

Original Parcel H

APPRAISAL OF REAL PROPERTY

LOCATED AT:

Fox Meadow Lane
Pt NE NW Section 4 Township 13 North, Range 4 East
Jonesboro, AR 72404

FOR:

MATA
314 W Washington
Jonesboro, AR 72401

AS OF:

December 11, 2003

BY:

Bob Gibson, CG0247

BOB GIBSON & ASSOCIATES

Real Estate Appraisers & Consultants

420 W. Jefferson

P. O. Box 3071

Jonesboro, Arkansas 72401

Bob L. Gibson, CG0247
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Telephone (870) 932-5206
Facsimile (870) 972-9959

December 11, 2003

MATA

Attn: Mr Aubrey Scott
314 W Washington
Jonesboro, AR 72401

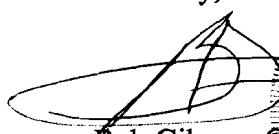
Re: Fox Meadow (John T Gray School)
Jonesboro AR

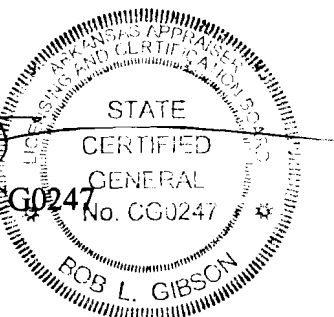
Dear Mr. Scott:

I have appraised the above property as of December 11, 2003 and find the market value to be \$392,040. In accordance with your instructions, I have reduced the lot size by the 'amount of taking' for the purpose of right of way acquisition. The remaining value is \$391,217 or a difference of \$823. A fee of \$250 is being paid for a temporary construction easement bringing total compensation to \$1,073.

Should I be of future service, please contact my office.

Sincerely,


Bob Gibson, CG0247



The purpose of this appraisal is to give a fair market value of the land taken by the City of Jonesboro for a right of way acquisition. The subject at Fox Meadow Lane will lose a tract of land: 823.38 sq ft

The value of the improvements has not been affected. Therefore, the assessed value of the improvements has been used in the appraisal. The set back should not affect the driveway and the entrance to the improvements.

Subject Value as of December 11, 2003

Value Before Taking:	392,040 sf x \$1.00 = \$392,040
Improvements:	NA
Land:	<u>\$392,040</u>
	\$392,040
Value After Taking:	(392,040 sf - 823.38 sf) x \$1.00 = \$391,217
Improvements:	NA
Land:	<u>\$391,217</u>
	\$391,217

Difference is the just compensation or \$823

In addition, a temporary construction easement is being used in the amount of 2352.50. A fee of \$250 is paid for this use.

Total compensation \$1,073

SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	Fox Meadow Lane
	Legal Description	Pt NE NW Section 4 Township 13 North, Range 4 East
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72404
	Census Tract	0009.00
	Map Reference	NA
SALES PRICE	Sale Price	\$ NA
	Date of Sale	NA
CLIENT	Borrower / Client	CLIENT: City of Jonesboro
	Lender	MATA
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	
	Price per Square Foot	\$
	Location	Suburban-Avg
	Age	
	Condition	
	Total Rooms	
	Bedrooms	
	Baths	
APPRAISER	Appraiser	Bob Gibson, CG0247
	Date of Appraised Value	December 11, 2003
VALUE	Final Estimate of Value	\$ 1,073 - Just Compensation

LAND APPRAISAL REPORT

Summary Appraisal Report

File No.

Borrower CLIENT: City of Jonesboro	Census Tract 0009.00	Map Reference NA
Property Address Fox Meadow Lane		
City Jonesboro	County Craighead	State AR
Legal Description Pt NE NW Section 4 Township 13 North, Range 4 East		
Sale Price \$ NA	Date of Sale NA	Loan Term NA yrs.
Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD		
Actual Real Estate Taxes \$ NA (yr)	Loan charges to be paid by seller \$ NA	
Other sales concessions NA		
Lender/Client MATA	Address 314 W Washington, Jonesboro, AR 72401	
Occupant John T Gray Memorial	Appraiser Bob Gibson, CG0247	Instructions to Appraiser Value right of way and easement

IDENTIFICATION	Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural Built Up <input type="checkbox"/> Over 75% <input checked="" 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 25% 1 Family 5% 2-4 Family 5% Apts. % Condo 25% Commercial % Industrial 40% Vacant % Change in Present Land Use <input type="checkbox"/> Not Likely <input checked="" type="checkbox"/> Likely (*) <input type="checkbox"/> Taking Place (*) (*) From Vacant To Res/Commercial Predominant Occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant 5 % Vacant Single Family Price Range \$ 75,000 to \$ 100,000 Predominant Value \$ 85,000 Single Family Age 0 yrs. to 35 yrs. Predominant Age 10 yrs.	Employment Stability <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor 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 bound to the north by the Hwy 63 Bypass, to the south by Fox Meadow, to the west by Caraway Rd, and to the east by Richardson Rd. No negative influences are noted.

SITE	Dimensions Unknown = 9 Sq. Ft. or Acres <input type="checkbox"/> Corner Lot Zoning classification C-3 Commercial Present Improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations Highest and best use <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other (specify) Public Other (Describe) Elec. <input checked="" type="checkbox"/> Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> San. Sewer <input checked="" type="checkbox"/> <input type="checkbox"/> Underground Elect. & Tel. OFF SITE IMPROVEMENTS Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private Surface Asphalt Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter <input type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights Topo Level Size Above Average Shape Rectangular View Average-Commercial Drainage Appears Adequate Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): No apparent adverse easements or encroachments noted during the physical inspection.

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	Fox Meadow Lane Jonesboro	SEE		COMPARABLE		SALES	
Proximity to Subject							
Sales Price	\$ NA	\$	\$	\$	\$	\$	\$
Price	\$	\$	\$	\$	\$	\$	\$
Data Source	Inspection						
Date of Sale and Time Adjustment	DESCRIPTION NA	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Location	Suburban-Avg						
Site/View	9 ac						
Sales or Financing Concessions	NA						
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$
Indicated Value of Subject		Net	\$	Net	\$	Net	\$

Comments on Market Data:

Comments and Conditions of Appraisal:

RECONCILIATION	Final Reconciliation: Just Compensation \$1,073 I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF December 11 20 03 to be \$ 1,073 Bob Gibson, CG0247 <input type="checkbox"/> Did <input type="checkbox"/> Did Not Physically Inspect Property Appraiser(s) Review Appraiser (if applicable)
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COMPARABLE LAND SALES

Sale #1

Grantor/Grantee: Calvary Chapel Church/Phillips Investments
Location: S Side of Rook Rd/East of Stadium
Date of Sale: 8-19-93
Sales Price: \$110,000
Acreage: 3.942
Price/Acre: \$27,904.62
Price/Sq Ft: \$0.64
Frontage: 324.12
Price/Front Ft: \$339.38

Sale #2

Grantor/Grantee: Phillips Investments Inc/Richland Dodge Inc
Location: Stadium
Date of Sale: 12-10-93
Sales Price: \$199,000
Acreage: 3.942
Price/Acre: \$50,481.99
Price/SqFt: \$1.16
Frontage: 324.12
Price/Frt Ft: \$613.97
Record: Bk/Pg 452/271

Sale #3

Grantor/Grantee: Phillips to Central Chevrolet
Location: Stadium Drive/Caprice Drive
Date of Sale: 8-17-95
Record: Bk/Pg 481/196
Sales Price: \$350,000
Acreage: 5 Ac or 217,800 sq ft
Price/Acre: \$70,000
Price/Sq Ft: \$1.60
Frontage: 198.4
Comments: Site of Phillips Construction Office

Sale #4

Grantor/Grantee: Dr Keith Hendrix/BaHa Investments
Location: 3651 Stadium Blvd
Date of Sale: 5-27-94
Record: Bk/Pg 461/218
Sales Price: \$50,000
Acreage: 1.435 Ac or 62,509 sq ft
Price/Acre: \$34,843
Price/Sq Ft: \$0.80
Comments: Site of Watersports

Sale #5

Grantor/Grantee: ARNS/Waldrip
Location: Stadium Blvd
Date of Sale: 12-8-00
Record: Bk/Pg 599/746
Sales Price: \$290,000
Acreage: 2.920 Ac or 127,195 sq ft
Price/Acre: \$99,315
Price/Sq Ft: \$2.28

Sale #6

Grantor/Grantee: Jonesboro Tractor
Location: Stadium @ Harrisburg Rd
Date of Sale: 6-10-99
Record: 576/955
Sales Price: \$75,000
Acreage: 1 Ac or 43,560 sq ft
Price/Acre: \$75,000
Price/Sq Ft: \$1.72
Frontage: 390' total -- 240' along Stadium and 150' along Harrisburg Rd
Price/Front Ft: \$192

Sale #7

Grantor/Grantee: David and Laverne Clines
Location: Stadium Blvd (North of Summer Place)
Date of Sale: 4-20-99
Sales Price: \$215,000
Acreage: 3.030 Ac or 132,000 sq ft
Price/Acre: \$70,950
Price/Sq Ft: \$1.63
Frontage: 330' Stadium
Price/Front Ft: \$652

Sale #8

Grantor/Grantee: Dale Williams/Rick Turman
Location: Stadium
Date of Sale: 3-10-99
Sales Price: \$373,000
Acreage: 10 Ac or 435,600 sq ft
Price/Acre: \$37,300
Price/Sq Ft: \$0.86
Frontage: 333' Stadium
Price/Front Ft: \$1,120
Comments: Formerly used as a golf driving range.

Sale #9

From/To: Ann Van Winkle/Danny Burrow et al
Location: 3715 Stadium
Date of Sale: 3-12-97
Record: 534/371
Sales Price: \$62,000
Acreage: 1.10 Ac or 49,916 sq ft
Price/Acre: \$56,363.64
Price/Sq Ft: \$1.29
Comments: Located south of Planters Drive and purchased for development with a hair salon. Site was partially in a flood zone. Sewer was not to the site and reportedly cost \$15,000 to install. 125' frontage on Stadium.

Sale #10

From/To: Cooper Construction/David Cook, et ux
Location: 3311 Stadium
Date of Sale: 11-14-96
Sales Price: \$170,000
Price/Acre: \$92,391.30
Size: 80,000 sq ft or 1.84 Ac
Price/Sq Ft: \$2.13
Record: 525/135\
Comments: located south of Caprice Parkway. Vacant at time of sale. Now improved with a used automobile dealer.

Sale #11

From/To: Tracy Spence et al/John D Stump Inc
Location: 3619 Stadium
Date of Sale: 8-29-96
Sales Price: \$125,000
Price/Acre: \$59,808.61
Size: 2.09 Ac or 91,040 sq ft
Price/Sq Ft: \$1.37
Record: 514/217
Comments: Vacant at time of sale. Now improved with Gunners retail store. 228' frontage on Stadium Blvd

Sale #12

From/To: Dixie Furniture Company/Osment & Weiland Partnership
Location: 3404 Stadium
Date of Sale: 6-25-96
Sales Price: \$115,000
Price/Acre: \$112,195.12
Size: 1.025 Ac or 44,649 sq ft
Price/Sq Ft: \$2.58
Record: 507/252
Comments: Located at the corner of Stadium and Peabody Drive. Used automobile dealer location. 150' frontage along Stadium.

Sale #13
Location: Stadium
Date: 1-26-94
Grantor/Grantee: Phillips Investments Inc/Roy Wilcox et ux
Sales Price: \$85,000
Frontage: 128'
Size: 51,183 sq ft
Price/Front Ft: \$664.06
Price/Sq Ft: \$1.66

Sale #14
Location: Hwy 63 Bypass Access Rd @ Stadium
Date: 4-27-95
Grantor/Grantee: Gilmore Enterprises/MFL Corporation
Sales Price: \$100,000
Frontage: 208.77'
Size: 43,560 sq ft
Price/Front Ft: \$479
Price/Sq Ft: \$2.30
Comments: Vacant at time of sale, it has been improved with a MFL fast lube.

Sale #15
Location: Stadium Square
Date: 1-12-95
Grantor/Grantee: Gilmore Enterprises/Cletus Pollard, et al
Sales Price: \$40,000
Frontage: 100 + ft
Size: 23,000 sq ft
Price/Front Ft: \$400
Price/Sq Ft: \$1.74
Comments: Located on Stadium Square

Sale #16
Location: Stadium - Calvary Chapel Addition
Date: 9-19-95
Grantor/Grantee: Phillips Investments Inc/Dixie Furniture
Sales Price: \$247,000
Size: 2.756 Ac
Price/Sq Ft: \$2.06
Comments: All of Lot 1 and 5' of Lot 2, Replat of Lot 3, Calvary Chapel Addition DR bk/pg 483/123

Sale #17
Location: Parker Rd
Date: 7-24-98
Grantor/Grantee: Lamco/Phillips Investments
Sales Price: \$475,000
Size: 6.428 Ac
Price/Sq Ft: \$1.70
Price/Acre: \$73,896
Record: 564/755
Comments: Site of Hollywood Cinema

Sale #18
Location: S Stadium
Date: 11-7-02
Grantor/Grantee: Jonesboro Investment to Wallis
Sales Price: \$128,000
Size: 1.67 Ac
Price/Sq Ft: \$1.76
Record: 635/841

SUMMARY OF SITE VALUE CONCLUSION

Sale	Sales Price	Size	Date	Price/Sq Ft
1	\$110,000	3.94 Ac	8-93	\$0.64
2	\$199,000	3.94 Ac	12-93	\$1.16
3	\$350,000	5.0 Ac	8-95	\$1.60
4	\$50,000	1.43 Ac	5-94	\$0.80
5	\$290,000	2.92 Ac	12-00	\$2.28
6	\$75,000	1.0 Ac	6-99	\$1.72
7	\$215,000	3.03 Ac	4-99	\$1.63
8	\$373,000	10.0 Ac	3-99	\$0.86
9	\$62,000	1.10 Ac	3-97	\$1.29
10	\$170,000	1.84 Ac	11-96	\$2.13
11	\$125,000	2.09 Ac	8-96	\$1.37
12	\$115,000	1.025 Ac	6-96	\$2.58
13	\$85,000	1.17 Ac	1-94	\$1.66
14	\$100,000	1.0 Ac	4-95	\$2.30
15	\$40,000	.53 Ac	1-95	\$1.74
16	\$247,000	2.756 Ac	9-95	\$2.06
17	\$475,000	6.428 Ac	7-98	\$1.70
18	\$128,000	1.67 Ac	11-02	\$1.76

After adjustments for time of sale, size, and location a value of \$1.00/sf has been given our subject.

Therefore, before taking $\$1.00 \times 392,040 \text{ sf} = \$392,040$

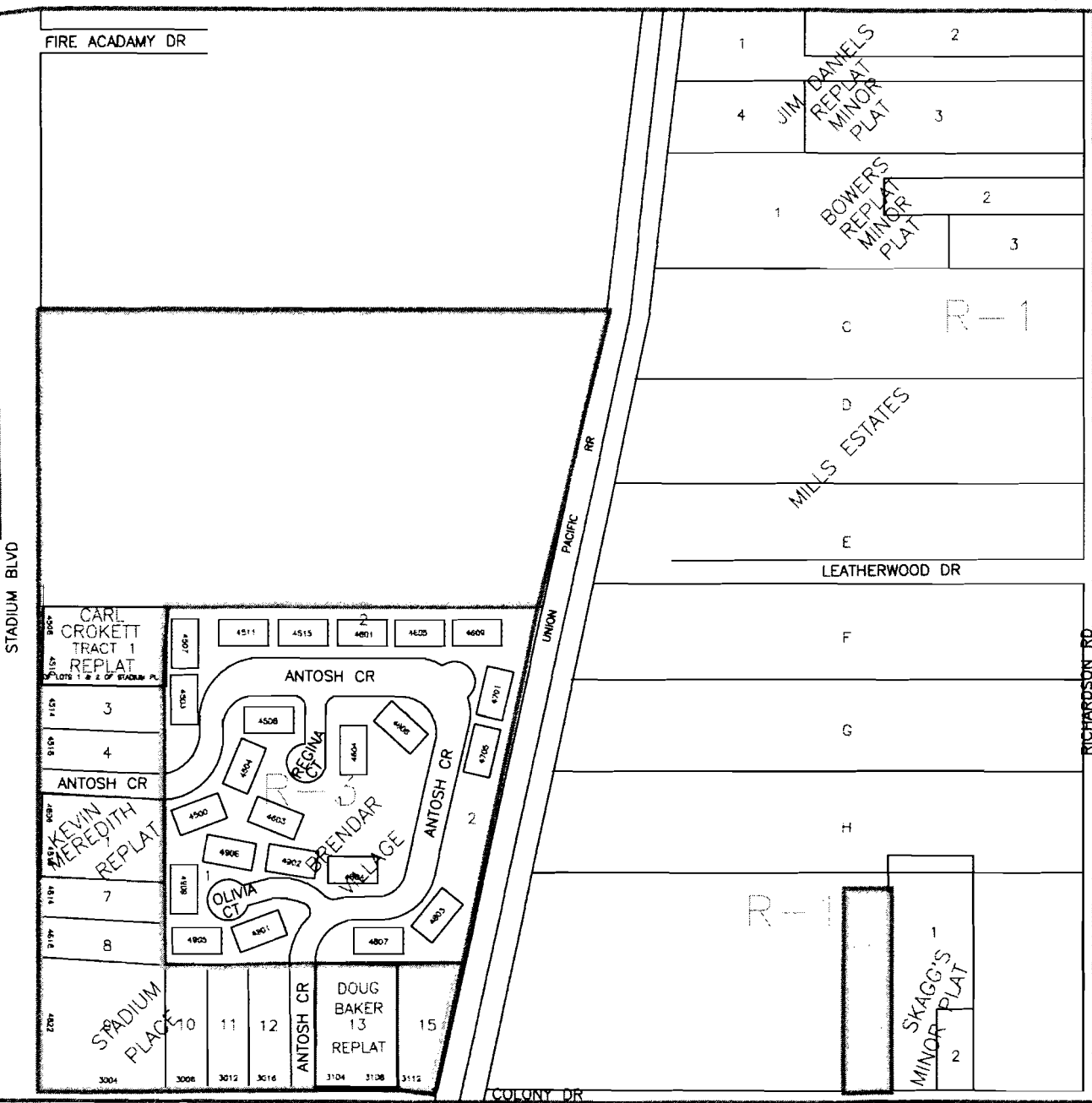
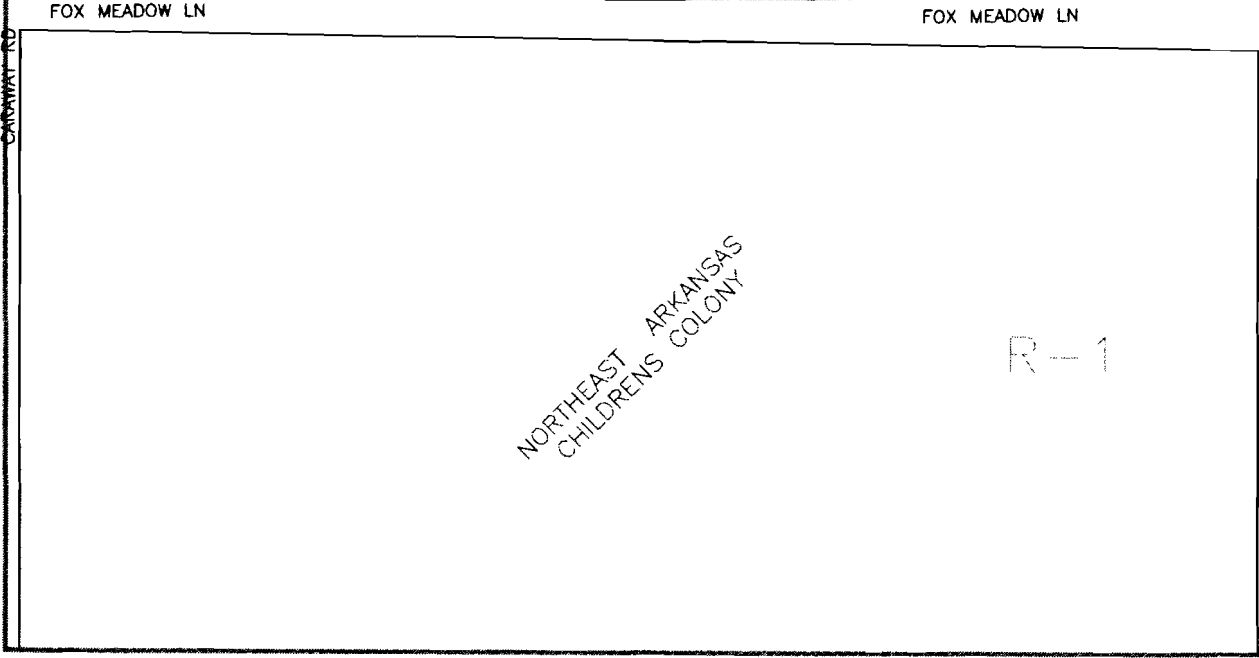
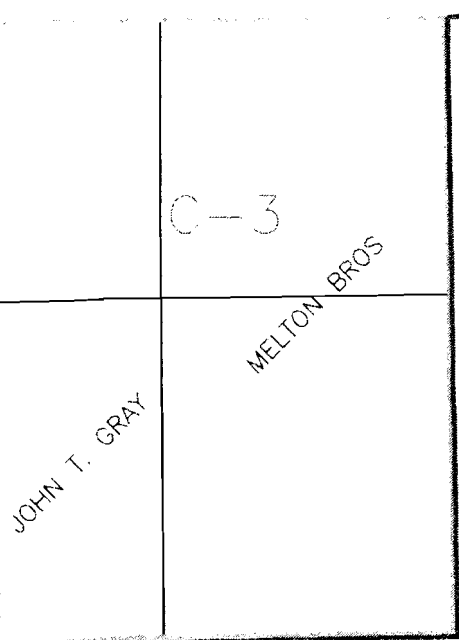
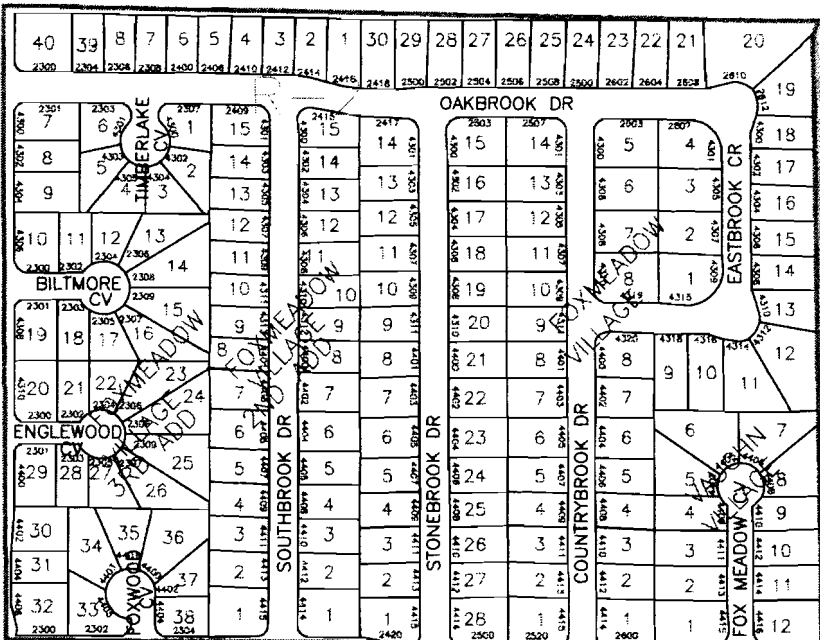
Supplemental Addendum

File No.

Borrower/Client	CLIENT: City of Jonesboro		
Property Address	Fox Meadow Lane		
City	County	State	Zip Code
Jonesboro	Craighead	AR	72404
Lender	MATA		

Gramm-Leach-Bliley (GLB) Act Compliance/Intended User:

This report has been prepared for the Lender/Client as shown on page one of the report. The purpose of the report is to aid in determining the suitability of the subject property as collateral for a mortgage. The borrower is neither the appraiser's client or the intended user of this report. In accordance with the GLB Act, no non-public information regarding the borrower and/or the subject property has been conveyed by the appraiser to the Lender/Client only, except the following when/if they are observed: Differences with public records regarding dwelling size, dwelling condition, or areas finished that are not shown in public records; any safety or environmental problems/conditions observed; whether or not the subject property is owner occupied, vacant, or tenant occupied. Zoning compliance will be reported. When a property is rented, actual rent and lease information will be reported to the Lender/Client. Any apparent encroachments, easements, functional and external obsolescence will also be reported to the Lender/Client.



CANWAY RD

RICHARDSON RD

COLONY DR

Subject Photo Page

Borrower/Client CLIENT: City of Jonesboro			
Property Address Fox Meadow Lane			
City Jonesboro	County Craighead	State AR	Zip Code 72404
Lender MATA			



Subject

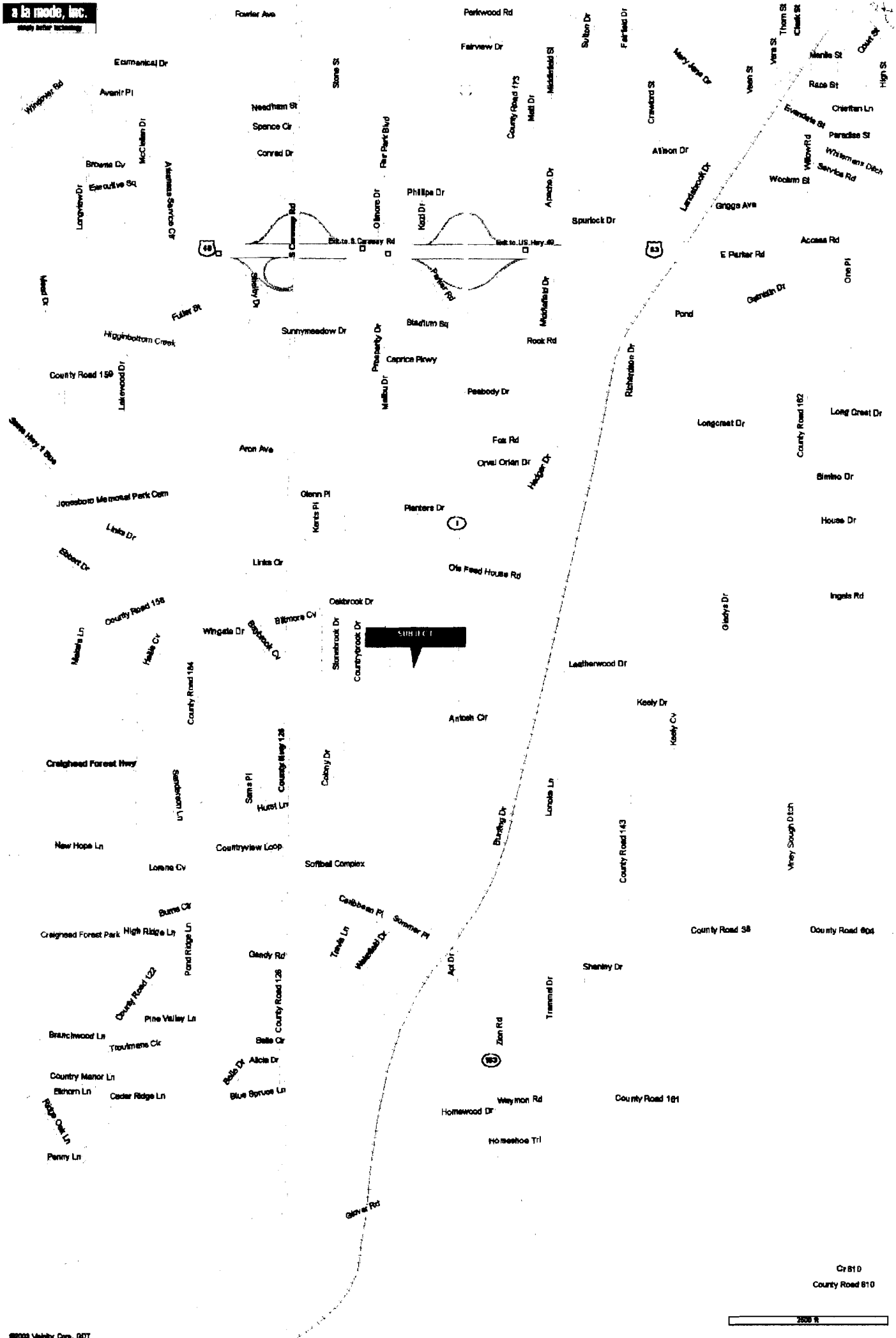
Fox Meadow Lane
Sales Price NA
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Suburban-Avg
View 9 ac
Site
Quality
Age



Subject

Location Map

Borrower/Client CLIENT: City of Jonesboro			
Property Address Fox Meadow Lane			
City Jonesboro	County Craighead	State AR	Zip Code 72404
Lender MATA			



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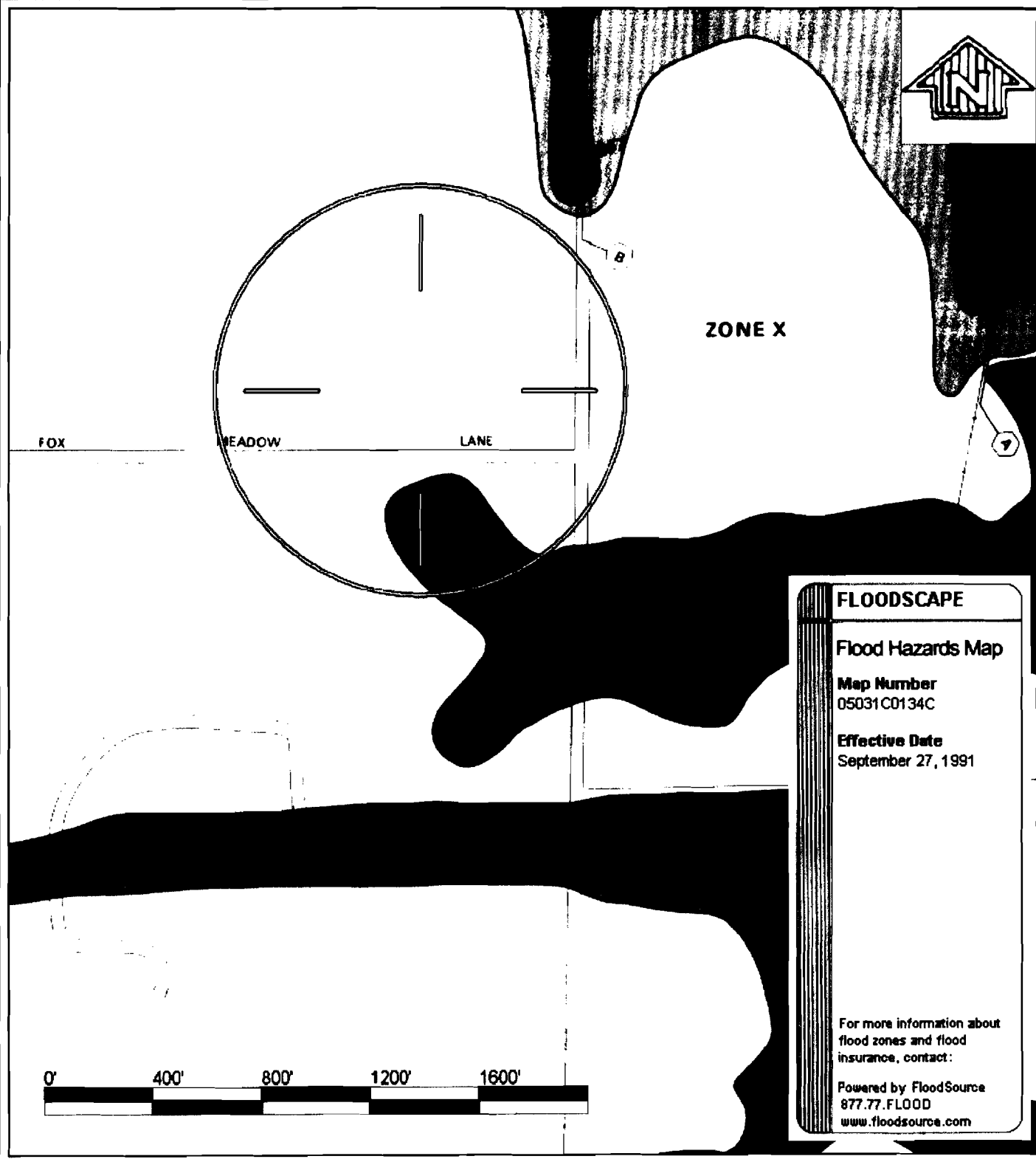
Flood Map

Borrower/Client CLIENT: City of Jonesboro			
Property Address Fox Meadow Lane			
City Jonesboro	County Craighead	State AR	Zip Code 72404
Lender MATA			

InterFlood 
by a la mode
www.interflood.com • 1-800-252-6633

Prepared for:
Bob Gibson Appraisal Service

Fox Meadow Lane
Jonesboro, AR 72404



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

Borrower/Client <u>CLIENT: City of Jonesboro</u>				
Address <u>Fox Meadow Lane</u>				
City <u>Jonesboro</u>	County <u>Craighead</u>	State <u>AR</u>	Zip code <u>72404</u>	
Lender <u>MATA</u>				

***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

- NA 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.
- NA The improvements were constructed after 1979. No apparent friable Asbestos was observed (except as reported in Comments below).
- NA 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

- NA 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.
- NA The improvements were constructed after 1982. No apparent UREA formaldehyde materials were observed (except as reported in Comments below).
- NA 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

- NA All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is 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.
- NA The improvements were constructed after 1980. No apparent Lead Paint was observed (except as reported in Comments below).
- NA 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 _____

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.

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.

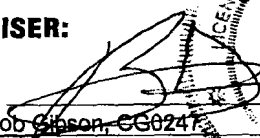
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

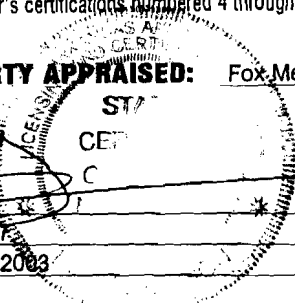
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those 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: Fox Meadow Lane, Jonesboro, AR 72404

APPRAISER:

Signature: 
 Name: Bob Simpson, CG0247
 Date Signed: December 11, 2003
 State Certification #: CG0247
 or State License #:
 State: AR
 Expiration Date of Certification or License: 6/30/2004



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

QUALIFICATIONS OF BOB L. GIBSON

POSITION: Real Estate Appraiser/Consultant, 420 W. 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, constructed 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.

Legal Journal, West Memphis, Arkansas, April 30, 1998.

Principles of Condemnation, San Antonio, Texas, June 3, 1999.

Arkansas Appraisal Board Annual Meeting, Little Rock, AR April 18, 2000.

USPAP, Kelton Schools, Jonesboro, Arkansas, May 17, 2000.

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, Nations Banc Mortgage, Pocahontas Federal Savings & Loan, and American State Bank.