

Borrower/Client			File No.	1201WHUNTINGT
Property Address 1201 W Huntington Ave				
City	JONESBORO	County	CRAIGHEAD	State AR
Lender			HERITAGE BANK	Zip Code 72401-2530

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SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	1201 W Huntington Ave
	Legal Description	LOT 1 OF SACHS SUB
	City	JONESBORO
	County	CRAIGHEAD
	State	AR
	Zip Code	72401-2530
	Census Tract	0002.00
	Map Reference	MSA 3700
SALES PRICE	Sale Price	\$
	Date of Sale	
CLIENT	Borrower / Client	
	Lender	
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,008
	Price per Square Foot	\$
	Location	URBAN/A
	Age	A=50+ E=25
	Condition	AVG TO FAIR
	Total Rooms	4
	Bedrooms	2
	Baths	1
APPRAISER	Appraiser	BOB HOLLOWAY
	Date of Appraised Value	04-14-2008
VALUE	Final Estimate of Value	\$ 25,600

RESIDENTIAL APPRAISAL SUMMARY REPORT

SUMMARY

File No.: 1201WHUNTINGTON

Property Address: 1201 W Huntington Ave	City: JONESBORO	State: AR	Zip Code: 72401-2530
County: CRAIGHEAD		Legal Description: LOT 1 OF SACHS SUB	
Assessor's Parcel #: 01-143134-43200			
Tax Year: 2007	R.E. Taxes: \$ 223.65	Special Assessments: \$ 0.00	Borrower (if applicable):
Current Owner of Record: BONNIE SUE DERRYBERRY Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing			
Project Type: <input type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input type="checkbox"/> Other (describe) HOA: \$ <input type="checkbox"/> per year <input type="checkbox"/> per month			
Market Area Name: NISBETTS 2ND ADDITION		Map Reference: MSA 3700	Census Tract: 0002.00

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 checked="" type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)	
Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)	
Intended Use: THIS REPORT IS FOR THE CITY OF JONESBORO TO DETERMINE THE MARKET VALUE OF THE SUBJECT PROPERTY FOR POSSIBLE PURCHASE FOR CITY USE.	
Intended User(s) (by name or type): HARRY HARDWICK - CITY OF JONESBORO	
Client: CITY OF JONESBORO	Address: 515 W WASHINGTON, JONESBORO, AR 72401
Appraiser: BOB HOLLOWAY	Address: 624 SOUTH MAIN STREET, JONESBORO, AR 72401

Location: <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25% Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.	Predominant Occupancy <input type="checkbox"/> Owner 40 <input checked="" type="checkbox"/> Tenant 60 <input checked="" type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vacant (>5%)	One-Unit Housing PRICE AGE \$(000) (yrs) 20 Low 12 140 High 100+ 65 Pred 55	Present Land Use One-Unit 75 % 2-4 Unit 10 % Multi-Unit 5 % Comm'l 5 % 5 %	Change in Land Use <input type="checkbox"/> Not Likely <input checked="" type="checkbox"/> Likely * <input type="checkbox"/> In Process * * To: DRAINAGE IMPROVEMENT
Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): THE MARKET APPEARS TO BE STABLE WITH NO UNUSUAL CONCESSIONS AT THIS TIME. AVAILABLE FINANCING CONSISTS OF VA, FHA, AND CONVENTIONAL LOANS. THE SUPPLY AND DEMAND IN THIS AREA APPEARS TO BE IN BALANCE. THE SUBJECT NEIGHBORHOOD IS BOUND ON THE NORTH BY BURKE ST, ON THE EAST BY FLINT ST, ON THE SOUTH BY W JEFFERSON, AND ON THE WEST BY GEE ST. THE JONESBORO DOWNTOWN DISTRICT IS LOCATED TO THE EAST OF THE SUBJECT APPROX 12 BLOCKS. THE DOWNTOWN AREA HAS RETAIL, RESTAURANTS, OFFICE AND MEDICAL FACILITIES. THE SUBJECT IS LOCATED IN THE JONESBORO SCHOOL DISTRICT AND THERE IS A JONESBORO ELEMENTARY SCHOOL LOCATED TO THE SOUTH OF THE SUBJECT APPROX 1 BLOCK.				

Dimensions: 75' X 175'	Site Area: .30 AC +/-	
Zoning Classification: R-2	Description: SINGLE FAMILY RESIDENTIAL	
Zoning Compliance: <input checked="" type="checkbox"/> Legal <input 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	
Ground Rent (if applicable) \$ /		
Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)		
Actual Use as of Effective Date: SINGLE FAMILY RESIDENCE Use as appraised in this report: SINGLE FAMILY, DUPLEX		
Summary of Highest & Best Use:		
Utilities Electricity <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other _____ Provider/Description _____ Gas <input checked="" type="checkbox"/> _____ Water <input checked="" type="checkbox"/> _____ Sanitary Sewer <input checked="" type="checkbox"/> _____ Storm Sewer <input checked="" type="checkbox"/> _____	Off-site Improvements Street ASPHALT <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private _____ Curb/Gutter FRONT - HUNTINGTON <input checked="" type="checkbox"/> _____ Sidewalk CONCRETE <input checked="" type="checkbox"/> _____ Street Lights YES <input checked="" type="checkbox"/> _____ Alley YES - DIRT <input checked="" type="checkbox"/> _____	Topography Size TYPICAL Shape RECTANGULAR Drainage APPEARS AVG TO FAIR View TYP RESD
Other site elements: <input type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)		
FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 05031C0043C FEMA Map Date 9/27/1991		
Site Comments: THE SUBJECT LOT IS A CORNER LOT THAT APPEARS TO BE LOW IN SOME AREAS.		

General Description # of Units 1 <input type="checkbox"/> Acc. Unit # of Stories ONE Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> Design (Style) 1.0 STY/A <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons. Actual Age (Yrs.) _____ Effective Age (Yrs.) _____	Exterior Description Foundation CON.BLOCK Exterior Walls WD SIDING Roof Surface COMP SHINGLE Gutters & Dwnspts. NONE Window Type DH WOOD Storm/Screens PART	Foundation Slab NO Crawl Space YES Basement NONE Sump Pump <input type="checkbox"/> Dampness <input type="checkbox"/> Settlement _____ Infestation _____	Basement <input checked="" type="checkbox"/> None Area Sq. Ft. _____ % Finished _____ Ceiling _____ Walls _____ Floor _____ Outside Entry _____	Heating Type WINDOW Fuel ELECT Cooling Central _____ Other WINDOW
Interior Description Floors CARPET/VINYL/F Walls SR/PAINT/A Trim/Finish WOOD/PAINT/A Bath Floor VINYL/F Bath Wainscot SR/WP/PAINT/A Doors WOOD	Appliances Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input type="checkbox"/> Fan/Hood <input type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/>	Attic <input type="checkbox"/> None Stairs <input type="checkbox"/> Drop Stair <input type="checkbox"/> Scuttle <input checked="" type="checkbox"/> Doorway <input type="checkbox"/> Floor <input type="checkbox"/> Heated <input type="checkbox"/> Finished <input type="checkbox"/>	Amenities Fireplace(s) # NONE Patio <input type="checkbox"/> Deck <input type="checkbox"/> Porch <input type="checkbox"/> Fence <input type="checkbox"/> Pool <input type="checkbox"/> Woodstove(s) # _____	Car Storage <input checked="" type="checkbox"/> None Garage # of cars (Tot.) _____ Attach. _____ Detach. _____ Blt.-In _____ Carport _____ Driveway _____ Surface CHAT/DIRT
Finished area above grade contains: 4 Rooms 2 Bedrooms 1 Bath(s) 1,008 Square Feet of Gross Living Area Above Grade				
Additional features: THE SUBJECT HOUSE HAS A SMALL COVERED FRONT PORCH.				
Describe the condition of the property (including physical, functional and external obsolescence): THE SUBJECT HAS WOOD PAINTED SIDING. THERE ARE AREAS OF THE SIDING THAT NEED TO BE REPAIRED OR REPLACED. THE FLOOR COVERING IN THE HOUSE IS IN AVERAGE TO FAIR CONDITION FOR A HOUSE OF THE SUBJECT AGE.				



RESIDENTIAL APPRAISAL SUMMARY REPORT

SUMMARY
File No.: 1201WHUNTINGTON

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

Data Source(s): COUNTY RECORDS

TRANSFER HISTORY	1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing:
	Date: NO SALES IN THE	
	Price: LAST 3 YEARS	
	Source(s): COUNTY RECRD	
	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	1201 W Huntington Ave JONESBORO, AR 72401-2530	319 S McCLURE JONESBORO		214 S BRIDGE JONESBORO		1411 W HUNTINGTON JONESBORO	
Proximity to Subject		0.46 miles		1.16 miles		0.19 miles	
Sale Price	\$	\$ 33,000		\$ 28,000		\$ 22,000	
Sale Price/GLA	\$ /sq.ft.	\$ 28.72 /sq.ft.		\$ 23.26 /sq.ft.		\$ 26.67 /sq.ft.	
Data Source(s)	INSPECTION	COMP SERVICE - MLS		COMP SERVICE - MLS		COMP SERVICE - MLS	
Verification Source(s)	COUNTY RECRD	CO RECD BK/PG 754/311		CO RECD BK/PG 753/829		CO RECD BK/PG 765/487	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.
Sales or Financing	N/A	CONV		CONV		CONV	
Concessions	N/A	NONE KNOWN		NONE KNOWN		NONE KNOWN	
Date of Sale/Time	N/A	07-26-2007		07-19-2007		01-11-2008	
Rights Appraised	Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Location	URBAN/A	URBAN/A		URBAN/A		URBAN/A	
Site	.30 AC +/-	.16 AC/INF +2,000		.11 AC/INF +2,000		.16 AC/INF +2,000	
View	TYP RESD/A	TYP RESD/A		TYP RESD/A		TYP RESD/A	
Design (Style)	1.0 STY/A	1.0 STY/A		1.0 STY/A		1.0 STY/A	
Quality of Construction	WD SIDING/A	VINYL SID/SUP -2,000		VINYL SID/SUP -2,000		BRICK/SUP -2,500	
Age	A=50+ E=25	A=60+ E=25		A=60+ E=25		A=50+ E=25	
Condition	AVG TO FAIR	AVG TO FAIR		AVG TO FAIR		AVG TO FAIR	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	4 2 1	5 2 1		5 2 1		4 2 1	
Gross Living Area	1,008 sq.ft.	1,149 sq.ft. -1,700		1,204 sq.ft. -2,400		825 sq.ft. +2,200	
Basement & Finished	NONE	NONE		NONE		NONE	
Rooms Below Grade	N/A	N/A		N/A		N/A	
Functional Utility	AVG	AVG		AVG		AVG	
Heating/Cooling	WIND AC & HEAT	CHA -3,000		WL/WIND AC		WL/WIND AC	
Energy Efficient Items	TYP	TYP		TYP		TYP	
Garage/Carport	OSP	1 GAR - DET -1,000		OSP		1 CARPORT -500	
Porch/Patio/Deck	PORCH	PORCH		PORCH		PORCH	
FIREPLACE	NONE	NONE		NONE		NONE	
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 5,700		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 2,400		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 1,200	
Adjusted Sale Price of Comparables		Net 17.3 % Gross 29.4 % \$ 27,300		Net 8.6 % Gross 22.9 % \$ 25,600		Net 5.5 % Gross 32.7 % \$ 23,200	

SALES COMPARISON APPROACH

Summary of Sales Comparison Approach SALES WERE FROM THE SUBJECT NEIGHBORHOOD AND SIMILAR AND COMPETING AREAS TO THE SUBJECT. THEY ARE THE MOST RECENT AND MOST COMPARABLE SALES AVAILABLE. ALL SALES WERE APPROPRIATELY ADJUSTED FOR ALL VALUE INFLUENCING DISSIMILARITIES. ALL WERE FEE SIMPLE ESTATES AND UNAFFECTED BY COMMON AMENITIES. THE ADJUSTED VALUES ACCURATELY BRACKET THE MARKET VALUE OF THE SUBJECT. ALL SALES WERE LESS THAN ONE YEAR OLD. SOME OF THE ADJUSTMENTS ARE OVER THE NORMAL GUIDELINES, BUT THIS COULD NOT BE HELPED DUE TO THE LACK OF BETTER COMPS AND THE LOW PRICES. COMP #2 IS THE MOST LIKE THE SUBJECT DUE TO THE LEAST AMOUNT OF GROSS ADJUSTMENTS.

Indicated Value by Sales Comparison Approach \$ 25,600



RESIDENTIAL APPRAISAL SUMMARY REPORT

SUMMARY
File No.: 1201WHUNTINGTON

COST APPROACH TO VALUE (if developed) The Cost Approach was not developed for this appraisal.
Provide adequate information for replication of the following cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):

COST APPROACH	ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE			= \$
	Source of cost data:	DWELLING	Sq.Ft. @ \$		= \$
	Quality rating from cost service: Effective date of cost data:		Sq.Ft. @ \$		= \$
	Comments on Cost Approach (gross living area calculations, depreciation, etc.):		Sq.Ft. @ \$		= \$
	THE COST ESTIMATE WAS MADE USING THE RESIDENTIAL COST HANDBOOK BY MARSHALL & SWIFT. DEPRECIATION: PHYSICAL		Sq.Ft. @ \$		= \$
	DUE TO NORMAL WEAR. ECONOMIC AGE/LIFE METHOD OF DEPRECIATION HAS BEEN UTILIZED. LAND VALUE ESTIMATE BY THE SALES COMPARISON APPROACH.		Sq.Ft. @ \$		= \$
		Garage/Carport	Sq.Ft. @ \$		= \$
		Total Estimate of Cost-New			= \$
		Less Physical Functional External			= \$()
		Depreciation			= \$
	Depreciated Cost of Improvements			= \$	
	"As-is" Value of Site Improvements			= \$	
				= \$	
	Estimated Remaining Economic Life (if required):	Years	INDICATED VALUE BY COST APPROACH	= \$	

INCOME APPROACH TO VALUE (if developed) The Income Approach was not developed for this appraisal.
Estimated Monthly Market Rent \$ 305.00 X Gross Rent Multiplier 84 = \$ 25,620 Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM): THE SUBJECT HOUSE IS ON HUD RENT AND THIS IS \$305.00 PER MONTH. THIS RENT SHOULD CONTINUE SINCE IT HAS BEEN ON HUD FOR A NUMBER OF YEARS.

PROJECT INFORMATION FOR PUDs (if applicable) The Subject is part of a Planned Unit Development.
Legal Name of Project:
Describe common elements and recreational facilities:

RECONCILIATION
Indicated Value by: Sales Comparison Approach \$ 25,600 Cost Approach (if developed) \$ Income Approach (if developed) \$ 25,620
Final Reconciliation THE SALES AND INCOME APPROACHES TO VALUE WERE BOTH LOOKED AT AND CONSIDERED. THE MOST WEIGHT WAS GIVEN TO THE SALES COMPARISON APPROACH.
This appraisal is made "as is", subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:
 This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

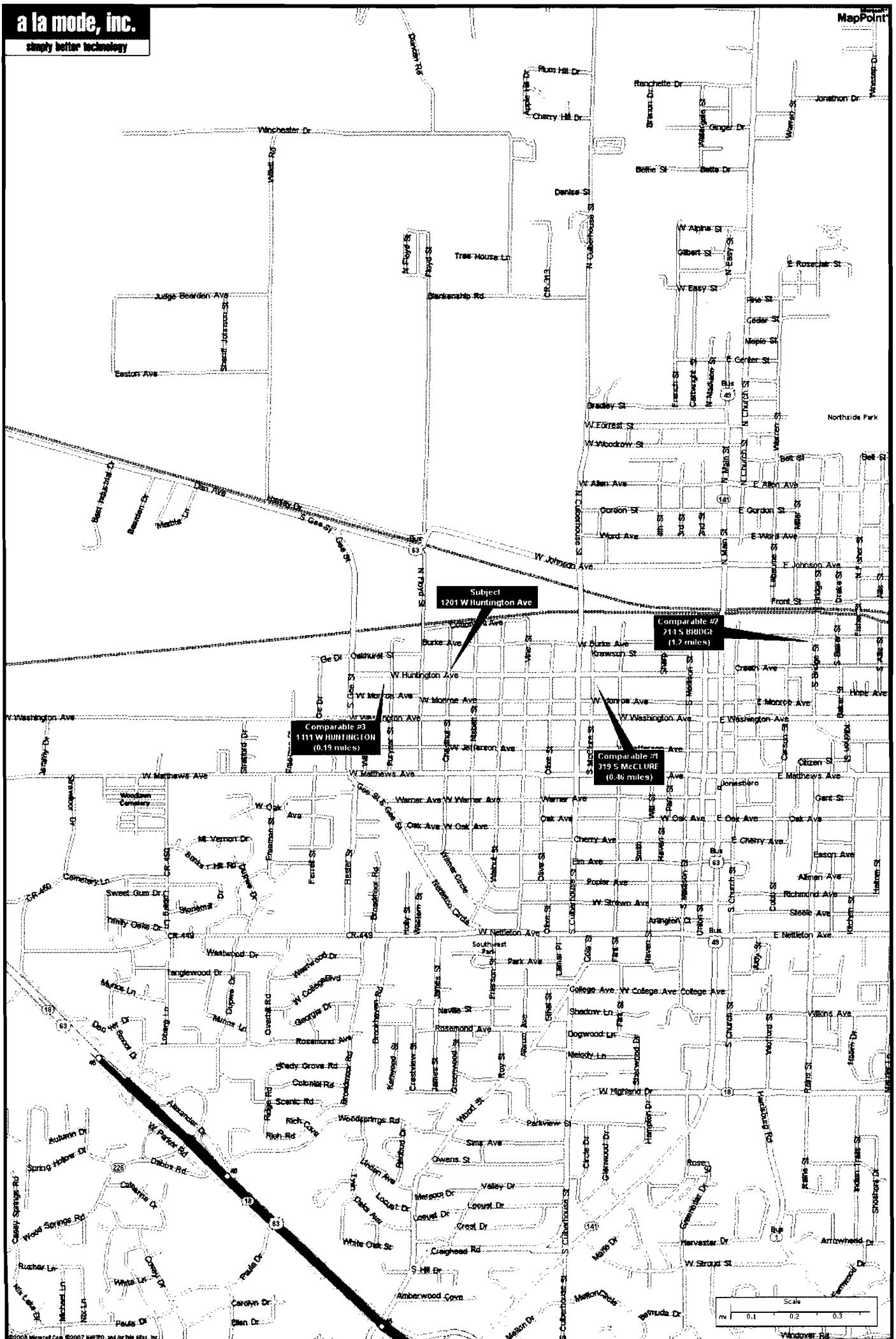
Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 25,600, as of: 04-14-2008, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

ATTACHMENTS
A true and complete copy of this report contains 14 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.
Attached Exhibits:
 Scope of Work Limiting Cond./Certifications Narrative Addendum Photograph Addenda Sketch Addendum
 Map Addenda Additional Sales Cost Addendum Flood Addendum Manuf. House Addendum
 Hypothetical Conditions Extraordinary Assumptions

SIGNATURES
Client Contact: HARRY HARDWICK Client Name: CITY OF JONESBORO
E-Mail: Address: 515 W WASHINGTON, JONESBORO, AR 72401
APPRAISER
Appraiser Name: BOB HOLLOWAY
Company: HOLLOWAY APPRAISAL SERVICE
Phone: 870-935-8640 870-910-5718
E-Mail: bobholloway@ritter.net
Date of Report (Signature): April 15, 2008
License or Certification #: SL0570 State: AR
Designation:
Expiration Date of License or Certification: 6/30/2008
Inspection of Subject: Interior & Exterior Exterior Only None
Date of Inspection: 04-14-2008
SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
Supervisory or Co-Appraiser Name:
Company:
Phone: Fax:
E-Mail:
Date of Report (Signature):
License or Certification #: State:
Designation:
Expiration Date of License or Certification:
Inspection of Subject: Interior & Exterior Exterior Only None
Date of Inspection:

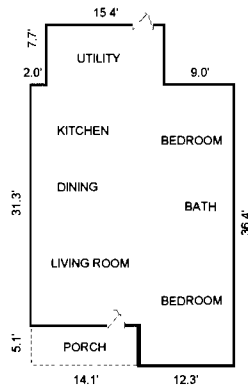
Location Map

Borrower/Client			
Property Address 1201 W Huntington Ave			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2530
Lender HERITAGE BANK			



Building Sketch (Page - 1)

Borrower/Client			
Property Address 1201 W Huntington Ave			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2530
Lender HERITAGE BANK			



Sketch by Apex IV™

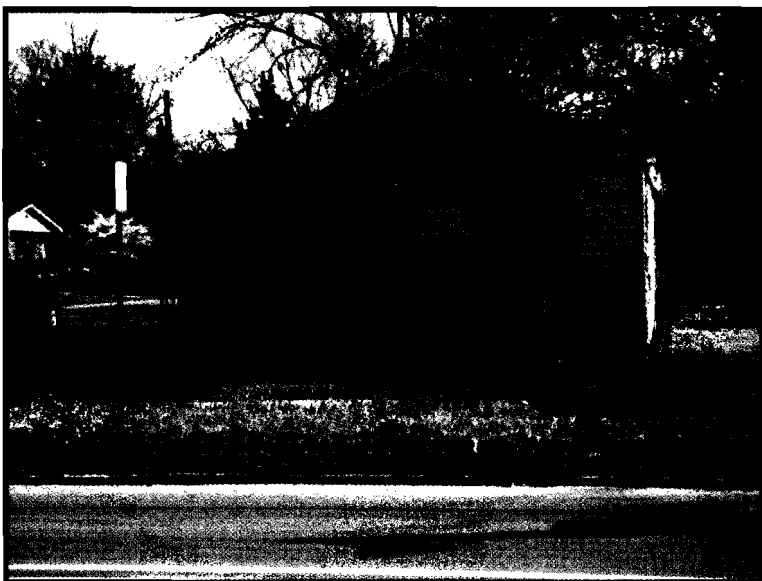
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1007.63	1007.63
P/P	Porch	71.91	71.91
TOTAL LIVABLE (rounded)			1008

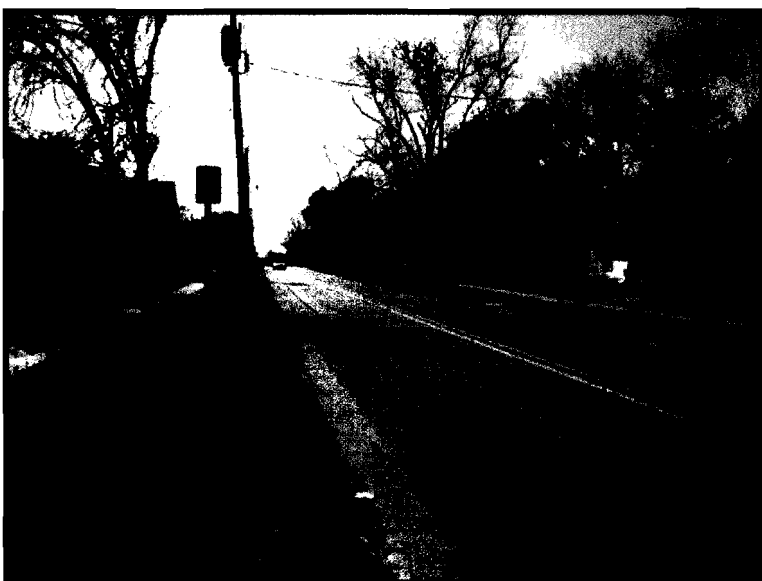
LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
7.7	x	15.4	118.58
26.4	x	31.3	826.32
5.1	x	12.3	62.73
3 Calculations Total (rounded)			1008

Subject Photo Page

Borrower/Client			
Property Address 1201 W Huntington Ave			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2530
Lender HERITAGE BANK			

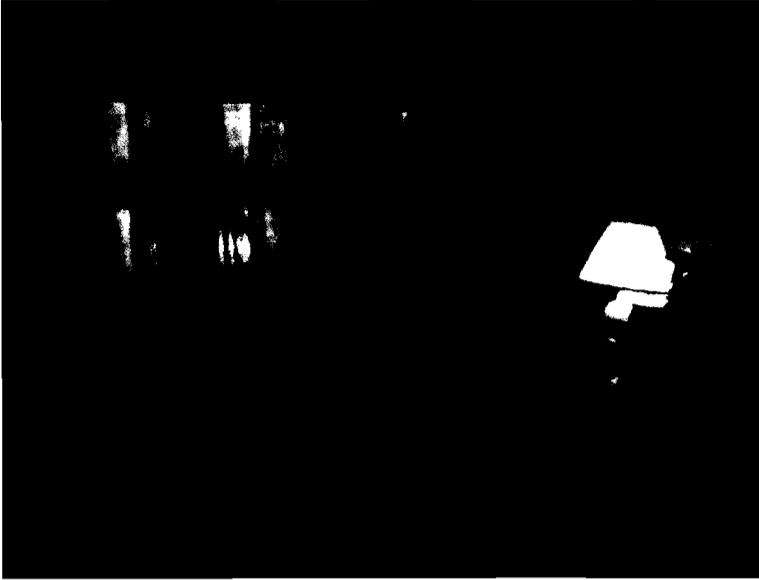
**Subject Front**

1201 W Huntington Ave
Sales Price
Gross Living Area 1,008
Total Rooms 4
Total Bedrooms 2
Total Bathrooms 1
Location URBAN/A
View TYP RESD/A
Site .30 AC +/-
Quality WD SIDING/A
Age A=50+ E=25

**Subject Lot****Subject Street**

Subject Interior Photo Page

Borrower/Client			
Property Address 1201 W Huntington Ave			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2530
Lender HERITAGE BANK			

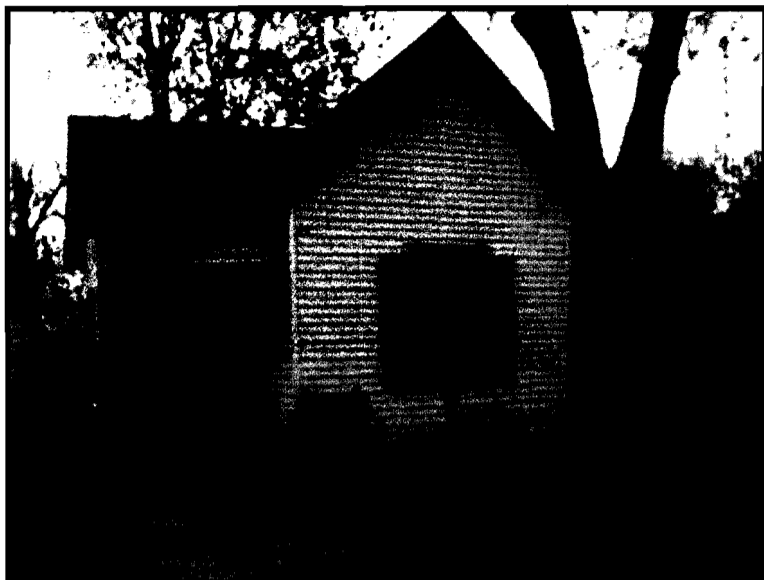
**Subject Interior**

1201 W Huntington Ave
Sales Price
Gross Living Area 1,008
Total Rooms 4
Total Bedrooms 2
Total Bathrooms 1
Location URBAN/A
View TYP RESD/A
Site .30 AC +/-
Quality WD SIDING/A
Age A=50+ E=25

**Subject Interior****Subject Interior**

Comparable Photo Page

Borrower/Client			
Property Address 1201 W Huntington Ave			
City JONESBORO	County CRAIGHEAD	State AR	Zip Code 72401-2530
Lender HERITAGE BANK			

**Comparable 1**

319 S McCLURE
 Prox. to Subject 0.46 miles
 Sale Price 33,000
 Gross Living Area 1,149
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location URBAN/A
 View TYP RESD/A
 Site .16 AC/INF
 Quality VINYL SID/SUP
 Age A=60+ E=25

**Comparable 2**

214 S BRIDGE
 Prox. to Subject 1.16 miles
 Sale Price 28,000
 Gross Living Area 1,204
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 1
 Location URBAN/A
 View TYP RESD/A
 Site .11 AC/INF
 Quality VINYL SID/SUP
 Age A=60+ E=25

**Comparable 3**

1411 W HUNTINGTON
 Prox. to Subject 0.19 miles
 Sale Price 22,000
 Gross Living Area 825
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 1
 Location URBAN/A
 View TYP RESD/A
 Site .16 AC/INF
 Quality BRICK/SUP
 Age A=50+ E=25

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 an any time if you have any questions about the confidentiality of the information that you provide to us.

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:

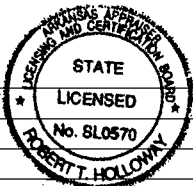
1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those 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: 1201 W Huntington Ave, JONESBORO, AR 72401-2530

APPRAISER:

Signature: *Bob Holloway*
 Name: BOB HOLLOWAY
 Date Signed: April 15, 2008
 State Certification #: _____
 or State License #: SL0570
 State: AR
 Expiration Date of Certification or License: 6/30/2008

**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

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

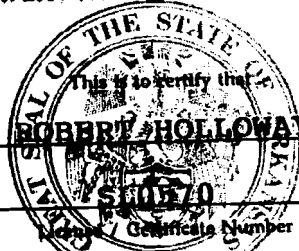
Attest That

ROBERT T. HOLLOWAY

On this date was Licensed as a
STATE LICENSED APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this License is issued in accordance with all the requirements of Arkansas Code Annotated, Section § 17-51-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

ARKANSAS
APPRAISER LICENSING & CERTIFICATION BOARD



14789

License / Certificate Number

has complied with the requirements of Arkansas Code Section § 17-51-101 et seq; and is the holder of a valid certificate. This card is for identification purposes only.

JUNE 30, 2008
Expiration Date

Chairman

Robbie S. Bradley

man, AAL & CB

SL0570

License Number