

APPRAISAL OF REAL PROPERTY



LOCATED AT

105 Drake St
Jonesboro, AR 72401
Lot 15 Block 9 Matthews Addition 60'X140' City of Jonesboro AR

FOR

City of Jonesboro
300 S. Church St. Suite 305
Jonesboro, AR 72401

AS OF

12/22/2021

BY

Preston King
Preston King Appraisal Company
1207 Cardinal Rd
Jonesboro, AR 72401-5212
870-847-2375
ucprestonking@gmail.com



APPRAISER DISCLOSURE STATEMENT

File No. 2021-092

Name of Appraiser: Preston King

Class of Certification/Licensure: Certified General
 Certified Residential
 Licensed Residential
 Temporary General Licensed

Certification/Licensure Number: CR 3948

Certification/Licensure State: AR Expires: 06/30/2022

Scope: This Report is within the scope of my Certification or License
 is not within the scope of my Certification or License

Service Provided By: Disinterested & Unbiased Third Party
 Interested & Biased Third Party
 Interested Third Party on Contingent Fee Basis

Signature of person preparing and reporting the Appraisal:



This form must be included in connection with all appraisal assignments or specialized services performed by a state-certified or state-licensed real estate appraiser.

Client	City of Jonesboro	File No.	2021-092
Property Address	105 Drake St		
City	Jonesboro	County	Craighead
		State	AR
		Zip Code	72401
Owner	Jimmy & Linda Hilderbran		

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use only by the specified client and any other named intended user(s).)

Comments on 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.
- Unless otherwise indicated, 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.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting 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 that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

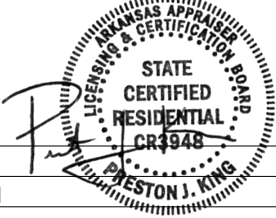
Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any State mandated requirements:

The appraiser has not appraised or conducted any appraisal business for the subject property within the last three years.

This appraisal is being made restricted to the use of the City of Jonesboro and for their use only. No other user has been identified by the appraiser. The intended use is limited to the determination of market value for income tax purposes. See addenda for the complete scope of work.

APPRAISER:

Signature:  _____

Name: Preston King

Certified Residential

State Certification #: CR 3948

or State License #: _____

State: AR Expiration Date of Certification or License: 06/30/2022

Date of Signature and Report: 12/23/2021

Effective Date of Appraisal: 12/22/2021

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): 12/22/2021

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____

Name: _____

State Certification #: _____

or State License #: _____

State: _____ Expiration Date of Certification or License: _____

Date of Signature: _____

Inspection of Subject: None Inter Exterior-Only

Date of Inspection (if applicable): _____

PRIVACY NOTICE

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

Please feel free to call us any time if you have any questions about the confidentiality of the information that you provide to us.



SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	105 Drake St
	Legal Description	Lot 15 Block 9 Matthews Addition 60'X140' City of Jonesboro AR
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0006.02
	Map Reference	27860
PRICE & DATE	Contract Price	\$
	Date of Contract	
PARTIES	Client	City of Jonesboro
	Owner	Jimmy & Linda Hilderbran
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,176
	Price per Square Foot	\$
	Location	Res./Suburban
	Age	~61
	Condition	Poor
	Total Rooms	5
	Bedrooms	3
	Baths	1.0
APPRAISER	Appraiser	Preston King
	Effective Date of Appraisal	12/22/2021
VALUE	Opinion of Value	\$ 28,000

RESIDENTIAL APPRAISAL REPORT

File No.: 2021-092

SUBJECT	Property Address: 105 Drake St	City: Jonesboro	State: AR	Zip Code: 72401
	County: Craighead	Legal Description: Lot 15 Block 9 Matthews Addition 60'X140' City of Jonesboro AR		
	Assessor's Parcel #: 01-144181-52600			
	Tax Year: 2021	R.E. Taxes: \$ 214	Special Assessments: \$ 0	Borrower (if applicable): N/A
Current Owner of Record: Jimmy & Linda Hilderbran	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: \$ 0		<input type="checkbox"/> per year <input type="checkbox"/> per month	
Market Area Name: Downtown	Map Reference: 27860	Census Tract: 0006.02		

ASSIGNMENT	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input 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: The intended use is to determine market value of the subject property as of the effective date for income tax purposes. No other use is identified by the appraiser.	
Intended User(s) (by name or type): Restricted to the use of the City of Jonesboro.	
Client: City of Jonesboro	Address: 300 S. Church St. Suite 305, Jonesboro, AR 72401
Appraiser: Preston King	Address: 1207 Cardinal Rd, Jonesboro, AR 72401-5212

MARKET AREA DESCRIPTION	Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use	
	Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%					PRICE
	Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Owner 90%	\$(000)	(yrs)	2-4 Unit 15 %	<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *
	Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	<input type="checkbox"/> Tenant	15 Low 0		Multi-Unit 5 %	* To: _____
	Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.	<input checked="" type="checkbox"/> Vacant (0-5%)	500 High 99+		Comm'l 10 %	
		<input type="checkbox"/> Vacant (>5%)	80 Pred 40+		Vacant 5 %	

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): The subject is bound to the north by Johnson Ave., to the south by Matthews Ave., to the east by Marion Berry Parkway and to the west by Main St. The subject is located in an area that is defined by mostly single family occupied residences. The balance is in multi-family units and light commercial use. A very small amount of industrial exists as well as vacant land that is mostly from razed improvements. The subject's immediate market area has been stable, but not dramatically influenced one way or the other. The immediate area north of the railroad tracks and south of Johnson Ave. has not seen the surge of growth that other areas of Jonesboro has. Some homes have been purchased and repurpose and/or razed and held for future development. Access to public utilities is good. Marketability of the immediate market area is average.

Dimensions: 60' X 140'	Site Area: 8,400 sf
Zoning Classification: I-1	Description: Industrial
Zoning Compliance: <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning	
Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown	Have the documents been reviewed? <input type="checkbox"/> Yes <input type="checkbox"/> No
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)	Ground Rent (if applicable) \$ /
See addenda for additional commentary.	

Actual Use as of Effective Date: Single Family Residential Use as appraised in this report: Single Family Residential
 Summary of Highest & Best Use: Based on research and analysis conducted, the subject is currently being used for single family residential use. Even though the assumed condition of the property impacts the marketability and value overall, the home still appears to function and in excess of the site. See addenda for additional comments and extraordinary assumptions.

SITE DESCRIPTION	Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Topography	Flat
	Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City, Water & Light	Street	Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Size	8,400 sf
	Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Centerpoint Energy	Curb/Gutter	Curb	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Shape	Rectangular
	Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City, Water & Light	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears Average
	Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	City, Water & Light	Street Lights	Public	<input checked="" type="checkbox"/>	<input type="checkbox"/>	View	Residential
	Storm Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Alley	Public	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

FEMA Spec'l Flood Hazard Area Yes No FEMA Flood Zone X FEMA Map # 05031C0044C FEMA Map Date 9/27/1991

Site Comments: I have not checked the land records for recorded easements & did not note any apparent adverse easements or encroachments. Any easements, encroachments, restrictions, covenants, etc uncovered through a title search, legal opinion, or property survey should be submitted to the appraiser for consideration. The appraiser reserves the right to analyze all such information and amend the appraised value, if necessary.

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	Crawl Space	Slab	None	Area Sq. Ft.		Type	Wall
	# of Stories	1	Exterior Walls	Siding	Crawl Space	Yes	% Finished		Fuel	Gas
	Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>	Roof Surface	Comp. Shing.	Basement	None	Ceiling			
	Design (Style)	Ranch	Gutters & Dwnspts.	None	Sump Pump	<input type="checkbox"/> None	Walls		Cooling	
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.		Window Type	Wood	Dampness	<input type="checkbox"/> None	Floor		Central	Electric
	Actual Age (Yrs.)	~61	Storm/Screens	None	Settlement	See Addenda	Outside Entry		Other	Window
	Effective Age (Yrs.)	50			Infestation	See Addenda				
	Interior Description		Appliances		Attic <input type="checkbox"/> None		Amenities		Car Storage <input type="checkbox"/> None	
	Floors	Unknown	Refrigerator	<input type="checkbox"/>	Stairs	<input type="checkbox"/>	Fireplace(s) #	0	Woodstove(s) #	0
Walls	Unknown	Range/Oven	<input type="checkbox"/>	Drop Stair	<input type="checkbox"/>	Patio	None			
Trim/Finish	Unknown	Disposal	<input type="checkbox"/>	Scuttle	<input checked="" type="checkbox"/>	Deck	None			
Bath Floor	Unknown	Dishwasher	<input type="checkbox"/>	Doorway	<input type="checkbox"/>	Porch	Covered			
Bath Wainscot	Unknown	Fan/Hood	<input type="checkbox"/>	Floor	<input type="checkbox"/>	Fence	None			
Doors	Unknown	Microwave	<input type="checkbox"/>	Heated	<input type="checkbox"/>	Pool	None			
		Washer/Dryer	<input type="checkbox"/>	Finished	<input type="checkbox"/>					

Finished area above grade contains: 5 Rooms 3 Bedrooms 1.0 Bath(s) 1,176 Square Feet of Gross Living Area Above Grade

Additional features: No additional features were noted upon inspection and research conducted.

Describe the condition of the property (including physical, functional and external obsolescence): An exterior only inspection was conducted based on the limitations of access to the interior of the property. Upon an exterior only inspection, it was noted that the subject was in poor condition. Substantial physical depreciation was noted which appeared to be from the wear and tear of natural aging and lack of updating. Based on discussions with client, the interior of the subject is in very poor condition with missing flooring and subfloor as well as other cosmetic and structural issues. Per client, the home is being donated. It is very possible that the home will be razed based on condition and future development plans, but cannot be confirmed. Based on the lack of inspection of certain areas of the home, the appraisal is being made based on the extraordinary assumption that the home is in similar condition as assumed and described in the report. Deviation could cause appraisal results to be impacted.

RESIDENTIAL APPRAISAL REPORT

File No.: 2021-092

TRANSFER HISTORY	My research <input type="checkbox"/> did <input checked="" type="checkbox"/> 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): County Records	
	1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: The subject has not transferred within the last three years of the effective date. It could not be determined that the subject has been offered and/or is currently under contract as of the effective date. Sale 1 transferred on 01/06/2021 via a Marsh.Deed for a price of \$20,000 on 01/06/2021 (b/p 2021R/000410). Sale 2 transferred on 02/17/2021 via a Warranty Deed for a price of \$12,500 (b/p 2021R/003754). Sale 3 transferred on 03/04/2021 via a Quit Claim Deed for a price of \$0 (b/p 2021R/006243), on 03/03/2021 via a Misc. Deed for \$0 (b/p 2021R/006242) and on 01/20/2021 via a Quit Claim Deed for \$0 (b/p 2021R/006244).
	Date:	
	Price:	
	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 Drake St Jonesboro, AR 72401	1119 Burke Ave Jonesboro, AR 72401			1302 W Huntington Ave Jonesboro, AR 72401			312 S Culberhouse St Jonesboro, AR 72401		
Proximity to Subject		1.18 miles W			1.32 miles W			0.84 miles W		
Sale Price	\$	\$ 20,000			\$ 22,000			\$ 33,000		
Sale Price/GLA	\$ /sq.ft.	\$ 17.42 /sq.ft.			\$ 17.13 /sq.ft.			\$ 26.96 /sq.ft.		
Data Source(s)	Ext. Inspection	NEAMLS #10091312, DOM=64			NEAMLS #10091334, DOM=42			NEAMLS #10088619, DOM=198		
Verification Source(s)	County Records	County Data			County Data			County Data		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	
Sales or Financing Concessions		Cash	0	In House Bank	0	In House Bank	0	In House Bank	0	
		None Known	0	None Known	0	None Known	0	None Known	0	
Date of Sale/Time		04/29/2021	0	04/12/2021	0	03/17/2021	0		0	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple		
Location	Res./Suburban	Res./Suburban		Res./Suburban		Res./Suburban		Res./Suburban		
Site	8,400 sf	11,700 sf	0	3,750 sf	0	7,200 sf	0		0	
View	Residential	Residential		Residential		Residential		Residential		
Design (Style)	Ranch	Ranch		Ranch		Ranch		Ranch		
Quality of Construction	Low	Low		Low		Low		Low		
Age	~61	~56	0	~61	0	~56	0		0	
Condition	Poor	Poor		Poor		Poor		Poor		
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		
Room Count	5 3 1.0	5 2 1.0	0	5 3 1.0	0	5 3 1.0	0		0	
Gross Living Area	1,176 sq.ft.	1,148 sq.ft.	0	1,284 sq.ft.	0	1,224 sq.ft.	0		0	
Basement & Finished Rooms Below Grade	0 0	0 0		0 0		0 0		0 0		
Functional Utility	Low	Low		Low		Low		Low		
Heating/Cooling	Window/Wall	Window/Wall		None	0	Window/Wall	0	Window/Wall		
Energy Efficient Items	None Noted	None Noted		None Noted		None Noted		None Noted		
Garage/Carport	None	None		None		None		None		
Porch/Patio/Deck	Porch	None	0	Porch		Porch		Porch		
Net Adjustment (Total)		<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables			\$ 20,000		\$ 22,000		\$ 33,000			

Summary of Sales Comparison Approach Due to the assumed condition of the subject, the comparable sales were deemed limited. Per exterior observation as well as information provided from the client of the assignment, the interior of the subject is in poor condition with substantial physical and functional obsolescence noted. In turn, the market was researched to find properties in the subject's immediate market area that share similar aspects regarding the conditional aspects. Three sales were selected. All three sales are determined to be in poor condition similar to the subject as well as sharing similar amenities. All three sales are determined to be in competing neighborhoods as well as areas of Jonesboro that are considered to have similar site values and zoning. Sale 1 was determined to be a REO sale. Sales 2 & 3 are determined to be open market. All three sales appeared to be properly marketed on the local MLS system and with real estate agents. No adjustments were determined to be warranted based on most, if not all, features being relatively similar overall. Due to sales 2 & 3 being open market sales, these were considered to be the best available. Both sales were determined to have similar bedroom/bathroom counts as well as having site contributions similar overall. A range of values was determined to be the best way of valuing the subject. The overall range of values is determined to be \$20,000 to \$33,000. Based on sales 2 & 3 given the most weight, the appraiser's opinion of value trends slightly higher than the mid range. After analysis and careful consideration, my opinion of value for the subject is \$28,000. See addenda for additional comments.

Note: The extraordinary assumptions taken into consideration regarding the conditional aspects of the interior of the property are imperative in the valuation of the subject. Due to the condition of the subject influencing the highest and best use, deviation from the assumed condition of the property could cause appraisal results to be impacted. If in the event that the assumed are found to be different, the appraiser reserves the right to analyze such differences and changes to the appraisal could occur.

Indicated Value by Sales Comparison Approach \$ 28,000



Assumptions, Limiting Conditions & Scope of Work

File No.: 2021-092

Property Address: 105 Drake St

City: Jonesboro

State: AR

Zip Code: 72401

Client: City of Jonesboro

Address: 300 S. Church St. Suite 305, Jonesboro, AR 72401

Appraiser: Preston King

Address: 1207 Cardinal Rd, Jonesboro, AR 72401-5212

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- 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.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed. NOTE: Based on exterior only appraisal conducted, a sketch was not conducted. The size of the improvements was derived from county data information and is deemed to be reliable.
- If so indicated, 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.
- 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.
- If the cost approach is included in this appraisal, 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. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, 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, but not limited to, 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.
- 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.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):
See addenda for scope of work and extraordinary assumptions taken into consideration.

Certifications

File No.: 2021-092

Property Address: 105 Drake St City: Jonesboro State: AR Zip Code: 72401
 Client: City of Jonesboro Address: 300 S. Church St. Suite 305, Jonesboro, AR 72401
 Appraiser: Preston King Address: 1207 Cardinal Rd, Jonesboro, AR 72401-5212

APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of 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.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 reporting 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 that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of 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.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report. As described in the report, the appraisal assignment was limited to an exterior observation only. In turn, an extraordinary assumption was taken into consideration based on those limitations discussed.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.

Additional Certifications:

DEFINITION OF FAIR MARKET VALUE *:

*The definition of Fair Market Value is defined as: "The fair market value is the price at which the property would change hands between a willing buyer and willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decedant's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate." Regulation Section 20.2031.1.

Client Contact: Ryan Robeson Client Name: City of Jonesboro
 E-Mail: Rrobeson@jonesboro.org Address: 300 S. Church St. Suite 305, Jonesboro, AR 72401

APPRAISER

Appraiser Name: Preston King
 Company: Preston King Appraisal Company
 Phone: 870-847-2375 Fax: N/A
 E-Mail: ucprestonking@gmail.com
 Date Report Signed: 12/23/2021
 License or Certification #: CR 3948 State: AR
 Designation: Certified Residential
 Expiration Date of License or Certification: 06/30/2022
 Inspection of Subject: Interior & Exterior Exterior Only None
 Date of Inspection: 12/22/2021

SUPERVISORY APPRAISER (if required)
 or CO-APPRAISER (if applicable)

Supervisory or
 Co-Appraiser Name: _____
 Company: _____
 Phone: _____ Fax: _____
 E-Mail: _____
 Date Report Signed: _____
 License or Certification #: _____ State: _____
 Designation: _____
 Expiration Date of License or Certification: _____
 Inspection of Subject: Interior & Exterior Exterior Only None
 Date of Inspection: _____



SIGNATURES



Supplemental Addendum

File No. 2021-092

Client	City of Jonesboro				
Property Address	105 Drake St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Jimmy & Linda Hilderbran				

Scope of Work:

This report has been prepared for the referenced client. The report has been performed to assist the client with the lending decision only and not for the borrower's use to determine value. If this report is placed in the hands of anyone other than the client, the 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 of the subject site from the public street. Pictures of the of the site were taken and can be found in this report. It did not appear as if any construction had taken place during the time of inspection. The livable area was derived from certified plans provided by the borrower. The cost approach was not deemed applicable based on the subject not being proposed new and/or nearing the end of it's useful life. The MLS, local public records, as well as local comp services were researched for comparable sales in the neighborhood/subdivision. Those used were deemed the best available. The comparable sales were compared to the subject and adjustments in value were made as deemed appropriate. The income approach was not used in this report, as it was not applicable due to the subject property being located in an area of primarily owner occupied homes. The approaches to value used in this report were reconciled and an opinion of value was rendered based on the data available. This report is an appraisal and not an environmental, structural, termite, or building inspection. If the user or client desires such type of reports, they should be ordered from a licensed home inspector or an environmental expert. This appraisal report does not guarantee that the property is free of defects. The appraiser is not a home inspector, termite inspector, or environmental inspector.

Definition of Fair Market Value:

The definition of Fair Market Value is defined as: "The fair market value is the price at which the property would change hands between a willing buyer and willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decendant's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate." Regulation Section 20.2031.1.

Digital Signature:

This appraisal report contains digital signatures that meet the requirements of Statement on Appraisal Standards No.8 (SMT-8). The software programs used to transfer the report electronically provide digital signature security features for the appraiser signing the report. The appraiser that has signed (affixed an electronic signature) to this report has ensured that the electronic signature(s) is protected and the appraiser has maintained control of the signature. Per SMT-8 of the Uniform Standards of Professional Appraisal Practice, electronically affixing a signature to a report carries the same level of authenticity and responsibility as an original ink signature on a paper copy report.

Sales Concessions:

No sales concessions were conducted due to them being a traditional occurrence in this market. Not only are they a normal occurrence, but the lack of disclosures of sales concessions is poor. It is not a requirement in the state of Arkansas to disclose sales concessions and disclosing these sales concessions could result in violations of Arkansas law.

Comps Over One Mile:

Comparable sales over one mile away were used because they are the best available in this area. Expanding the search to a radius greater than one mile developed sales that are still within the same market. These sales are the best comparables to the subject property and are therefore used in this report.

Comps Over Six Months:

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

Highest and Best Use:

The subject site's physical characteristics, such as size, dimensions, topography, and soil composite, is suitable for a single family residential improvement. The zoning allows single family residences. There are no deed restrictions, to appraiser's knowledge, that limits the improvement of the site with a single family residence. The economic trend of the area is clearly single family residences. The effective age of most homes in this area is lower than the actual age, which supports demand for existing housing. Subject is currently improved with a single family detached residence. The present improvements are found to be substantially depreciated and near depletion. Even though the subject is assumed to have substantial physical & functional obsolescence, the improvements are still occupied and assumed to continue, at least at the current time, to function as a single family home. The improvements are found to provide additional value in excess of the site. Therefore, the existing use (single family residential) represents the highest and best use of the site at this current time.

*The appraiser has not conducted appraisal business on the subject property within the last three years.

*Based on an extraordinary assumption that the subject has marketable title and that all equipment is in working order. Deviation could affect subject's market value.

Note: The information provided regarding the FEMA flood hazard area is the information that is available from the appraisal software and derived from Corelogic. The information was derived during the appraisal process as of the day of research. It is possible that an updated FEMA flood map will be available soon. If the information in the new flood map shows to be different than the information provided in the appraisal, the appraisal results are subject to review by the appraiser and the appraisal results could be impacted.

Appraiser Information

Preston King Appraisal Company

Preston King, CR 3948

Tax ID: 82-2207087

Photograph Addendum

Client	City of Jonesboro				
Property Address	105 Drake St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Owner	Jimmy & Linda Hilderbran				



Front View



Rear View



Street



Street



Site



Nearby Railroad

Comparable Photo Page

Client	City of Jonesboro				
Property Address	105 Drake St				
City	Jonesboro	County	Craighead	State	AR
Zip Code	72401				
Owner	Jimmy & Linda Hilderbran				



Comparable 1

1119 Burke Ave
 Prox. to Subject 1.18 miles W
 Sale Price 20,000
 Gross Living Area 1,148
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location Res./Suburban
 View Residential
 Site 11,700 sf
 Quality Low
 Age ~56



Comparable 2

1302 W Huntington Ave
 Prox. to Subject 1.32 miles W
 Sale Price 22,000
 Gross Living Area 1,284
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Res./Suburban
 View Residential
 Site 3,750 sf
 Quality Low
 Age ~61



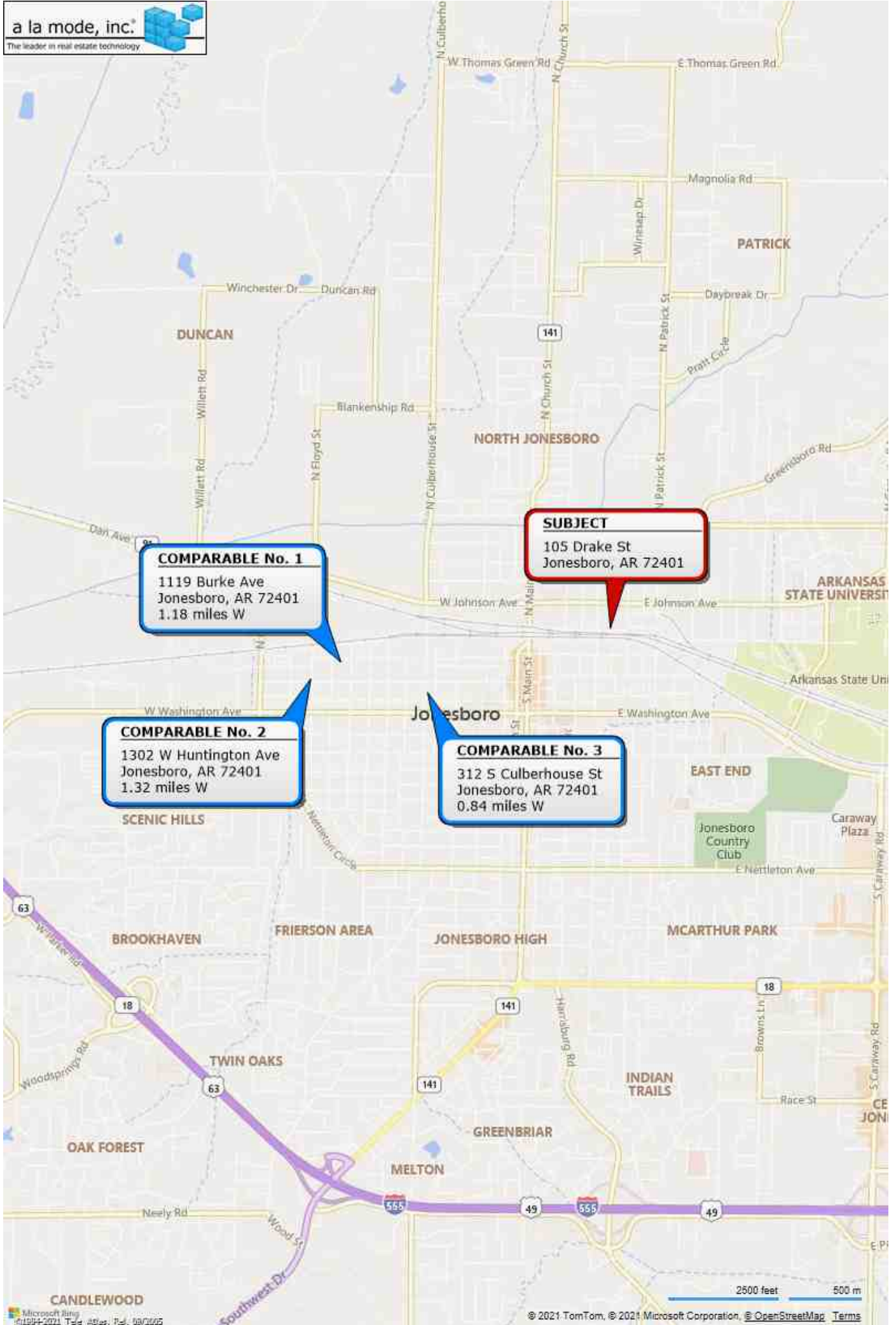
Comparable 3

312 S Culberhouse St
 Prox. to Subject 0.84 miles W
 Sale Price 33,000
 Gross Living Area 1,224
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1.0
 Location Res./Suburban
 View Residential
 Site 7,200 sf
 Quality Low
 Age ~56



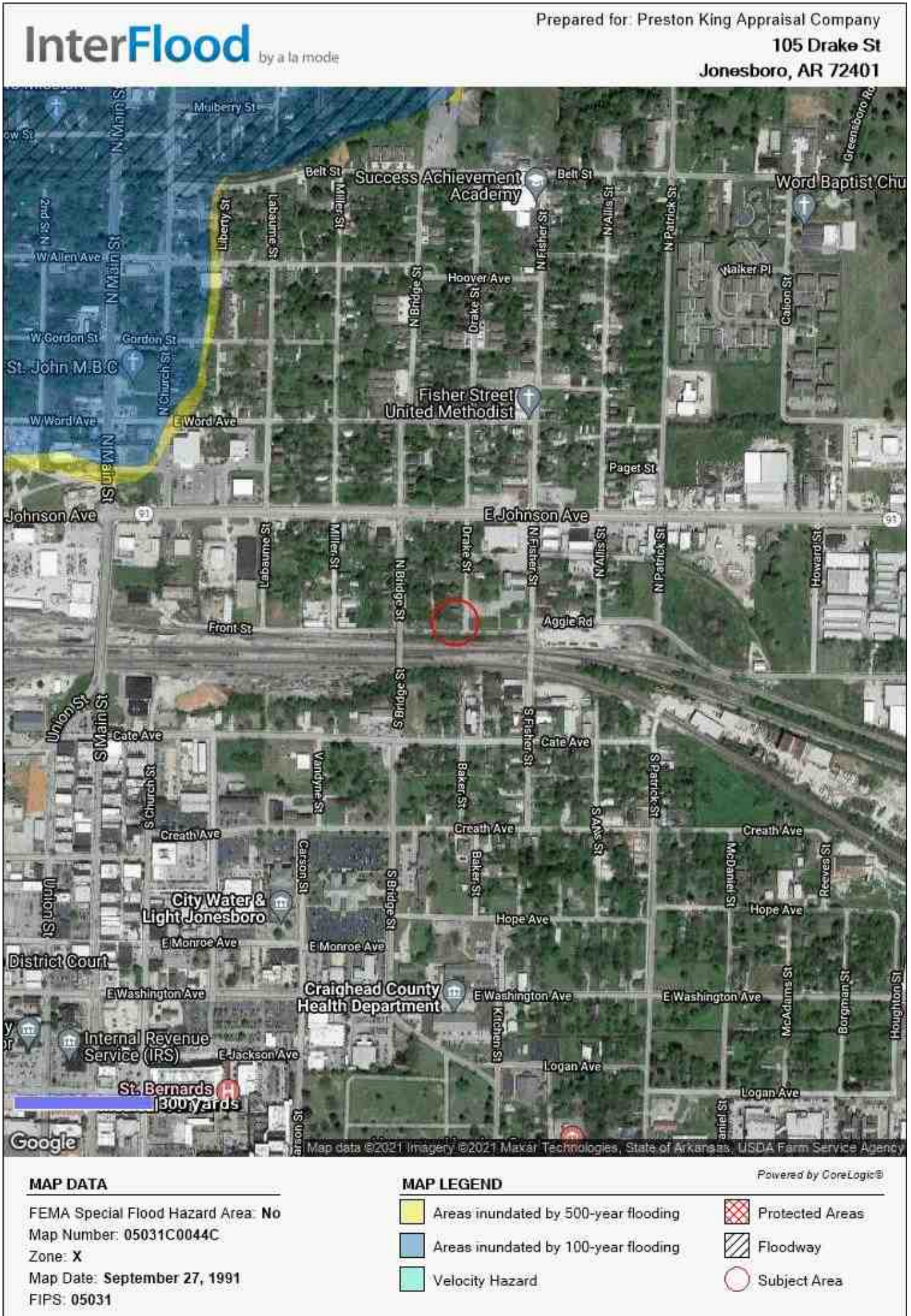
Comparable Sales Map

Client	City of Jonesboro						
Property Address	105 Drake St						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Owner	Jimmy & Linda Hilderbran						



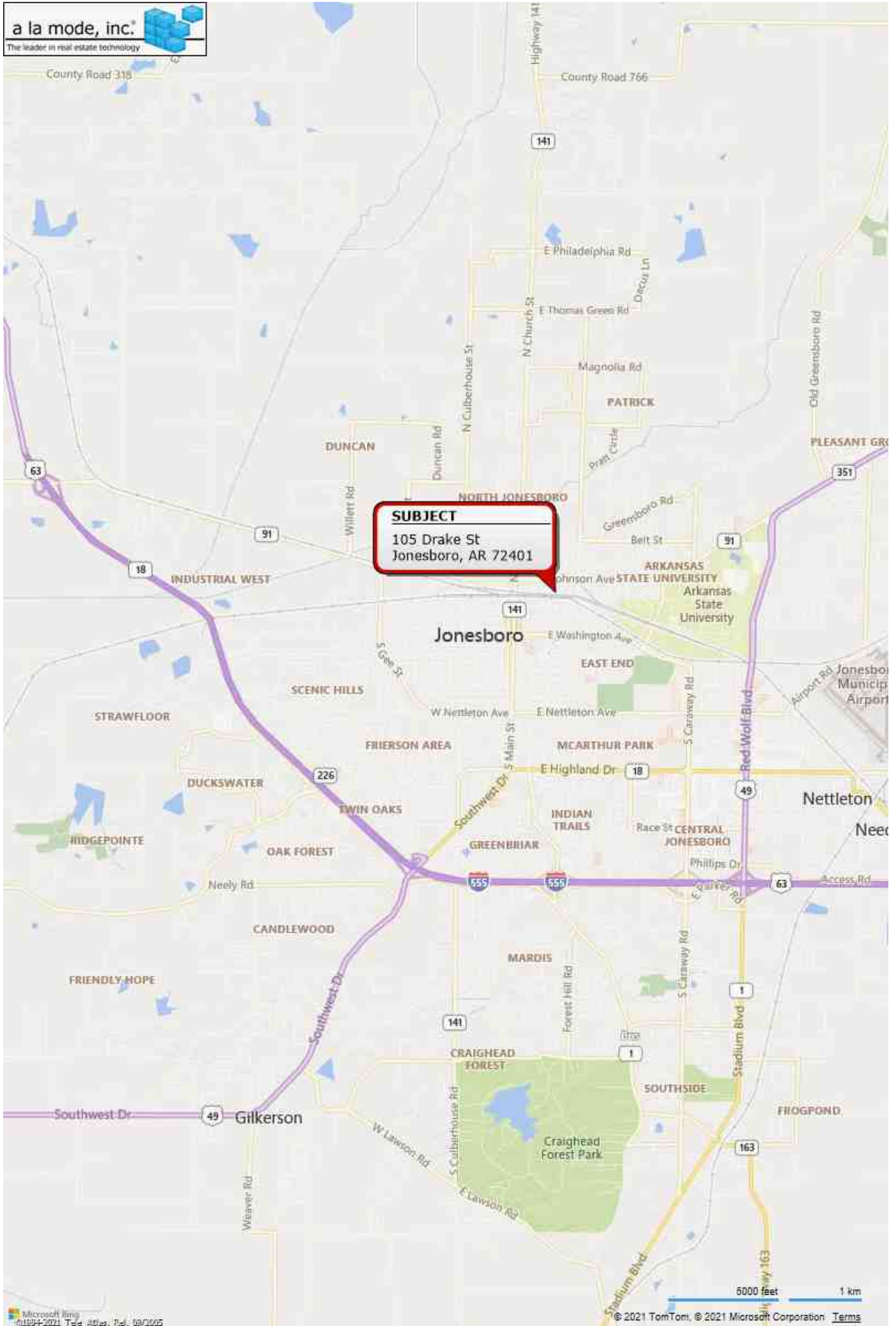
Flood Map

Client	City of Jonesboro			
Property Address	105 Drake St			
City	Jonesboro	County Craighead	State AR	Zip Code 72401
Owner	Jimmy & Linda Hilderbran			



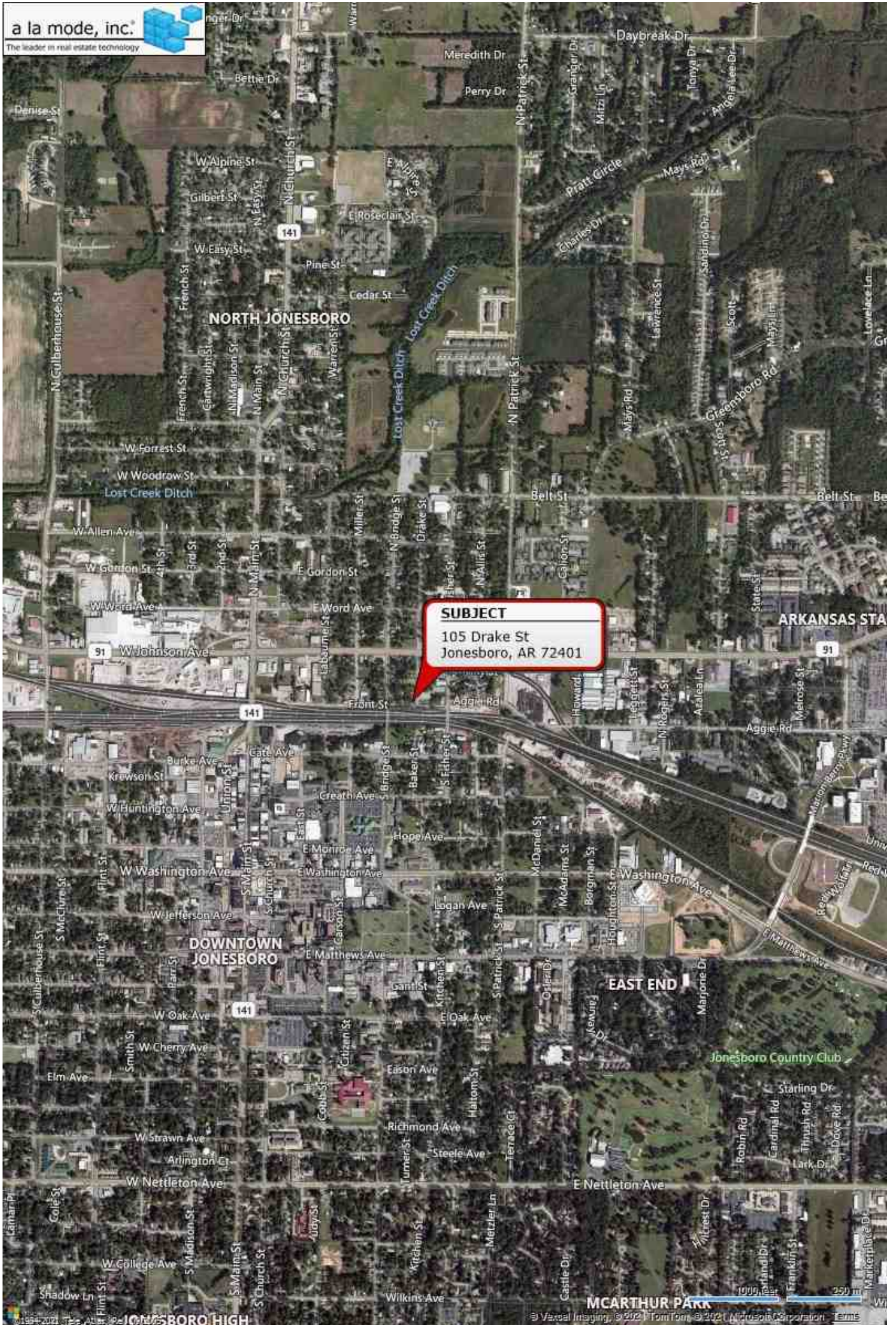
Location Map

Client	City of Jonesboro						
Property Address	105 Drake St						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Owner	Jimmy & Linda Hilderbran						



Aerial Map

Client	City of Jonesboro		
Property Address	105 Drake St		
City	Jonesboro	County Craighead	State AR Zip Code 72401
Owner	Jimmy & Linda Hilderbran		



Aerial Map (Not a Legal Survey)



Preston King Certification



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**
This is to certify that
Preston King

License #: CR 3948

**has complied with the requirements of
Arkansas Code Section §17-14-201 et seq.; and
is the holder of a valid certificate.
This card is for identification purposes only.**

6/30/2022

A handwritten signature in cursive script, appearing to read "Randy Winter".

Expiration Date

Chairman

Preston King Qualifications

QUALIFICATIONS OF PRESTON J. KING

POSITION:

State Certified Residential Appraiser, CR 3948
Preston King Appraisal Company
1207 Cardinal Rd., Jonesboro, AR 72401
P: (870) 847-2375
ucprestonking@gmail.com

PROFESSIONAL EXPERIENCE:

State Registered Appraiser	December 2013 – October 2017
State Certified Residential Appraiser	October 2017 – Present
Licensed Real Estate Agent	May 2013 – March 2017
Licensed Real Estate Broker	March 2017 – Present

EDUCATION:

B.S. Degree in Business Finance from Arkansas State University in December 2012
B.S. Degree in Accounting from Arkansas State University in May 2014
Real Estate Licensing 60 hours; Kelton Schools, Jonesboro AR, 2013
Basic Appraisal Principles, 30 hours, McKissock Online, 2013
Basic Appraisal Procedures, 30 hours, McKissock Online, 2013
USPAP, 15 hours, Appraisal Institute, Little Rock AR 2013
Post Licensing 18 hours, Northeast Arkansas Real Estate School, Jonesboro AR 2014
Residential Report Writing, RCI Enhancements, Russellville, AR 2014
Income Approach, RCI Enhancements, Russellville, AR 2015
The FHA Appraisal Course, Jacksonville, AR 2015
Sales Comparison Approach, 15 hours, RCI Enhancements, Russellville, AR 2015
Cost Approach & Site Valuation, 15 hours, McKissock Online, 2015
2016-2017 USPAP update, 7 hours, RCI Enhancements, Russellville, AR 2015
Advanced Residential Applications & Case Studies, McKissock Online, 2016
General Sales Comparison "B", 15 hours, RCI Enhancements, Russellville, AR 2017
Appraisal Subject Matter Electives, McKissock Online, 2017
2018-2019 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2018
Rural Valuation Basics, 7 hours, Appraisal Institute, Little Rock, AR 2019
General Appraiser Market Analysis & Highest and Best Use, McKissock Online, 2019
2020-2021 USPAP update, 7 hours, Appraisal Institute, Little Rock, AR, Dec. 2019
Commercial Appraisal Review, 15 hours, McKissock Online, 2019
General Report Writing & Case Studies, 30 hours, McKissock Online, 2021
2022-2023 USPAP update, 7 hours, RCI Enhancements, Jonesboro, AR 2021

CERTIFICATIONS AND DESIGNATIONS:

State Certified Residential Appraiser, CR 3948



Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

Preston J King

On this date was certified as a

STATE CERTIFIED RESIDENTIAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

10/5/2017

Date Issued

CR-3948

Certificate Number

Handwritten signature of Charma M. Miller.

Chairman, AAL & CB