

BOB GIBSON & ASSOCIATES

Real Estate Appraisers & Consultants

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Jonesboro, Arkansas 72401

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January 26, 2000

City of Jonesboro
314 W Washington
Jonesboro, AR 72401

RE: Appraisal of land on Race Street
Jonesboro, AR

Dear Mr. Larry Johnson:

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

To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)).

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties.

This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached.

The person (s) signing this report have the knowledge and experience to complete this assignment competently.

Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Bob L. Gibson, CG0247

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	Race Street
	Legal Description	See Survey
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	NA
	Map Reference	NA
SALES PRICE	Sale Price	\$ NA
	Date of Sale	NA
CLIENT	Borrower / Client	CLIENT: City of Jonesboro
	Lender	City of Jonesboro
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	
	Price per Square Foot	\$
	Location	Urban-Avg
	Age	
	Condition	
	Total Rooms	
	Bedrooms	
	Baths	
APPRAISER	Appraiser	Bob Gibson, CG0247
	Date of Appraised Value	January 26, 2000
VALUE	Final Estimate of Value	\$ 68,000

LAND APPRAISAL REPORT

Summary Appraisal Report

File No.

Borrower CLIENT: City of Jonesboro Census Tract NA Map Reference NA
 Property Address Race Street
 City Jonesboro County Craighead State AR Zip Code 72401
 Legal Description See Survey
 Sale Price \$ NA Date of Sale NA Loan Term NA yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ NA (yr) Loan charges to be paid by seller \$ NA Other sales concessions NA
 Lender/Client City of Jonesboro Address 314 W Washington, Jonesboro, AR 72401
 Occupant Vacant Appraiser Bob Gibson, CG0247 Instructions to Appraiser 4.5 Acres

Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural Built Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25% to 75% <input type="checkbox"/> Under 25% Growth Rate <input type="checkbox"/> Fully Dev. <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Steady <input type="checkbox"/> Slow Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Oversupply Marketing Time <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 4-6 Mos. <input type="checkbox"/> Over 6 Mos. Present Land Use <u>75%</u> 1 Family <u>10%</u> 2-4 Family <u> </u> % Apts. <u> </u> % Condo <u>5%</u> Commercial <u> </u> % Industrial <u>10%</u> Vacant <u> </u> % Change in Present Land Use <input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely (*) <input type="checkbox"/> Taking Place (*) (*) From _____ To _____ Predominant Occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <u>5</u> % Vacant Single Family Price Range \$ <u>35</u> to \$ <u>75</u> Predominant Value \$ <u>50</u> Single Family Age <u> </u> 1 yrs. to <u>35</u> yrs. Predominant Age <u>30</u> yrs.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td>Good</td> <td>Avg.</td> <td>Fair</td> <td>Poor</td> </tr> <tr> <td>Employment Stability</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Employment</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Shopping</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Schools</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Public Transportation</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Recreational Facilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Utilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Property Compatibility</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Protection from Detrimental Conditions</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Police and Fire Protection</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>General Appearance of Properties</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Appeal to Market</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>		Good	Avg.	Fair	Poor	Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): Subject is located in an area that is primarily single family. The subdivisions within are mature and fully developed. Public schools and area shopping centers are located in close proximity.

Dimensions See Survey = 4.5 Sq. Ft. or Acres Corner Lot
 Zoning classification R-1 and R-2 Present Improvements do do not conform to zoning regulations
 Highest and best use Present use Other (specify) _____
 Public Other (Describe) _____
 Elec. Public Private Topo Level _____
 Gas _____ _____ Size Above Average
 Water _____ _____ Shape Irregular
 San. Sewer _____ _____ View Avg-Residential
 Underground Elect. & Tel. Storm Sewer Curb/Gutter Drainage Fair - See Comments
 Sidewalk Street Lights Is the property located in a HUD Identified Special Flood Hazard Area? No Yes

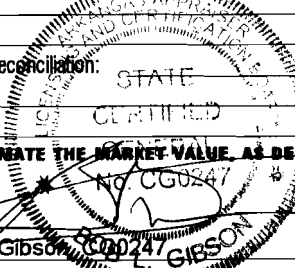
Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): Subject lies between Whitemans Creek and Turtle Creek south of Race St. as it intersects with Mary Jane. Current Corp of Engineer work on these two creeks will remove a portion of the subject site from the flood plain.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>Race Street/Mary Jane Jonesboro</u>	<u>27-14-04 W 1/2 NW SW</u>	<u>27-14-04 Cobb and Lee Lots 9 and 10</u>	<u>25-14-04 Pt NW NW</u>
Proximity to Subject		<u>Same Area</u>	<u>Same Area</u>	<u>2 sections - East</u>
Sales Price	\$ <u>NA</u>	\$ <u>30,000</u>	\$ <u>92,000</u>	\$ <u>30,000</u>
Price	\$ <u>NA</u>	\$ <u>15,000</u>	\$ <u>27,627</u>	\$ <u>10,000</u>
Data Source	<u>Inspection</u>	<u>Deed Recorded</u>	<u>Tax Record</u>	<u>Tax Record</u>
Date of Sale and Time Adjustment	<u>DESCRIPTION</u> <u>NA</u>	<u>DESCRIPTION</u>	<u>DESCRIPTION</u>	<u>DESCRIPTION</u>
Location	<u>Urban-Avg</u>	<u>Average</u>	<u>Superior</u>	<u>Inferior</u>
Site/View	<u>4.5 Ac/Residential</u>	<u>2 ac</u>	<u>3.3 ac</u>	<u>3 ac</u>
		<u>+37,500</u>	<u>+20,000</u>	<u>+22,500</u>
			<u>Better location than subject.</u>	
Sales or Financing Concessions	<u>NA</u>			
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>37,500</u>	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ <u>32,000</u>	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>42,500</u>
Indicated Value of Subject		<u>Net 125.0%</u> \$ <u>67,500</u>	<u>Net 34.8%</u> \$ <u>60,000</u>	<u>Net 141.7%</u> \$ <u>72,500</u>

Comments on Market Data: Sale #1 CJH Land from Richardson. Sale #2 Young to JR Rogers. Sale #3 Griffin to Dacus. (1)DR Bk 578 Pg 951 (2)DR Bk 573 Pg 368 (3) DR Bk 573 Pg 909.

Comments and Conditions of Appraisal:

Final Reconciliation: 

I ESTIMATE THE MARKET VALUE AS DEFINED, OF SUBJECT PROPERTY AS OF January 26 20 00 to be \$ 68,000

Appraiser(s) Bob Gibson, CG0247, GIBSON Did Did Not Physically Inspect Property

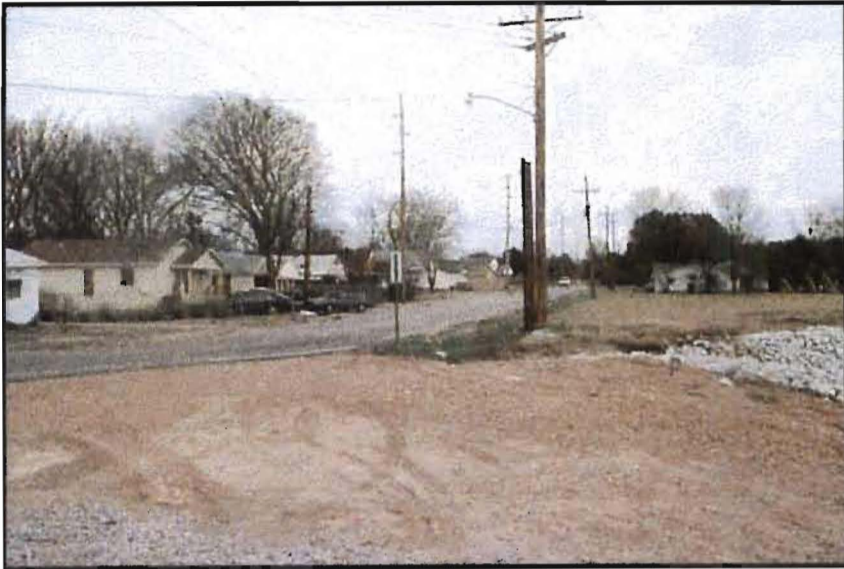
Review Appraiser (if applicable)

Subject Photo Page

Borrower/Client	CLIENT: City of Jonesboro						
Property Address	Race Street						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Lender	City of Jonesboro						

Subject

Race Street/Mary Jane
Sales Price NA
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Urban-Avg
View 4.5 Ac/Residential
Site
Quality
Age

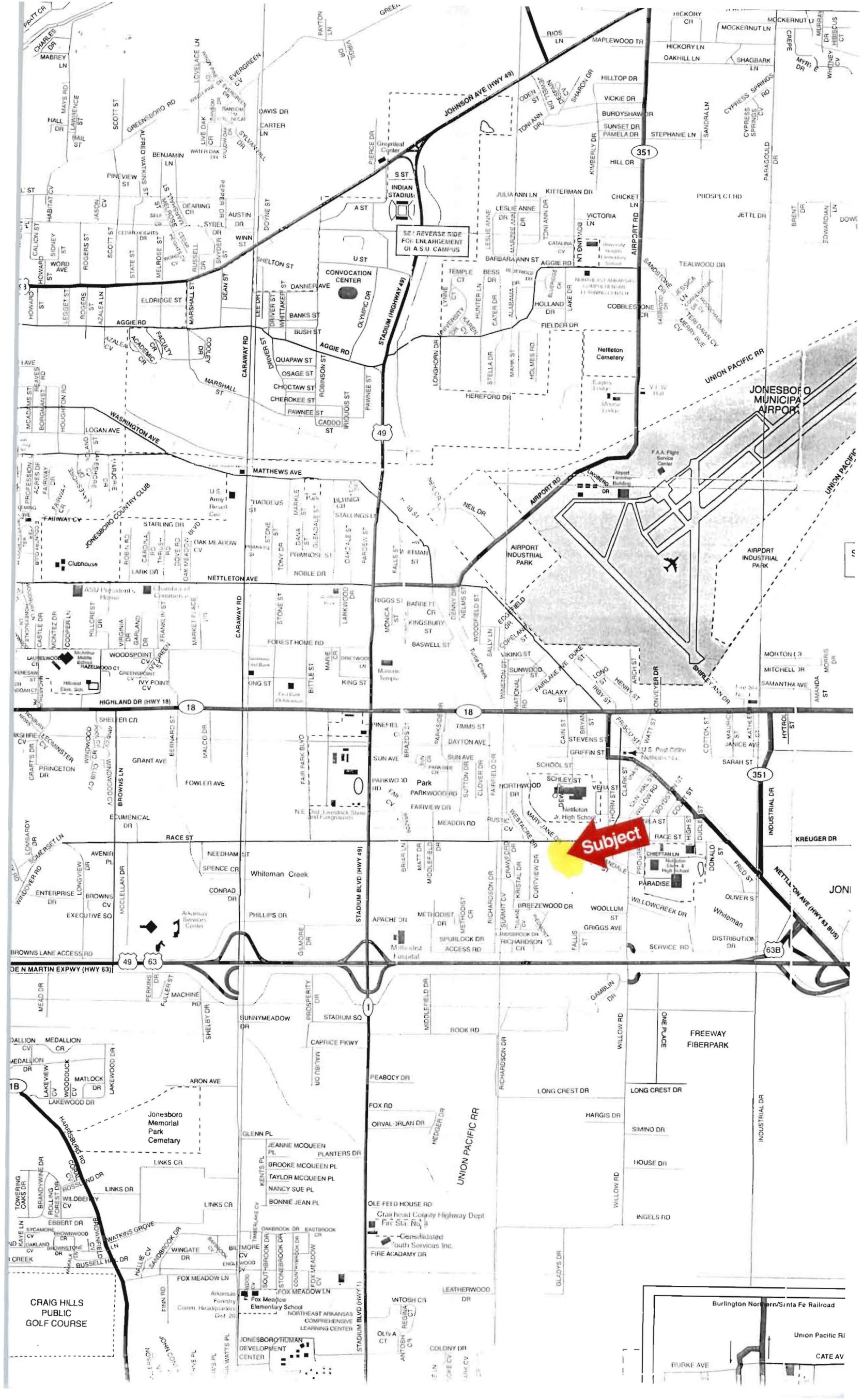


Subject



Subject





S ST
INDIAN
STADIUM

CONVOCA-
TION CENTER

49

STADIUM (HIGHWAY 49)

351

JONESBORO
MUNICIPAL
AIRPORT

AIRPORT INDUSTRIAL PARK

JONESBORO COUNTRY CLUB

CLUBHOUSE

WOODSPOINT

IVY POINT

HIGHLAND DR (HWY 18)

18

18

18

18

18

18

18

18

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18

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Subject

351

63B

49

63

1B

UNION PACIFIC RR

Burlington Northern Santa Fe Railroad

Union Pacific Rr

CRAIG HILLS
PUBLIC
GOLF COURSE

JONESBORO HUMAN
DEVELOPMENT
CENTER

FOX MEADOW LN
NORTH EAST ARKANSAS
COMPREHENSIVE
LEARNING CENTER

Consolidated
Youth Services Inc.
FIRE ACADEMY DR

Ole Feed House Rd
Craighead County Highway Dept
Fire Sta. No. 1

Arkansas Forestry
Comm. Headquarters (Cm. 20)

Arkansas Forestry
Comm. Headquarters (Cm. 20)

Arkansas Forestry
Comm. Headquarters (Cm. 20)

Arkansas Forestry
Comm. Headquarters (Cm. 20)

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

Borrower/Client	CLIENT: City of Jonesboro						
Address	Race Street						
City	Jonesboro	County	Craighead	State	AR	Zip code	72401
Lender	City of Jonesboro						

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

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

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

DRINKING WATER

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

Comments _____

SANITARY WASTE DISPOSAL

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

Comments _____

SOIL CONTAMINANTS

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

Comments _____

ASBESTOS

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

Comments _____

PCBs (POLYCHLORINATED BIPHENYLS)

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

Comments _____

RADON

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

Comments _____

USTs (UNDERGROUND STORAGE TANKS)

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

Comments _____

NEARBY HAZARDOUS WASTE SITES

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

Comments _____

UREA FORMALDEHYDE (UFFI) INSULATION

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

Comments _____

LEAD PAINT

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

Comments _____

AIR POLLUTION

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

Comments _____

WETLANDS/FLOOD PLAINS

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

Comments Part of subject property is located in a flood plain.

MISCELLANEOUS ENVIRONMENTAL HAZARDS

- There are no other apparent miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:
 - Excess Noise _____
 - Radiation + Electromagnetic Radiation _____
 - Light Pollution _____
 - Waste Heat _____
 - Acid Mine Drainage _____
 - Agricultural Pollution _____
 - Geological Hazards _____
 - Nearby Hazardous Property _____
 - Infectious Medical Wastes _____
 - Pesticides _____
 - Others (Chemical Storage + Storage Drums, Pipelines, etc.) _____
- The value estimated in this appraisal is based on the assumption that there are no Miscellaneous environmental Hazards (except those reported above) that would negatively affect the value of the property.

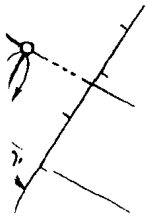
When any of the environmental assumptions made in this addendum are not correct, the estimated value in this appraisal may not be valid.

LEGAL DESCRIPTION: (overall)

A part of the North Half of the Southwest Quarter of Section 27, Township 14 North, Range 4 East, Craighead County, Arkansas to wit: From the Quarter Corner between Sections 27 & 28, Township 14 North, Range 4 East, run South 89°46'00" East 938.08 ft.; then run South 00°14'00" West 23.50 ft. to the Point of Beginning; then run South 89°46'00" East 581.66 ft. to the Centerline of Turtle Creek; then run South 42°29'00" East along Turtle Creek Centerline 151.85 ft.; then run South 62°10'00" East along the Centerline of Turtle Creek 449.79 ft. to the Westerly Right of Way line of Union Pacific Railroad Property; then run South 33°12'00" West along said Westerly Railroad Right of Way line 1142.43 ft.; then run North 89°46'00" West 468.95 ft.; then run North 00°33'43" East 1279.44 ft. to the Point of Beginning, containing 22.95 acres and being subject to Right of Way for Race Street along the North side of tract and drainage Easements for Turtle Creek and Whiteman's Creek.

LEGAL DESCRIPTION: (Tract 1)

A part of the North Half of the Southwest Quarter of Section 27, Township 14 North, Range 4 East, Craighead County, Arkansas to wit: From the Quarter Corner between Sections 27 & 28, Township 14 North, Range 4 East, run South 89°46'00" East 938.08 ft.; then run South 00°14'00" West 23.50 ft. to the Point of Beginning; then run South 89°46'00" East 581.66 ft. to the Centerline of Turtle Creek; then run South 42°29'00" East along the Turtle Creek Centerline 151.85 ft.; then run South 62°10'00" East along the Centerline of Turtle Creek 449.79 ft. to the Westerly Right of Way line of Union Pacific Railroad Property; then run South 33°12'00" West along said Westerly Railroad Right of Way line 815.10 ft.; then run North 71°00'00" West 157.68 ft.; then run North 84°22'38" West 497.25 ft.; then run North 00°33'43" East 906.34 ft. to the Point of Beginning, containing 18.51 acres and being subject to Right of Way for Race Street along the North side of tract and a Drainage Easement for Turtle Creek.



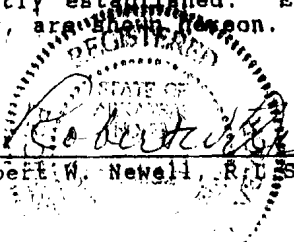
LEGAL DESCRIPTION: (Tract 2)

A part of the North Half of the Southwest Quarter of Section 27, Township 14 North, Range 4 East, Craighead County, Arkansas to wit: From the Quarter Corner between Sections 27 & 28, Township 14 North, Range 4 East, run South 89°46'00" East 938.08 ft.; then run South 00°14'00" West 23.50 ft.; then run South 00°33'43" West 906.34 ft. to the Point of Beginning; then run South 84°22'38" East 497.25 ft.; then run South 71°00'00" East 157.68 ft. to the Westerly Right of Way line of Union Pacific Railroad Property; then run South 33°12'00" West along said Westerly Railroad Right of Way line 327.34 ft.; then run North 89°46'00" West 468.95 ft.; then run North 00°33'43" East 372.12 ft. to the Point of Beginning, containing 4.44 acres and being subject to Drainage Easement for Whiteman's Creek along the North side of tract.

CERTIFICATE OF SURVEY:

To all parties interested in Title to these premises: I hereby certify that we have this day made a survey of the above described property as shown on the Plat of Survey hereon. The property lines and corner monuments, to the best of my knowledge and ability, are correctly established. Encroachments, if any, as disclosed by Survey, are shown hereon.

By Robert W. Newell 8/11/95
Robert W. Newell, R.L.S. #23 Date

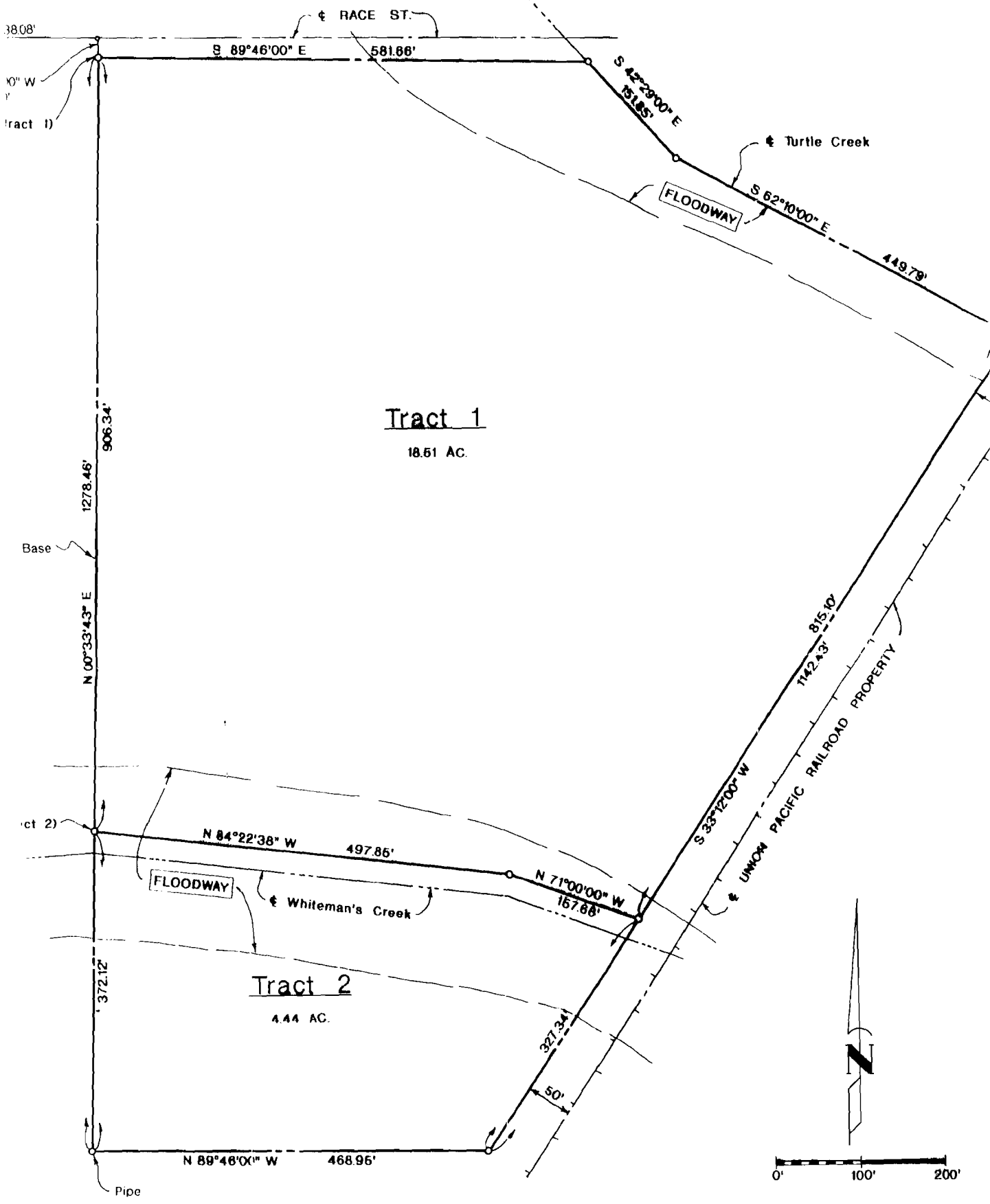


This Tract DOES Lie In 100 Yr. Flood Plain Per F.I.R.M. To Craighead County, Arkansas & Incorporated Areas Panel 132/200 Map Number 05031C0132 dated 9/27/91.

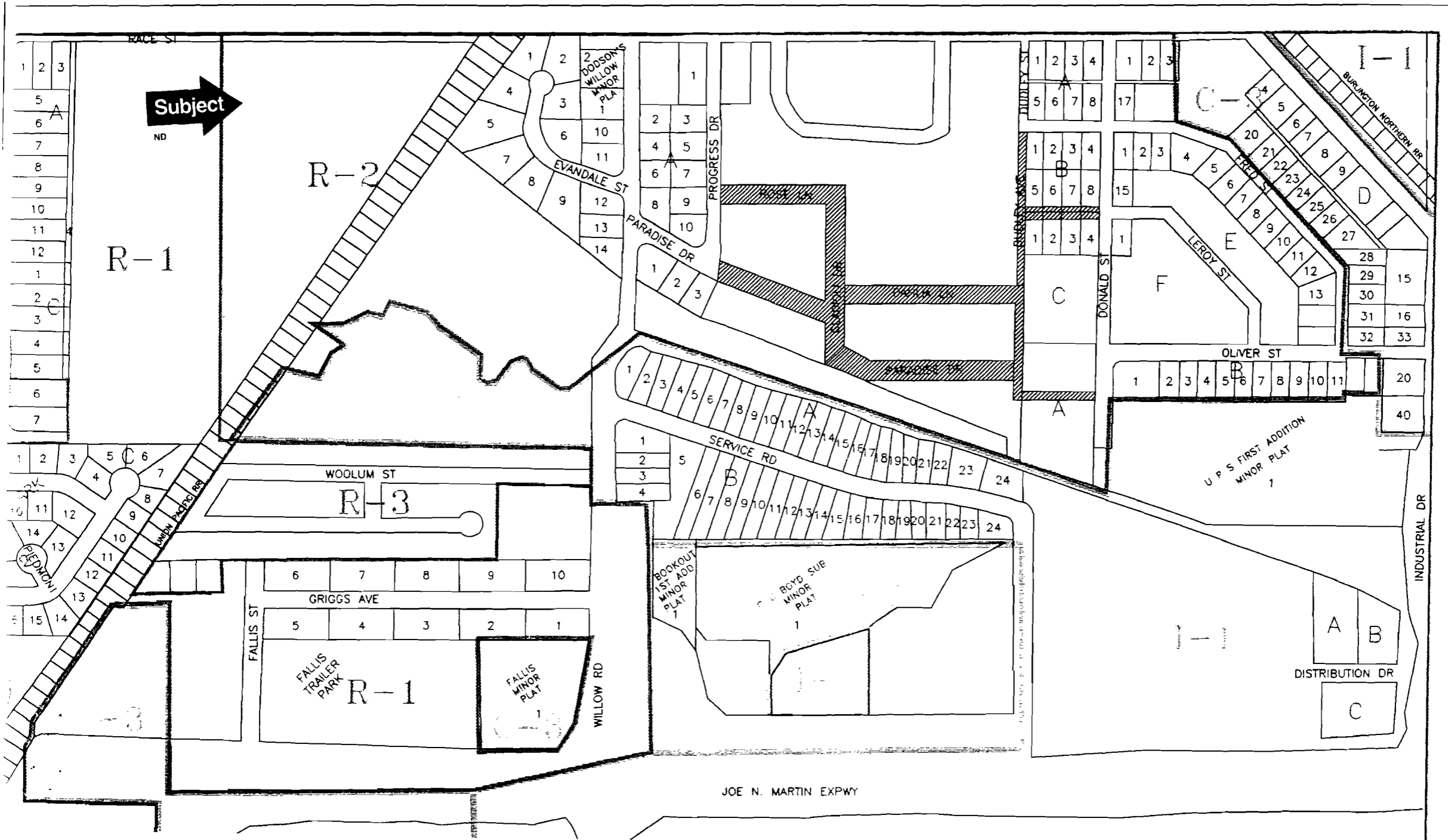
	JONESBORO MILLER NEWELL		ENGINEERS - SURVEYORS		Plm. Trng Center - 231 E. Holloman Ave. Jonesboro, Arkansas 72401 Telephone (501) 932-0880 FAX (501) 972-9860
	BOUNDARY SURVEY FOR				
	MABE SPURLOCK DIXIE LAND SALES JONESBORO, ARKANSAS				
	Date	Scale	Job No.	Sheet No.	
8-11-95	1"=100'	95268			
Section	Township	Range	County		
27	14 North	4 East	Craighead		

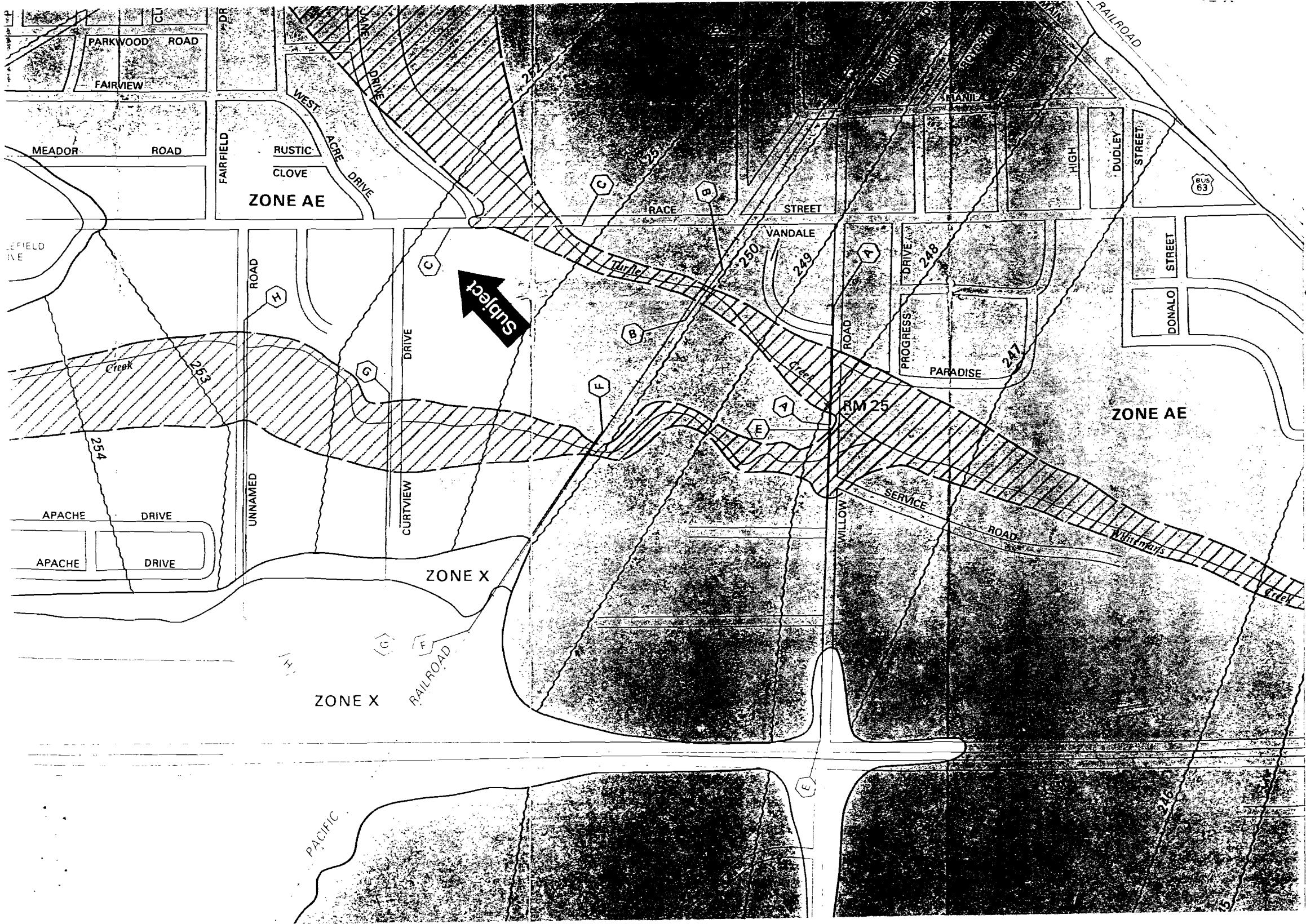
12/14/95

PLAN, R4E



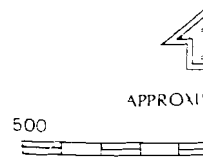
REVISED TRACT 2





Refer to the Flood Insurance Rate Map to determine when special rates apply or depths have been established.

To determine if flood insurance is available, contact your insurance agent or call the National Flood Insurance Administration.



NATIONAL

FIRM

FLOOD INSURANCE

CRAIG

ARKANSAS

INCORPORATED

PANEL 132
(SEE MAP INDICATOR)

CONTAINS:

COMMUNITY

JONESBORO CITY

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

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

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

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

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

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

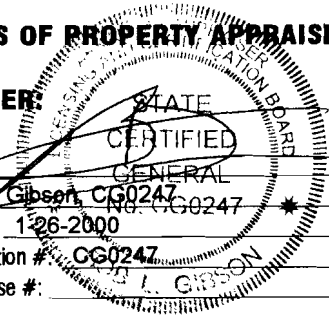
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those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

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

ADDRESS OF PROPERTY APPRAISED: Race Street, Jonesboro, AR 72401

APPRAISER:

Signature: _____
 Name: Bob Gibson, CG0247
 Date Signed: 1-26-2000
 State Certification # CG0247
 or State License #: _____
 State: AR
 Expiration Date of Certification or License: 6/2000



SUPERVISORY APPRAISER (only if required):

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

Did Did Not Inspect Property

Borrower CLIENT: City of Jonesboro	File No.
Property Address Race Street	
City Jonesboro	County Craighead State AR Zip Code 72401
Lender City of Jonesboro	

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal conforms to one of the following definitions:

- Complete Appraisal
The act or process of estimating value, or an estimate of value, performed without invoking the Departure Provision.
- Limited Appraisal
The act or process of estimating value, or an estimation of value, performed under and resulting from invoking the Departure Provision.

This Report is one of the following types:

- Self Contained Report
A written report prepared under Standards Rule 2-2(A) of a complete or limited appraisal performed under Standard 1.
- Summary Report
A written report prepared under Standards Rule 2-2(B) of a complete or limited appraisal performed under Standard 1.
- Restricted Report
A written report prepared under Standards Rule 2-2(C) of a complete or limited appraisal performed under Standard 1.

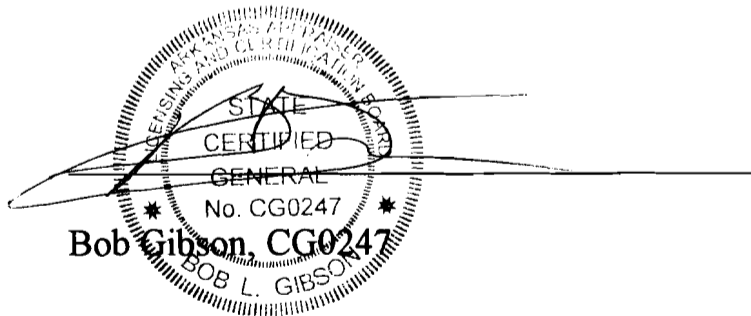
Comments on Appraisal and Report Identification

Note any departures from Standards Rules 1-2, 1-3, 1-4, plus any USPAP-related issues requiring disclosure:

Additional Certifications to Comply with new requirements of Appraisal Standards Board changes to Standards Rule 2-3.

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reported predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report.



QUALIFICATIONS OF

BOB L. GIBSON

POSITION:

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

PROFESSIONAL EXPERIENCE:

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

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

EDUCATION:

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

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

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

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

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

NAIF Income Property Appraising, 1990.

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

*The Appraisal Institute - Real Estate
Appraisal Methods, 1991.*

*Uniform Standards of Professional
Appraisal Practice, 1991.*

*Techniques of Income Property
Appraising, 1991.*

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

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

American Disabilities Act Seminar,

I.F.A., Jonesboro, Arkansas 1993.

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

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

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

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

**PROFESSIONAL
MEMBERSHIP:**

Charter Member of National Society of Environmental Consultants.

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

**CERTIFICATION
AND
DESIGNATION:**

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

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

**PARTIAL LIST
OF CLIENTS:**

Belz-Burrow, Norwest Mortgage, Union Planters Bank of NEA, Regions Bank, Simmons Bank, Heringer Lone Star, Griffin Petroleum Co., Caldwell Construction Co., First Financial Mortgage, Fowler Foods, MidSouth Bank, Matthews Oil Co., Heritage Bank, Nations Bank, Nationsbanc Mortgage, Pocahontas Federal Savings & Loan, and American State Bank.