

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	105 S FLOYD
	Legal Description	E 200' OF LOTS 2-3, NE1/4, NE1/4, SW1/4, 13-14-3
	City	JONESBORO
	County	CRAIGHEAD
	State	AR
	Zip Code	72401-2514
	Census Tract	05031-0002.00-1
	Map Reference	MSA 27860
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	
CLIENT	Borrower / Client	
	Lender	CITY OF JONESBORO
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	860
	Price per Square Foot	\$
	Location	URBAN
	Age	A60+ E30
	Condition	POOR
	Total Rooms	4
	Bedrooms	2
	Baths	1
APPRAISER	Appraiser	SUSAN DUDLEY CR0830
	Date of Appraised Value	SEPTEMBER 14, 2007
VALUE	Final Estimate of Value	\$ 24,700

SUSAN DUDLEY APPRAISAL SERVICE



DATE

SEPTEMBER 14, 2007

SUBJECT

105 S FLOYD
E 200' OF LOTS 2-3, NE1/4, NE1/4, SW1/4, 13-14-3
JONESBORO, AR 72401-2514

CLIENT

CITY OF JONESBORO
515 W WASHINGTON, JONESBORO, AR 72401

RESIDENTIAL APPRAISAL REPORT

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SUPPLEMENTAL ADDENDUMFile No. **9042007**

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			

SCOPE OF APPRAISAL

This report has been prepared for the referenced client. The report has been performed to assist with determining present market value. If this report is placed in the hands of anyone other than the client, then client shall make such third party aware of all the assumptions and limiting conditions of the assignment.

The scope of this appraisal consisted of an observation from ground level readily accessible by foot from the exterior of the perimeter of the subject improvements with an interior walk through of the livable space of the subject improvements readily accessible by foot and not obscured from observation. Crawl space and attic areas were not accessed unless stated otherwise in this report. Uninhabited space including garages, storage areas, deck and porch areas observed during exterior observation. Pictures of the front, rear and street were taken. The livable area was measured according to ANSI Standards Z765-2003 titled "American National Standard for Single-Family Residential Buildings," Square-Footage Method for Calculating. Livability is defined as suitable for habitation in the condition observed at the time of the complete visual inspection.

A cost approach was not completed due to the age and deteriorated condition of the subject property. MLS and public records were researched for comparable sales in the subdivision and immediate neighborhood. Those used were deemed the best available that could be confirmed and photos were taken and included in this report. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate for significant value influencing factors. The income approach was considered in the final opinion of value as well.

The following report is not an environmental or structural assessment, nor a termite inspection. If the user or client desires such types of reports, they should be ordered from a licensed home inspector, environmental expert, or an appropriate licensed tradesman. If any doubt exists as to the nature of these items, an inspection is recommended. This appraisal report does not guarantee the property free of defects.

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

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

2. **PROPERTY DESCRIPTION:**

**E 200' of Lots 2-3, NE1/4, NE1/4, SW1/4, 13-14-3; also known as
105 S. Floyd**

3. **PURCHASE PRICE:** The Buyers will pay as total purchase price for said property, The sum of **\$24,700.00**, plus allowable expenses not to exceed 10% of the appraised value.

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

5. **ABSTRACT OR TITLE INSURANCE:** The owners of the above property, hereinafter called Seller, shall furnish a policy of title insurance in the amount of the purchase price. The cost of the policy of title insurance shall be paid at closing from the proceeds of the sale.

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

7. **CLOSING:** The closing date which will be designated by Agent, is estimated to be on or about _____. However, any unforeseen delays such as arranging financing or clearing title specifically do not void this contract.

8. **POSSESSION:** Possession shall be delivered to Buyers:

60 days after closing date

**THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED BY BOTH
BUYERS AND SELLER AND APPROVED BY THE CITY COUNCIL.**

City of Jonesboro

**BY: _____
DOUG FORMON, MAYOR**

THE ABOVE OFFER IS ACCEPTED ON

SELLER _____

Date

SELLER _____

Date

**STATE OF ARKANSAS
COUNTY OF CRAIGHEAD**

RESIDENTIAL SUMMARY APPRAISAL REPORT

File No.: 9042007

SUBJECT	Property Address: 105 S FLOYD	City: JONESBORO	State: AR	Zip Code: 72401-2514
	County: CRAIGHEAD	Legal Description: E 200' OF LOTS 2-3, NE1/4, NE1/4, SW1/4, 13-14-3		
ASSIGNMENT	Assessor's Parcel #: 01-143133-31300	Tax Year: 2007	R.E. Taxes: \$ 159.65	Special Assessments: \$ N/A
	Current Owner of Record: WILLIAM M. DIXON	Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing		
	Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe)	HOA: \$ <input type="checkbox"/> per year <input type="checkbox"/> per month		
Market Area Name: N/A	Map Reference: MSA 27860	Census Tract: 05031-0002.00-1		

MARKET AREA DESCRIPTION	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input checked="" type="checkbox"/> other type of value (describe)
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective
	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)
	Intended Use: THIS REPORT IS BEING DONE AT THE REQUEST OF THE CITY OF JONESBORO FOR A PROPOSED DRAINAGE CONTROL PROJECT.
Intended User(s) (by name or type): CITY OF JONESBORO	
Client: CITY OF JONESBORO	Address: 515 W WASHINGTON, JONESBORO, AR 72401
Appraiser: SUSAN DUDLEY CR0830	Address: 1817 ELLEN DRIVE, JONESBORO, AR 72404

MARKET AREA DESCRIPTION	Location: <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="2">Predominant Occupancy</th> <th colspan="2">One-Unit Housing</th> <th colspan="2">Present Land Use</th> <th colspan="2">Change in Land Use</th> </tr> <tr> <td></td> <td></td> <td>PRICE</td> <td>AGE</td> <td>One-Unit</td> <td>31 %</td> <td><input type="checkbox"/> Not Likely</td> <td></td> </tr> <tr> <td></td> <td></td> <td>\$(000)</td> <td>(yrs)</td> <td>2-4 Unit</td> <td>2 %</td> <td><input type="checkbox"/> Likely *</td> <td><input checked="" type="checkbox"/> In Process *</td> </tr> <tr> <td></td> <td></td> <td>10</td> <td>Low 40</td> <td>Multi-Unit</td> <td>2 %</td> <td colspan="2">* To: INDUSTRIAL</td> </tr> <tr> <td></td> <td></td> <td>50</td> <td>High 70</td> <td>Comm'l</td> <td>65 %</td> <td colspan="2">FROM RESIDENTIAL</td> </tr> <tr> <td></td> <td></td> <td>20-30</td> <td>Pred 50+</td> <td></td> <td>%</td> <td colspan="2">USAGE</td> </tr> </table>	Predominant Occupancy		One-Unit Housing		Present Land Use		Change in Land Use				PRICE	AGE	One-Unit	31 %	<input type="checkbox"/> Not Likely				\$(000)	(yrs)	2-4 Unit	2 %	<input type="checkbox"/> Likely *	<input checked="" type="checkbox"/> In Process *			10	Low 40	Multi-Unit	2 %	* To: INDUSTRIAL				50	High 70	Comm'l	65 %	FROM RESIDENTIAL				20-30	Pred 50+		%	USAGE	
	Predominant Occupancy		One-Unit Housing		Present Land Use		Change in Land Use																																											
				PRICE	AGE	One-Unit	31 %	<input type="checkbox"/> Not Likely																																										
				\$(000)	(yrs)	2-4 Unit	2 %	<input type="checkbox"/> Likely *	<input checked="" type="checkbox"/> In Process *																																									
				10	Low 40	Multi-Unit	2 %	* To: INDUSTRIAL																																										
		50	High 70	Comm'l	65 %	FROM RESIDENTIAL																																												
		20-30	Pred 50+		%	USAGE																																												
Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%																																																		
Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow																																																		
Property values: <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining																																																		
Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply																																																		
Marketing time: <input type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input checked="" type="checkbox"/> Over 6 Mos.																																																		

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): **MARKET CONDITIONS APPEAR TO BE IN BALANCE. INTEREST RATES REMAIN FAVORABLE AND MOST FINANCING IS CONVENTIONAL, FHA AND VA. IT IS NOT UNCOMMON FOR SELLERS TO PAY ALL OR A PORTION OF BUYER'S CLOSING AND SETTLEMENT COSTS.**

SITE DESCRIPTION	Dimensions: 65 X 508	Site Area: .76 ACRE +/-	<input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac
	Zoning Classification: I-1	Description: INDUSTRIAL	Topography: FAIRLY LEVEL
	Zoning Compliance: <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning		Size: AVERAGE
	Utilities: Public <input checked="" type="checkbox"/> Other <input type="checkbox"/> Description	Off-site Improvements: Type Public Private	Shape: RECTANGULAR
	Electricity <input checked="" type="checkbox"/> Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sanitary Sewer <input checked="" type="checkbox"/> Storm Sewer <input checked="" type="checkbox"/>	Street: ASPHALT <input checked="" type="checkbox"/> Curb/Gutter: CONCRETE <input checked="" type="checkbox"/> Sidewalk: YES <input checked="" type="checkbox"/> Street Lights: ELECTRIC <input checked="" type="checkbox"/> Alley: YES <input checked="" type="checkbox"/>	Drainage: UNKNOWN View: RES/COMMERCIAL Landscaping: MINIMAL

FEMA Spec'l Flood Hazard Area: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X	FEMA Map # 05031C0043C	FEMA Map Date 9/27/1991
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain) AS IMPROVED		
Actual Use as of Effective Date: RESIDENTIAL	Use as appraised in this report: RESIDENTIAL	
Summary of Highest & Best Use: AS RESIDENTIAL PRESENTLY BUT, IN THE FUTURE, AS POSSIBLE WAREHOUSE OR INDUSTRIAL STORAGE IN COMPLIANCE WITH INDUSTRIAL ZONING.		
Site Comments: SITE IS LARGER THAN MANY IN THE AREA. RICELAND FOODS AND THE RAILROAD TRACKS ARE JUST NORTH OF SUBJECT PROPERTY.		

DESCRIPTION OF THE IMPROVEMENTS	General Description	Exterior Description	Foundation	Basement <input checked="" type="checkbox"/> None	Heating
	# of Units: 1 <input type="checkbox"/> Acc. Unit	Foundation: CONC BLOCK	Slab: NO	Area Sq. Ft.:	Type: STOVE
	# of Stories: 1	Exterior Walls: METAL SIDING	Crawl Space: YES	% Finished:	Fuel: GAS
	Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface: COMP SHGLE	Basement: NONE	Ceiling:	COND: UNKNOWN
	Design (Style): RANCH	Gutters & Dwnspnts: NONE	Sump Pump: <input type="checkbox"/>	Walls:	Cooling:
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.	Window Type: SINGLE PN/WD	Dampness: <input type="checkbox"/>	Floor:	Central: NONE	
Actual Age (Yrs.): 60+	Storm/Screens: NO/YES	Settlement: YES	Outside Entry:	Other: WAC	
Effective Age (Yrs.): 30		Infestation: UNKNOWN		PERSONAL	

DESCRIPTION OF THE IMPROVEMENTS	Interior Description	Appliances	Attic	Amenities	Car Storage <input type="checkbox"/> None
	Floors: CRPT/VINYL/P	Refrigerator: <input type="checkbox"/> None	None	Fireplace(s) #:	Garage # of cars (2 Tot.)
	Walls: DRWALL/F	Range/Oven: <input checked="" type="checkbox"/> P	Stairs: <input type="checkbox"/>	Patio:	Attach.:
	Trim/Finish: WOOD/P	Disposal: <input type="checkbox"/>	Drop Stair: <input checked="" type="checkbox"/>	Deck:	Detach.:
	Bath Floor: VINYL/P	Dishwasher: <input type="checkbox"/>	Scuttle: <input type="checkbox"/>	Porch: COVERED	Blt.-In:
Bath Wainscot: DRYWALL/F	Fan/Hood: <input type="checkbox"/>	Floor: <input type="checkbox"/>	Fence:	Carport:	
Doors: HOLLOW CORE/P	Microwave: <input type="checkbox"/>	Heated: <input type="checkbox"/>	Pool:	Driveway: 2 CHAT	
	Washer/Dryer: <input type="checkbox"/>	Finished: <input type="checkbox"/>		Surface:	

Finished area above grade contains: 4 Rooms 2 Bedrooms 1 Bath(s) 860 Square Feet of Gross Living Area Above Grade
Additional features: THERE IS A SMALL METAL STORAGE BUILDING BEHIND HOUSE OF LITTLE VALUE. THE ROOF PORCH IS BADLY DETERIORATED. NOTE: THIS REPORT DOES NOT INCLUDE A MOBILE HOME THAT SITS ON THE PROPERTY AND IS OWNED BY A THIRD PARTY.
Describe the condition of the property (including physical, functional and external obsolescence): PROPERTY IS IN POOR CONDITION AND HAS SIGNIFICANT DEFERRED MAINTENANCE, BOTH INSIDE AND OUT.



RESIDENTIAL SUMMARY APPRAISAL REPORT

File No.: 9042007

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): **TAX ASSESSMENT RECORD OF OWNERSHIP**

TRANSFER HISTORY	1st Prior Subject Sale/Transfer	Analysis of Sale/Transfer History:
	Date: N/A	
	Price:	
	Source(s):	
	2nd Prior Subject Sale/Transfer	
	Date:	
Price:		
Source(s):		

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	105 S FLOYD JONESBORO, AR 72401-2514	108 CHESTNUT JONESBORO		233 NISBETT JONESBORO		224 S MCCLURE JONESBORO	
Proximity to Subject		0.11 miles		0.20 miles		0.56 miles	
Sale Price	\$ N/A	\$ 18,000		\$ 19,000		\$ 13,000	
Sale Price/GLA	\$ /sq.ft.	\$ 22.28 /sq.ft.		\$ 19.23 /sq.ft.		\$ 14.82 /sq.ft.	
Data Source(s)	SITE VISIT	DEED BK 746/385		DEED BK 727/93		DEED BK 739/987	
Verification Source(s)	COUNTY REC	PAR #01-143134-39200		PAR #01-143134-01800		PAR #01-144183-03600	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjst.	DESCRIPTION	+(-) \$ Adjst.	DESCRIPTION	+(-) \$ Adjst.
Sales or Financing Concessions	N/A	NONE KNOWN		CONVENTIONAL NONE KNOWN		NONE KNOWN	
Rights Appraised	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Date of Sale/Time	N/A	4/17/2007		7/5/2006		1/9/2007	
Location	URBAN	URBAN		URBAN		URBAN	
Site	.78 ACRE +/-	.12 ACRE/INF	+10,000	.10 ACRE/INF	+10,000	.10 ACRE/INF	+10,000
View	RES/COMM	RESID/COMM		RESIDENTIAL		RESIDENTIAL	
Design (Style)	RANCH	RANCH		RANCH		RANCH	
Quality of Construction	VINYL SIDING/F	SIDING/F		VINYL SID/F		SIDING/F	
Actual Age	A60+ E30	A60+ E30		A60+ E28	-500	A60+ E30	
Condition	POOR	FAIR		FAIR		POOR	
Above Grade Room Count	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths	
	4 2 1	4 2 1		5 2 1		4 2 1	
Gross Living Area	860 sq.ft.	808 sq.ft.	+500	988 sq.ft.	-750	877 sq.ft.	
Basement & Finished Rooms Below Grade	NONE	NONE		NONE		NONE	
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	STOVE/NONE	SPACE/WINDOW		CENTRAL	-2,500	WALL/WAC	
Energy Efficient Items	MINIMAL	MINIMAL		MINIMAL		MINIMAL	
Garage/Carport	ON SITE PRKG	ON SITE PRKG		ON SITE PRKG		ON SITE PRKG	
Porch/Patio/Deck	PORCHES	PORCH		PORCHES		SCRN POR/PAT	-500
FIREPLACE	NONE	NONE		NONE		NONE	
FENCE/STORAGE/ETC.	NONE	NONE		PARTL WOOD FN	-500	CH LINK FENCE	-500
EXTRAS	NONE	STG BLDG	-200	NONE		NONE	
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 10,300		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 5,750		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 9,000	
Adjusted Sale Price of Comparables		Net 57.2% Gross 59.4% \$ 28,300		Net 30.3% Gross 75.0% \$ 24,750		Net 69.2% Gross 84.6% \$ 22,000	

Summary of Sales Comparison Approach **THE SALES CITED ARE THE MOST RECENT AND SIMILAR LOCATED AND CONFIRMED IN TERMS OF LOCATION, SIZE, AGE AND QUALITY. THOUGH ONE OF THE SALES IS A FEW MONTHS OVER ONE YEAR OLD, IT WAS DEEMED MORE APPROPRIATE AND SIMILAR THAN MORE RECENT BUT LESS SIMILAR PROPERTY SALES. EFFECTIVE AGE REFLECTS CONDITION AND MAINTENANCE. ADJUSTMENTS WERE MADE AT THE RATE OF 1% OF THE SALES PRICE FOR EACH YEAR OF EFFECTIVE AGE DIFFERENCE. SITES WERE ADJUSTED ACCORDING TO VALUE, NOT SIZE. AFTER APPROPRIATE ADJUSTMENTS FOR VALUE INFLUENCING DIFFERENCES, THE RESULTING VALUE RANGE IS BELIEVED TO PROVIDE A RELIABLE INDICATOR OF PRESENT MARKET VALUE FOR SUBJECT PROPERTY.**

Indicated Value by Sales Comparison Approach \$ **24,700**



RESIDENTIAL SUMMARY APPRAISAL REPORT

File No.: 9042007

COST APPROACH TO VALUE (If developed) The Cost Approach was not developed for this appraisal.

Provide adequate information for replication of the following cost figures and calculations.
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value): **SITE VALUES TAKEN FROM SALES, MARKET EXTRACTION AND TAX ASSESSMENT RECORDS.**

COST APPROACH	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	15,000
	Source of cost data:	DWELLING	Sq.Ft. @ \$	= \$
	Quality rating from cost service:		Sq.Ft. @ \$	= \$
	Effective date of cost data:		Sq.Ft. @ \$	= \$
	Comments on Cost Approach (gross living area calculations, depreciation, etc.):		Sq.Ft. @ \$	= \$
	DUE TO THE AGE AND DETERIORATED CONDITION OF THE PROPERTY, THE COST APPROACH WAS NOT CONSIDERED APPROPRIATE NOR RELIABLE.		Sq.Ft. @ \$	= \$
			Sq.Ft. @ \$	= \$
		Garage/Carport	Sq.Ft. @ \$	= \$
		Total Estimate of Cost-New		= \$
		Less Physical		= \$
		Functional		= \$
		External		= \$
		Depreciation		= \$()
		Depreciated Cost of Improvements		= \$
		"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (if required):	Years	INDICATED VALUE BY COST APPROACH	= \$	

INCOME APPROACH TO VALUE (If developed) The Income Approach was not developed for this appraisal.

Estimated Monthly Market Rent \$ **325** X Gross Rent Multiplier **60** = \$ **19,500** Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM): **SUBJECT PROPERTY IS RENTED FOR \$250 PER MONTH. TENANT WAS TO MAKE SOME REPAIRS, WHICH HAS NOT BEEN DONE. MARKET RENT IS ESTIMATED AT \$325 A MONTH. GRM TAKEN FROM SIMILAR SALES TO INVESTORS.**

PROJECT INFORMATION FOR PUDs (If applicable) The Subject is part of a Planned Unit Development.

Legal Name of Project:
 Describe common elements and recreational facilities:

Indicated Value by: Sales Comparison Approach \$ **24,700** Cost Approach (If developed) \$ **N/A** Income Approach (If developed) \$ **19,500**

Final Reconciliation THE SALES COMPARISON APPROACH WAS UTILIZED TO ESTABLISH AN OPINION OF MARKET VALUE FOR SUBJECT PROPERTY. DUE TO AGE AND CONDITION OF PROPERTY, THE COST APPROACH WAS NOT CONSIDERED SUITABLE AS A VALUE INDICATOR. THE INCOME APPROACH WAS CONSIDERED IN THE ESTABLISHMENT OF AN OPINION OF MARKET VALUE, BUT MORE WEIGHT WAS GIVEN TO THE SALES COMPARISON APPROACH AND TO THE LOT'S ZONING FOR FUTURE USE.

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:

This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ **24,700**, as of: **SEPTEMBER 14, 2007**, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

A true and complete copy of this report contains **10** pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:
 Scope of Work Limiting Cond./Certifications Hypothetical Conditions Extraordinary Assumptions Narrative Addendum
 Sketch Addendum Location Map(s) Flood Addendum Additional Sales Cost Addendum
 Manuf. House Addendum PHOTO ADDENDUMS

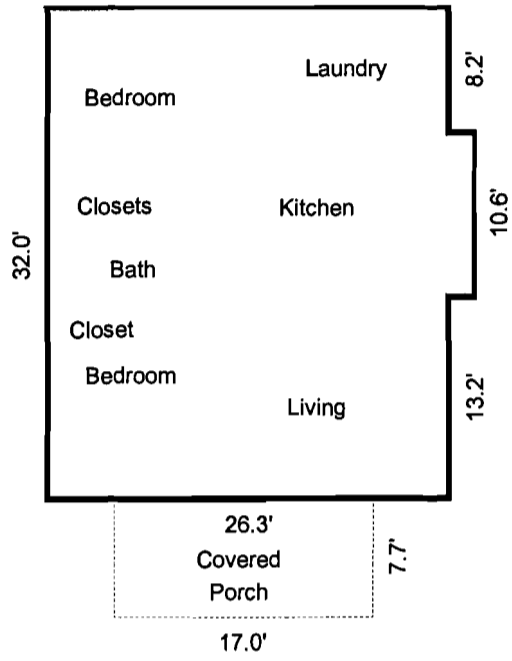
Client Contact: **HARRY HARDWICK** Client Name: **CITY OF JONESBORO**
 E-Mail: Address: **515 W WASHINGTON, JONESBORO, AR 72401**

SIGNATURES	APPRAISER	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
	Appraiser Name: SUSAN DUDLEY	Supervisory or Co-Appraiser Name:
	Company: SUSAN DUDLEY APPRAISAL SERVICE	Company:
	Phone: 870-931-4002 Fax: 870-931-9922	Phone: Fax:
	E-Mail: susandudleyappraisal@suddenlink.net	E-Mail:
	Date of Report (Signature): SEPTEMBER 18, 2007	Date of Report (Signature):
	License or Certification #: CR0830 State: AR	License or Certification #: State:
	Expiration Date of License or Certification: 6/30/2008	Expiration Date of License or Certification:
	Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None	Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None
	Date of Inspection: SEPTEMBER 14, 2007	Date of Inspection:



Building Sketch (Page - 1)

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			



Sketch by Apex IV™

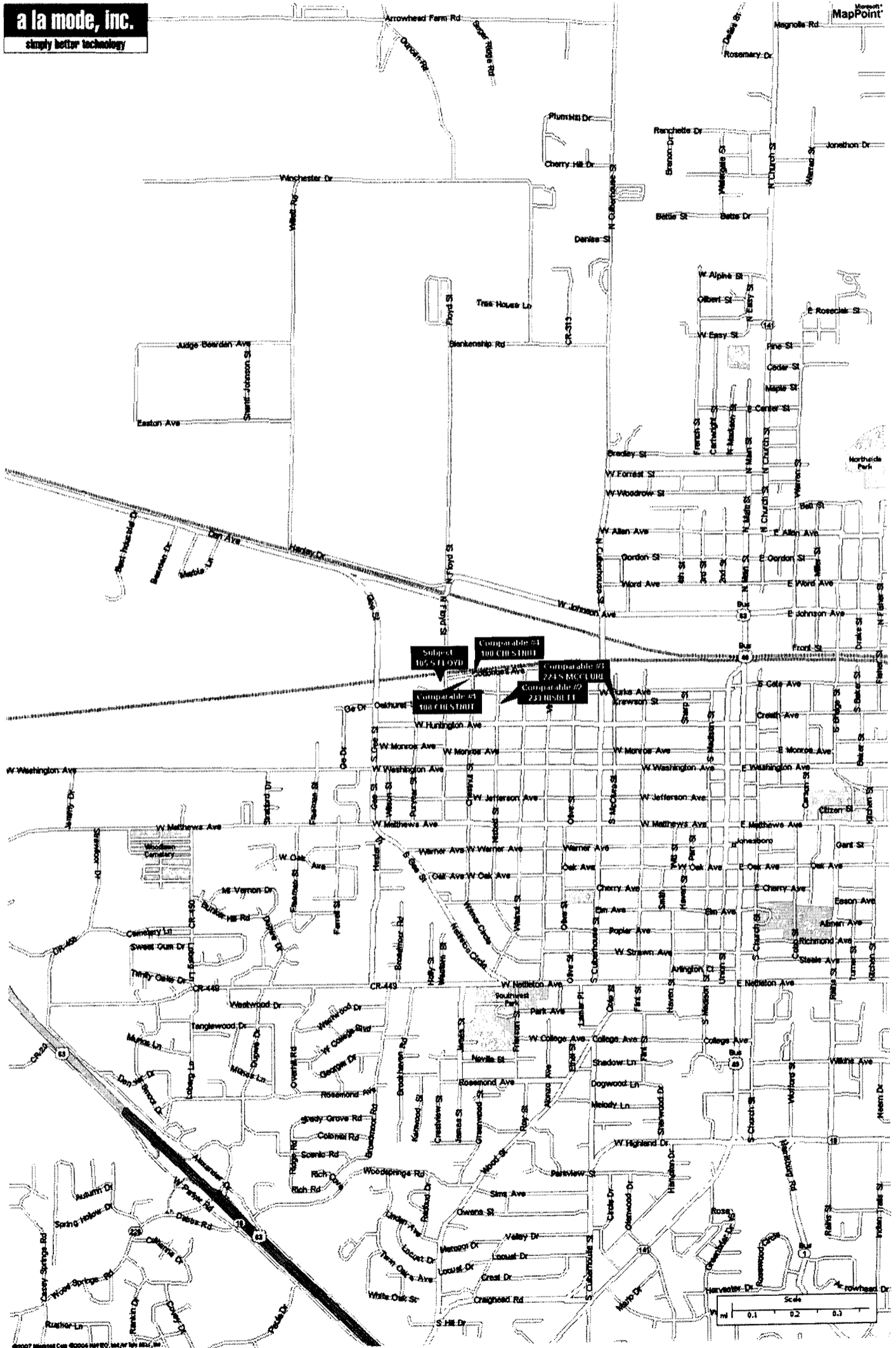
Comments: INTERIOR ROOM PLACEMENT NOT TO SCALE. THEY ARE SHOWN FOR REPRESENTATIONAL PURPOSES ONLY. SQUARE FOOTAGE DETERMINED BY EXTERIOR DIMENSIONS.

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	860.3	860.3
P/P	Covered Porch	130.3	130.3
Net LIVABLE Area		(Rounded)	860

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor		
1.7 x 10.6		17.7
26.3 x 32.0		842.7
2 Items	(Rounded)	860

Location Map

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			



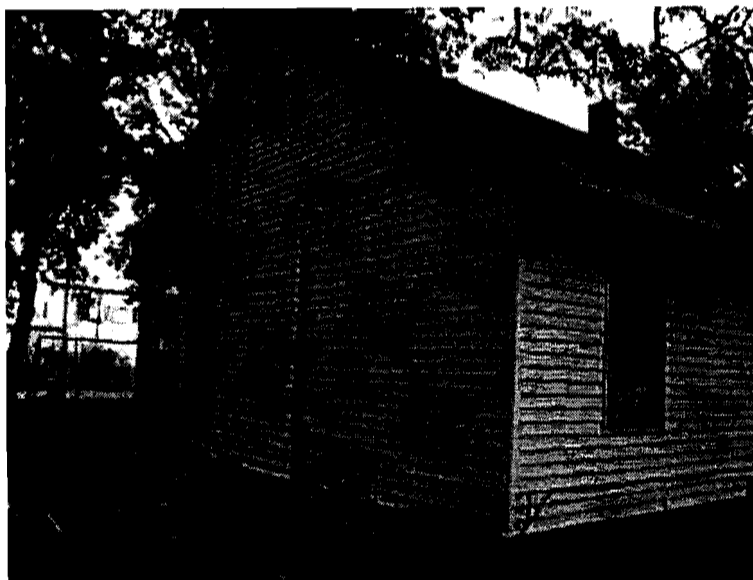
Subject Photo Page

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			



Subject Front

105 S FLOYD	
Sales Price	N/A
Gross Living Area	860
Total Rooms	4
Total Bedrooms	2
Total Bathrooms	1
Location	URBAN
View	RES/COMMER
Site	.78 ACRE +/-
Quality	VINYL SIDING/F
Age	A60+ E30



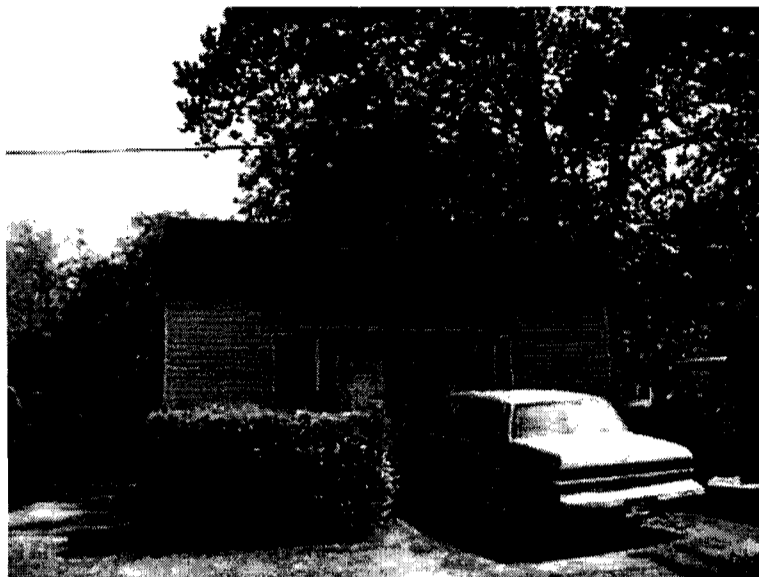
Subject Rear



Subject Street

Comparable Photo Page

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			



Comparable 1

108 CHESTNUT
 Prox. to Subject **0.11 miles**
 Sale Price **18,000**
 Gross Living Area **808**
 Total Rooms **4**
 Total Bedrooms **2**
 Total Bathrooms **1**
 Location **URBAN**
 View **RESID/COMM**
 Site **.12 ACRE/INF**
 Quality **SIDING/F**
 Age **A60+ E30**



Comparable 2

233 NISBETT
 Prox. to Subject **0.20 miles**
 Sale Price **19,000**
 Gross Living Area **988**
 Total Rooms **5**
 Total Bedrooms **2**
 Total Bathrooms **1**
 Location **URBAN**
 View **RESIDENTIAL**
 Site **.10 ACRE/INF**
 Quality **VINYL SID/F**
 Age **A60+ E28**



Comparable 3

224 S MCCLURE
 Prox. to Subject **0.56 miles**
 Sale Price **13,000**
 Gross Living Area **877**
 Total Rooms **4**
 Total Bedrooms **2**
 Total Bathrooms **1**
 Location **URBAN**
 View **RESIDENTIAL**
 Site **.10 ACRE/INF**
 Quality **SIDING/F**
 Age **A60+ E30**

Comparable Photo Page

Borrower/Client			
Property Address 105 S FLOYD			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2514
Lender CITY OF JONESBORO			



Comparable 4

100 CHESTNUT

Prox. to Subject **0.11 miles**
Sale Price **18,000**
Gross Living Area **966**
Total Rooms **4**
Total Bedrooms **2**
Total Bathrooms **1**
Location **URBAN**
View **RES/COMM**
Site **.14 ACRE/INF**
Quality **SIDING/F**
Age **A60+ E30**

Comparable 5

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Comparable 6

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Rev Stamps # 24

\$11.00	\$11.00
0259523	0259521
\$2.00	\$5.50
0463855	0175202

WARRANTY DEED

UNMARRIED PERSON

591

KNOW ALL MEN BY THESE PRESENTS:

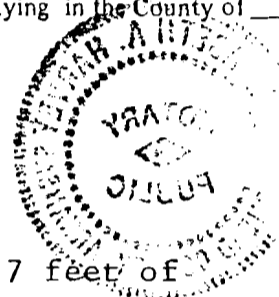
THAT I, Buster Beuley, an unmarried person.

for an in consideration of the sum of Ten and No/100 DOLLARS,
----- (\$10.00) -----

and other good and valuable considerations to me in hand paid by William M. Dixon, the receipt of which is hereby acknowledged,

do hereby grant, bargain, sell and convey unto the said William M. Dixon

and unto his heirs, ~~successors~~, and assigns forever, the following lands lying in the County of Craighead and State of Arkansas, to-wit:



The South 111.4 feet of the East 208.7 feet of Lot 4 in Block "B" of Loyd Subdivision of the East Half of the Southeast Quarter of the Southwest Quarter of Section 10, Township 14 North, Range 4 East.

To have and to hold the same unto the said William M. Dixon

and unto his heirs, ~~successors~~, and assigns forever, with all appurtenances thereunto belonging.

And I hereby covenant with said William M. Dixon

that I will forever warrant and defend the title to said lands against all lawful claims whatever.

WITNESS my hand and seal on this 29th day of January 19 82

Buster Beuley [SEAL]
Buster Beuley

_____ [SEAL]

This instrument prepared by Buster Beuley

591

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 State and County aforesaid, duly commissioned, qualified, and acting Buster Beuley, a single person to me well known as the grantor _____ in the foregoing Deed, and acknowledged that he had executed the same for the consideration and purposes therein mentioned and set forth.

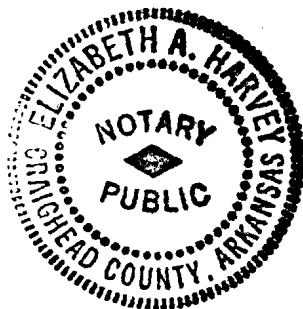
WITNESS my hand and seal as such Notary Public

on this 4th day of February, 19 82.

Elizabeth A. Harvey
Notary Public

My Commission Expires:

6-20-89



WARRANTY DEED

UNMARRIED PERSON

TO

Filed for record on this 4 day of Feb 19 82 at 3:45 o'clock P M. By Diane Parker Clerk. Kathy Hawkins D.C.

CERTIFICATE OF RECORD

STATE OF ARKANSAS,

County of Craighead

ss.

ss.

I, DIANE PARKER, Clerk of the Circuit Court and Ex-Officio Recorder for the County aforesaid, do hereby certify that the within and foregoing instrument of writing was filed for record in my office on this 4 day of Feb. A. D. 19 82, at 3:45 o'clock P M., and the same is now duly recorded, with the acknowledgments and certificates thereon, in "Record Book 294," page 591.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court, this 4 day of Feb. 19 82.

DIANE PARKER

Clerk.

592 by Kathy Hawkins, D.C.