooper (L.S.) By: Jerry Chamberlin (L.S.)
Robert Cooper, Treasurer Jerry Chamberlin, Chairman

ACKNOWLEDGMENT

STATE OF ARKANSAS)
COUNTY OF CRAIGHEAD } SS _____ } SS
BE IT REMEMBERED, that on this day came before me the undersigned, a Notary Public within and for the County aforesaid,
duly commissioned and acting Robert Cooper and Jerry Chamberlin, the treasurer
and Chairman, respectively of Farville Volunteer Fire Dept Ass'n
to me well known as the grantor _____ in the foregoing Deed, and stated that they had executed the same for the
consideration and purpose therein mentioned and set forth, ~~XX~~
XXXXXX

WITNESS my hand and seal as such Notary Public on this 28 day of October, 1994.
My Commission Expires: 7-17-2001 Bobby Ann Clifton Notary Public

CERTIFICATE OF RECORD

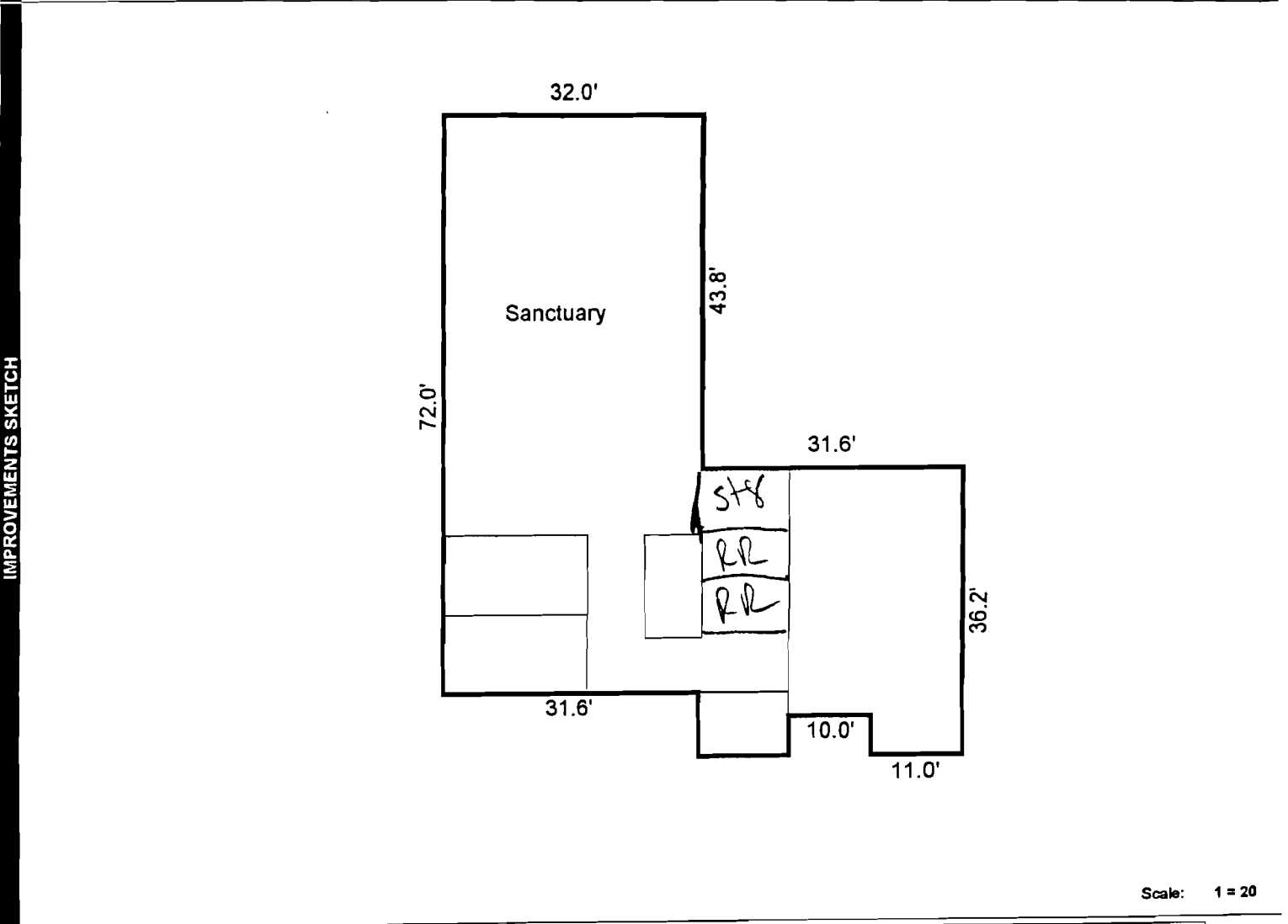
STATE OF ARKANSAS)
COUNTY OF CRAIGHEAD } SS _____ } SS
I, Pat Fleetwood, Circuit Clerk and Ex-Officio Recorder
for the County aforesaid, do hereby certify that the annexed and foregoing instrument of writing was filed for record in
my office on the 16th day of December, A.D. 1994, at 2:15 o'clock P m.
and the same is now duly recorded, with acknowledgements and certificates thereon in Deed Record DR 471,
page 222.
IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of said Court this 16th day
of December, 1994.
Pat Fleetwood Shannon Vickers
Circuit Clerk and Ex-Officio Recorder D.C.

I certify under penalty of false swearing that at least the legally correct amount of documentary stamps have been placed on this instrument.

Buyer: City of Jonesboro Address: 314 W. Washington
Hubert Hoedel Jonesboro Ark

SKETCH/AREA TABLE ADDENDUM

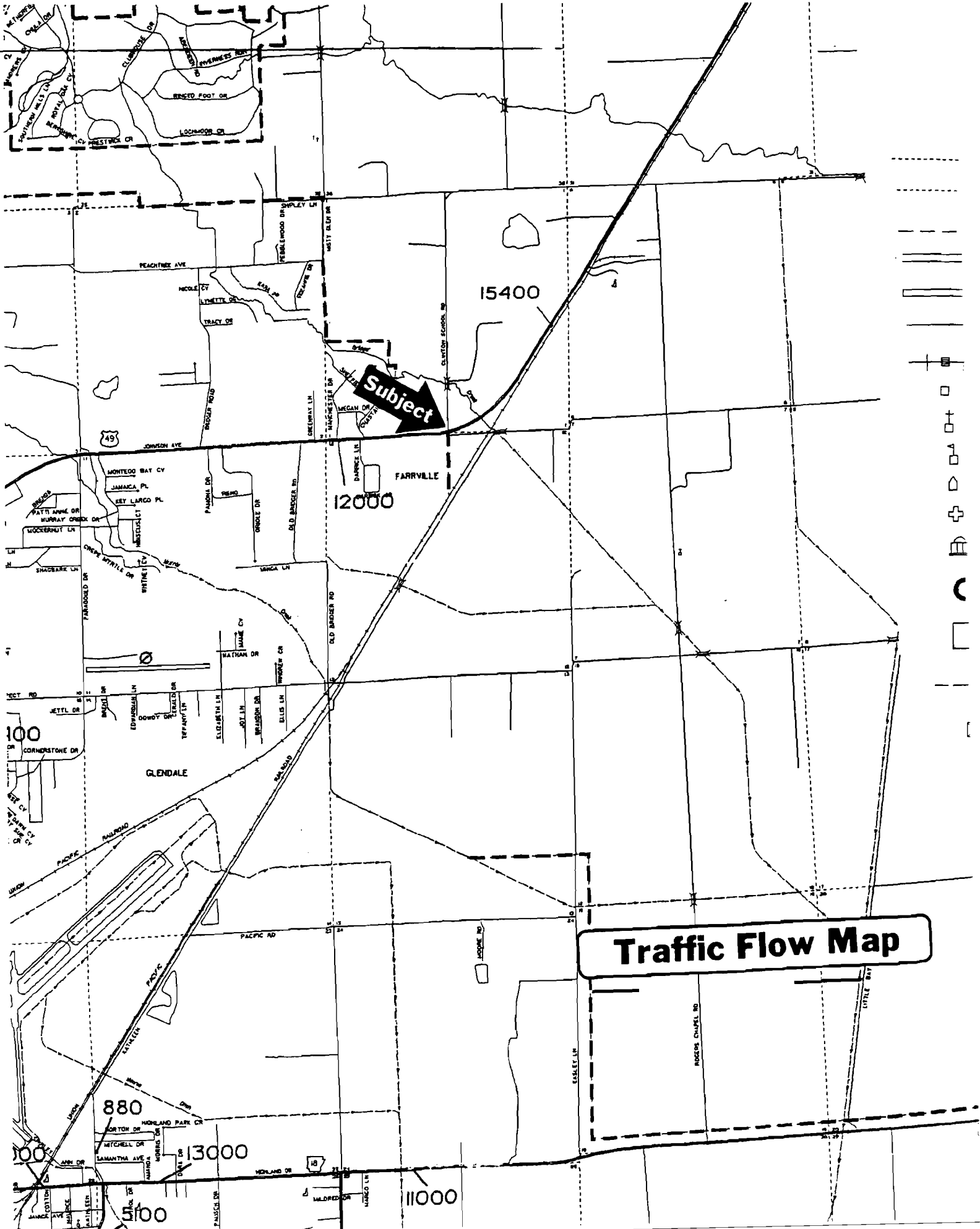
SUBJECT	Property Address		
	City	State	Zip
	Borrower		
	Lender/Client		
	Appraiser Name		



Scale: 1 = 20

AREA CALCULATIONS SUMMARY				BUILDING AREA BREAKDOWN		
Code	Description	Size	Totals	Breakdown	Subtotals	
GBA1	First Floor	3401.12	3401.12	First Floor		
				31.2 x 32.0	998.40	
				5.0 x 11.0	55.00	
				5.0 x 11.0	55.00	
				0.4 x 43.8	17.52	
				31.6 x 72.0	2275.20	
TOTAL BUILDING (rounded)			3401	5 Areas Total (rounded)		3401

AREA CALCULATIONS



Subject

Traffic Flow Map

- Legend symbols for: road, building, utility pole, and other map features.

1

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ZONE X