

1012 Freeman

Appraisal Value = \$21,430.00

We came to that figure by taking the two appraisals and dividing by 2.

Example

$\$19,861.23 + \$23,000.00 = \$42,861.23$

$\$42,861.23 \text{ divided by } 2 = \$21,430.00$

SUPPLEMENTAL ADDENDUM

File No. 3102007

Borrower/Client							
Property Address	1012 FREEMAN						
City	JONESBORO	County	CRAIGHEAD	State	AR	Zip Code	72401
Lender	CITY OF JONESBORO						

METHODOLOGY FOR VALUATION

PARCEL #01-143242-25000 - LOT WITH CONCRETE SLAB, PLUMBING AND DRIVEWAY
TAX ASSESSMENT VALUE: \$14,700
LOT 5, BLOCK C, OAKHILL TERRACE, 2ND ADDITION TO THE CITY OF JONESBORO

MR. GARY PURCHASED THIS PROPERTY ON 9/1/2005 FOR \$18,000.

IN DETERMINING A VALUE FOR AN INFILL LOT IN THE ABSENCE OF MARKET SALES, STANDARD PROTOCOL IS TO ESTABLISH FROM MARKET EXTRACTION THE RATIO OF LOT TO TOTAL VALUE IN THE SUBDIVISION. THIS WAS DONE USING 17%. STANDARD IN THIS SUBDIVISION IS 16% - 18%. BASED ON THIS NUMBER, THE AVERAGE LOT SHOULD BE VALUED FROM \$13,120 - \$14,760. THIS LOT IS 78 X 135 ACCORDING TO TAX ASSESSMENT INFORMATION.

IN VALUING THE EXISTING DRIVEWAY, SLAB AND IMPROVEMENTS, MARSHALL & SWIFT RESIDENTIAL COST MANUAL WAS USED, A DEPRECIATION FACTOR WAS APPLIED AND THE RESULTING LOT AND IMPROVEMENT VALUES ADDED.

AT YOUR REQUEST, MR. GARY'S ADDITIONAL INVOICED EXPENSE (\$163.50 FOR BUILDING PERMIT) WAS ADDED TO THIS TOTAL, RESULTING IN THE FINAL VALUE.

MARSHALL & SWIFT COST APPROACH:

1538 SQUARE FEET OF LIVING AREA
760 SQUARE FEET OF DRIVEWAY
144 SQUARE FEET OF PATIO
120 SQUARE FEET OF PORCH
480 SQUARE FEET OF CARPORT

1538 X 2.67 = \$4106.46
760 X \$3.14 = \$2386.40
144 X 3.71 = \$534.24
120 X \$3.71 = \$445.20
480 X 2.98 = \$1430.40
TOTAL = \$8902.70 X .36 DEPRECIATION FACTOR = \$3204.97

TOTAL VALUE
LOT = \$14,000
DEPRECIATED IMPROVEMENTS = \$5697.73
SUBMITTED INVOICE EXPENSES = \$163.50

TOTAL VALUE = \$19,861.23

LAND APPRAISAL REPORT

GARY, David

1012 Freeman

Summary Appraisal Report

Appraiser: David Gary
 Property Address: 1012 Freeman Street
 City: Jonesboro, State: AR, Zip: 72401
 Property Description: Lot 5, Block C of Oakhill Terrace 2nd Addition
 Assessed Value: \$114,950
 Appraiser's Office: 3904 Riviera Drive, Jonesboro, AR 72404
 Appraiser's License: 031-0003, MSX 0700

IDENTIFICATION	Location	Region	County	City	State	Zip
	County	Assessor	Map	Block	Lot	Sublot
NEIGHBORHOOD	Property Type	Use	Structure	Foundation	Roofing	Exterior
	Neighborhood	Subdivision	Block	Lot	Sublot	Other

SEE ATTACHED SUPPLEMENTAL ADDENDUM FOR COMMENTS.

Property: 0.24 Sq. Ft. (10,530 sq. ft.)
 Zoning: R-1 (Single Family Residence)
 Typical of Area: Residential
 Appearance: Adequate
 Flood Hazard: No

There is "no-apparent" adverse easements, encroachments, nor any other adverse condition which would be considered (favorable-or-unfavorable) as of the effective-date of this appraisal report which is the appraiser's last observation.

MARKET DATA ANALYSIS	SUBJECT PROPERTY	COMPARABLE #1	COMPARABLE #2	COMPARABLE #3
Address	1012 Freeman Street, Jonesboro, AR 72401	1205 Woodsprings Road, Jonesboro, AR 72401	1210 W. Oak Street, Jonesboro, AR 72401	708 Culbertson Cove, Jonesboro, AR 72401
Distance	1.00 Mile-Southeast	0.50 Miles-Northeast	1.25 Miles-Southeast	
Value	\$25,000	\$20,000	\$25,000	\$13,300
Co. Rec. Deed	#699-741	#719-706	#693-798	
Date of Sale	06/14/2005	03/24/2006	03/24/2005	
Area	10,530.00 sq. ft.	12,950.00 sq. ft.	18,730.80 sq. ft.	
Use	Residential	Residential	Residential	
Other	None Known	None Known	None Known	
Net	24.0% \$19,000	15.0% \$3,000	4.0% \$1,000	

Based on Market Data - County Assessment records revealed a very limited number of (current)-and-(older) sales in the immediate and/or value competing areas of the subject. The sales indicated an average of (0.10-Acre)-to-(1.00-Acre) lots. Sales also indicate an average of (\$10,000)-to-(\$30,000) dollars-per-lot depending on size, zoning and/or location.

SEE ATTACHED SUPPLEMENTAL ADDENDUM FOR COMMENTS.

ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF
 May 23rd, 2007 - \$23,000

U.S. AR 2007
 David Gary, Appraiser