

APPRAISAL OF REAL PROPERTY



LOCATED AT

1100 S Culberhouse St
Jonesboro, AR 72401
Lot 4 Block 27 Culberhouse Sub Knight 2nd Addition to the City of Jonesboro AR

FOR

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

OPINION OF VALUE

69,000

AS OF

09/13/2024

BY

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

Borrower	City of Jonesboro Land Bank (CLIENT)				File No.	PK-2024-275	
Property Address	1100 S Culberhouse St						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Lender/Client	City of Jonesboro						

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FIRREA / USPAP ADDENDUM

Borrower	City of Jonesboro Land Bank (CLIENT)				File No.	PK-2024-275	
Property Address	1100 S Culberhouse St						
City	Jonesboro	County	Craighead	State	AR	Zip Code	72401
Lender/Client	City of Jonesboro						
Purpose							
The purpose of the appraisal is to determine market value for internal decision making.							

Scope of Work

See addenda for complete scope of work.

Intended Use / Intended User

Intended Use:	The intended use is to determine market value for internal decision making.
Intended User(s):	Restricted to the use of the City of Jonesboro Arkansas Land Bank. No other user has been identified by the appraiser.

History of Property

Current listing information:	Based on research conducted, it does not appear as if the subject has been offered for sale within the last 12 months.
Prior sale:	None within the last 36 months.

Exposure Time / Marketing Time

3-6 Months/ 3-6 Months

Personal (non-realty) Transfers


N/A

Additional Comments

[illegible]

Certification Supplement

1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

	<p>Supervisory Appraiser: _____</p> <p>Signed Date: _____</p> <p>Certification or License #: _____</p> <p>Certification or License State: _____</p> <p>Effective Date of Appraisal: _____</p>
<p>Appraiser: <u>Preston King</u></p> <p>Signed Date: <u>11/13/2024</u></p> <p>Certification or License #: <u>CG3948</u></p> <p>Certification or License State: <u>AR</u> Expires: <u>06/30/2025</u></p> <p>Effective Date of Appraisal: <u>09/13/2024</u></p>	<p>Supervisory Appraiser: _____</p> <p>Signed Date: _____</p> <p>Certification or License #: _____</p> <p>Certification or License State: _____</p> <p>Inspection of Subject: <input type="checkbox"/> Did Not <input type="checkbox"/> Ex <input checked="" type="checkbox"/> Prior and Exterior</p>

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	1100 S Culberhouse St
	Legal Description	Lot 4 Block 27 Culberhouse Sub Knight 2nd Addition to the City of Jonesboro AR
	City	Jonesboro
	County	Craighead
	State	AR
	Zip Code	72401
	Census Tract	0001.01
	Map Reference	27860
PRICE & DATE	Contract Price	\$
	Date of Contract	
PARTIES	Borrower	City of Jonesboro Land Bank (CLIENT)
	Lender/Client	City of Jonesboro
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	N/A
	Price per Square Foot	\$
	Location	Res./Suburban
	Age	N/A
	Condition	N/A
	Total Rooms	N/A
	Bedrooms	N/A
	Baths	N/A
APPRAISER	Appraiser	Preston King
	Effective Date of Appraisal	09/13/2024
VALUE	Opinion of Value	\$ 69,000



LAND APPRAISAL REPORT

File No.: PK-2024-275

SUBJECT

Property Address: 1100 S Culberhouse StCity: JonesboroState: ARZip Code: 72401

County: CraigheadLegal Description: Lot 4 Block 27 Culberhouse Sub Knight 2nd Addition to the City of Jonesboro AR

Assessor's Parcel #: 01-144192-04100Tax Year: 2024R.E. Taxes: \$ 124Special Assessments: \$ 0

Market Area Name: Culberhouse SubMap Reference: 27860Census Tract: 0001.01

Current Owner of Record: John C. Deacon Jr.Borrower (if applicable): City of Jonesboro Land Bank (CLIENT)

Project Type (if applicable): ☐ PUD☐ De Minimis PUD☐ Other (describe)HOA: \$ 0☐ per year☐ per month

Are there any existing improvements to the property? ☒ No☐ YesIf Yes, indicate current occupancy: ☐ Owner☐ Tenant☐ Vacant☐ Not habitable

If Yes, give a brief description:

ASSIGNMENT

The purpose of this appraisal is to develop an opinion of: ☒ Market Value (as defined), or☐ other type of value (describe)

This report reflects the following value (if not Current, see comments): ☒ Current (the Inspection Date is the Effective Date)☐ Retrospective☐ Prospective

Property Rights Appraised: ☒ Fee Simple☐ Leasehold☐ Leased Fee☐ Other (describe)

Intended Use: Determine market value for internal decision making.

Intended User(s) (by name or type): Restricted to the use of the City of Jonesboro Arkansas Land Bank. No other user has been identified by the appraiser.

Client: City of JonesboroAddress: 300 S. Church St., Jonesboro, AR 72401

Appraiser: Preston KingAddress: 1207 Cardinal Rd, Jonesboro, AR 72401-5212

MARKET AREA DESCRIPTION

Characteristics			Predominant Occupancy	One-Unit Housing		Present Land Use	Change in Land Use
Location:	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	<input checked="" type="checkbox"/> Owner 80% <input checked="" type="checkbox"/> Tenant 15% <input checked="" type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vacant (>5%)	PRICE	AGE	One-Unit 75 %	<input checked="" type="checkbox"/> Not Likely
Built up:	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%			\$ (000)	(yrs)	2-4 Unit 10 %	<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *
Growth rate:	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow			25	Low 0	Multi-Unit 5 %	* To:
Property values:	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining			800	High 99+	Comm'l 5 %	
Demand/supply:	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply			125	Pred 40	Vacant 5 %	
Marketing time:	<input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.					%	

Factors Affecting Marketability											
Item	Good	Average	Fair	Poor	N/A	Item	Good	Average	Fair	Poor	N/A
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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"/>	<input type="checkbox"/>
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Market Area Comments: The subject is located in the city limits of Jonesboro, AR. It is located at the corner of S. Culberhouse St. & W. Cherry Ave. which are both two lane public roadways. All roadways appear suitable for the type and extent of traffic. The adjoining property uses are mostly residential with some nearby multi-family and light commercial uses as well. Growth in the subject's immediate market area is stable and gradually slightly increasing. It is found that vacant sites are in demand and have been stable to increasing over the past few years. Property values in this immediate area have been stable as well. This can be attributed to population increases, solid economic situations as well as the lack of unimproved sites available in this market. This trend has occurred over the past few years. It appears the marketability of the area will remain good even through some potential tougher times over the next few years. The Jonesboro market as a whole provides job opportunities that other areas of northeast Arkansas do not based on the industry, agriculture, medical and major university that is within the metro area. Overall, the market is stable and determined to be a market area that is desirable.

SITE DESCRIPTION

Dimensions: No survey providedSite Area: 13,939 Sq.Ft.

Zoning Classification: R-2Description: Single Family & 2-4 Multi-Family Residential

Do present improvements comply with existing zoning requirements? ☐ Yes☐ No☒ No Improvements

Uses allowed under current zoning: See addenda for a complete description/summary of current zoning.

Are CC&Rs applicable? ☐ Yes☐ No☒ UnknownHave the documents been reviewed? ☐ Yes☐ NoGround Rent (if applicable) \$ /

Comments:

Highest & Best Use as improved: ☒ Present use, or☐ Other use (explain) See addenda for additional commentary.

Actual Use as of Effective Date: Vacant Land - 2-4 Multi-FamilyUse as appraised in this report: Vacant Land - 2-4 Multi-Family

Summary of Highest & Best Use: See addenda for a complete breakdown/analysis.

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Frontage	Unknown - No survey
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Street	City Maintained	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Topography	Generally Level
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public-Natural	Width	Unknown			Size	13,939 +/- sf
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Surface	Asphalt			Shape	Rectangular
Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Curb/Gutter	None	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	Appears Average
Storm Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Sidewalk	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	View	Residential
Telephone	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Street Lights	Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Multimedia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public	Alley	None	<input 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☒ NoFEMA Flood Zone XFEMA Map # 05031C0254DFEMA Map Date 9/26/2024

Site Comments: The subject is located at the corner of S. Culberhouse St. and W. Cherry Ave. The subject is a single city lot. The site size was derived from county records. The site is approximately 0.32 +/- acres or 13,939 +/- sf. The site is relatively level in topography and mostly rectangular in shape. It appears the site has access to public utilities. The roadway providing access is paved and city maintained. It is recommended that a survey be conducted to confirm site size. Based on the opinion of value reflecting the price per square foot for a unit of comparison, deviation from this estimated site size could cause appraisal results to be impacted. The site has been razed of improvements that appear to once occupy the site.

LAND APPRAISAL REPORT

File No.: PK-2024-275

TRANSFER HISTORY

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

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 prior 36 months. The subject has not been offered for sale and/or currently under contract at this time.

Date:

Comp 2 transferred via a Warranty Deed for a price of \$46,000 on 05/17/2024 (b/p 2024R/009118).

Price:

Sales 1 & 3 did not transfer within a year of the sales used and effective date respectively.

Source(s): County Records

2nd Prior Subject Sale/Transfer

Date:

Price:

Source(s):

SALES COMPARISON APPROACH

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	1100 S Culberhouse St Jonesboro, AR 72401	1404 S Church St Jonesboro, AR 72401		1204 Haven St Jonesboro, AR 72401		1225 S Culberhouse St Jonesboro, AR 72401	
Proximity to Subject		0.58 miles SE		0.26 miles E		0.17 miles S	
Sale Price	\$		\$ 47,500		\$ 48,000		\$ 64,000
Price/ Sq.Ft.	\$	\$ 3.68		\$ 5.96		\$ 5.33	
Data Source(s)	Ext. Inspection	Parcel #01-144194-21700		NEAMLS #10114684		Parcel #01-143241-17100	
Verification Source(s)	County Data	b/p 2024R/010430, Grantor		County Data, GIS Maps, Insp.		b/p 2024R/014002, Online Listing	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+ (-) \$ Adjust	DESCRIPTION	+ (-) \$ Adjust	DESCRIPTION	+ (-) \$ Adjust
Sales or Financing		Cash Equiv.	0	Cash	0	Cash Equiv.	0
Concessions		None Known	0	None Known	0	None Known	0
Date of Sale/Time		06/06/2024		05/20/2024	0	08/06/2024	0
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Res./Suburban	Res./Suburban		Res./Suburban		Res./Suburban	
Site Area (in Sq.Ft.)	13,939	12,920	0	8,050	0	12,000	0
Topography/Shape	Mostly Level/Rec.	Mostly Level/Rec.		Mostly Level		Mostly Level/Rec.	
Access	Good / Corner	Good / Corner		Good / Interior		Good / Corner	
Utility Access	All Public	All Public		All Public		All Public	
Zoning/Intended Use	R-2 / Multi-Family	R-2 / Multi-Family		R-1 / Single Fam.	0	R-2 / Multi-Family	
Raze of Improv./Forage	None	Trees & Cleanup	+0.23	None		SF Home	+0.42
Net Adjustment (Total, in \$)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	2,972	<input type="checkbox"/> + <input type="checkbox"/> - \$		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$	5,040
Net Adjustment (Total, in \$ / Sq.Ft.)			(\$ 0.23 /Sq.Ft.)				(\$ 0.42 /Sq.Ft.)
Adjusted Sale Price (in \$ / Sq.Ft.)			\$ 3.91		\$ 5.96		\$ 5.75

Summary of Sales Comparison Approach All comps selected are located within the subject's immediate market area and if placed on the market at the same time I believe would compete. All comps are level, or gently sloping, in topography as well as having similar access from city maintained roadways. Each comp also has all public utility access. All comps are zoned for residential uses. Comp 1 did have post closing expenses for razing trees and forage from the site. Comp 2 was vacant at the time of consummation while comp 3 had a home occupying the site which was razed immediately after purchase. Based on the estimated cost to cure the trees and home from comp 3, adjustments were made based on a price per square foot. After adjustments, all comps were considered. Comp 3 is the closest in proximity, but all three were considered within the final reconciliation. The range is \$3.91/ sf to \$5.93/ sf. The mid-range of value is \$4.94/ sf and the average is \$5.21/ sf. No sales were found that would support the subject's size. However, it's not found that the size of the sites would impact the need for adjusting the price per square foot. It's in the appraiser's opinion that these measures of central tendency would support the subject. In turn, the appraiser's opinion of value trends towards these figures. My opinion of value for the subject is near the mid-range of value, \$4.95/ sf. \$4.95/ sf X 13,939 +/- sf = \$68,998 Rounded \$69,000.

PUD

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 \$ 69,000

Final Reconciliation The Sales Comparison Approach was the only approach deemed applicable. The subject is not determined to be income producing nor were improvements occupying the site in order to conduct the Cost Approach.

This appraisal is made ☒ "as is", or ☐ subject to the following conditions:

☐ This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based upon an inspection of the subject property, 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: \$ 69,000 , as of: 09/13/2024 , 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.

ATTACH.

A true and complete copy of this report contains 24 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, which contains the following attached exhibits: ☒ Scope of Work

☒ Limiting cond./Certifications ☒ Narrative Addendum ☒ Location Map(s) ☒ Flood Addendum ☐ Additional Sales

☒ Photo Addenda ☒ Parcel Map ☐ Hypothetical Conditions ☒ Extraordinary Assumptions ☐

SIGNATURES

Client Contact: Monica Percy

Client Name: City of Jonesboro

E-Mail: MPearcy@jonesboro.org

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

APPRaiser

STATE
CERTIFIED
GENERAL
CG3948

PRESTON KING

Appraiser Name: Preston King

Company: Preston King Appraisal Company

Phone: 870-847-2375 Fax: N/A

E-Mail: ucprestonking@gmail.com

Date of Report (Signature): 11/13/2024

License or Certification #: CG3948 State: AR

Designation: State Certified General

Expiration Date of License or Certification: 06/30/2025

Inspection of Subject: ☒ Did Inspect ☐ Did Not Inspect (Desktop)

Date of Inspection: 09/13/2024

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: ☐ Did Inspect ☒ Did Not Inspect

Date of Inspection:

GP LAND

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acknowledged and credited.
3/2007

Assumptions, Limiting Conditions & Scope of Work

File No.: PK-2024-275

Property Address:	1100 S Culberhouse St	City:	Jonesboro	State:	AR	Zip Code:	72401
Client:	City of Jonesboro		Address:	300 S. Church St., 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 plat and/or parcel map in the appraisal report to assist the reader in visualizing the lot size, shape, and/or orientation. The appraiser has not made a survey of the subject property.
- 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.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, 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.
- 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.

Possession of this report or any copy thereof does not carry with it the right of publication.

- Forecasts of effective demand for the highest and best use or the best fitting and most appropriate use were based on the best available data concerning the market and are subject to conditions of economic uncertainty about the future.


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.):

Certifications & Definitions

File No.: PK-2024-275

Property Address:	1100 S Culberhouse St	City:	Jonesboro	State:	AR	Zip Code:	72401
Client:	City of Jonesboro	Address:	300 S. Church St., 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. - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification. Additional Certifications:							

Client Contact:	Monica Pearcy	Client Name:	City of Jonesboro
E-Mail:	MPearcy@jonesboro.org	Address:	300 S. Church St., Jonesboro, AR 72401
APPRAISER 		SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)	
Appraiser Name: Preston King		Supervisory or Co-Appraiser Name: _____	
Company: Preston King Appraisal Company		Company: _____	
Phone: 870-847-2375 Fax: N/A		Phone: _____ Fax: _____	
E-Mail: ucprestonking@gmail.com		E-Mail: _____	
Date Report Signed: 11/13/2024		Date Report Signed: _____	
License or Certification #: CG3948 State: AR		License or Certification #: _____ State: _____	
Designation: State Certified General		Designation: _____	
Expiration Date of License or Certification: 06/30/2025		Expiration Date of License or Certification: _____	
Inspection of Subject: <input checked="" type="checkbox"/> Did Inspect <input type="checkbox"/> Did Not Inspect (Desktop)		Inspection of Subject: <input type="checkbox"/> Did Inspect <input type="checkbox"/> Did Not Inspect	
Date of Inspection: 09/13/2024		Date of Inspection: _____	

Supplemental Addendum

File No. PK-2024-275

Borrower	City of Jonesboro Land Bank (CLIENT)				
Property Address	1100 S Culberhouse St				
City	Jonesboro	County	Craighead	State	AR Zip Code 72401
Lender/Client	City of Jonesboro				

Scope of Work:

This report has been prepared for the referenced client, City of Jonesboro Arkansas Land Bank. The report has been made restricted to the use of the referenced client and their use only. No other users have been identified by the appraiser. The report has been performed to assist the client with a determination of market value for internal decision making. No other use has been identified by the appraiser. 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. No improvements were noted to exist on the subject site as of the time of inspection which is the effective date of the appraisal. In turn, the cost approach was not deemed applicable based on no improvements existing on the site. Also, the land is not determined to be income producing at this time so the Income Approach was deemed applicable. 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 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.

Market Value Definition:

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. The definition of “market value” used in this report is:

A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.

Comment: Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client’s intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition to definition but generally fall into three categories:

- 1. the relationship, knowledge, and motivation of the parties (i.e., seller and buyer);
- 2. the terms of sale (e.g., cash, cash equivalent, or other terms); and
- 3. the conditions of sale (e.g., exposure in a competitive market for a reasonable time prior to sale).

The Appraisal Foundation, USPAP 2024-2025 Edition

Hypothetical Conditions/Extraordinary Assumptions:

A hypothetical condition is defined as:

. . . that which is contrary to what exists but is supposed for the purpose of analysis . . . Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions, or trends, or about integrity of the data used in the analysis.
The Uniform Standards of Professional Appraisal Practice, (USPAP) 2024-2025 edition

- No hypothetical conditions were utilized.

An extraordinary assumption is defined as:

...an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. . . Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such as market conditions or trends, or the integrity of data used in the analysis.
The Uniform Standards of Professional Appraisal Practice, (USPAP) 2024-2025 edition

- Based on an extraordinary assumption that the subject has marketable title. Deviation could affect subject's market value.

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.



Supplemental Addendum

File No. PK-2024-275

Borrower	City of Jonesboro Land Bank (CLIENT)				
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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 & Best Use Analysis:

Highest and Best Use, as used in this appraisal report, is defined as, "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (From The Appraisal of Real Estate 13th Edition, prepared by The American Institute of Real Estate Appraisers.) A basic economic principle applicable in the estimation of highest and best use is the principle of conformity. Again, quoting from the 13th Edition of The Appraisal of Real Estate, "Market forces create market value, so the analysis of market forces that have a bearing on the determination of highest and best use is crucial to the valuation process. When the purpose of an appraisal is to develop an opinion of market value, highest and best use analysis identifies the most profitable and competitive use to which the property can be put."

When determining the highest and best use of an unimproved site, it is necessary to determine the highest and best use of the site as if vacant and ready to be put to its highest and best use. This use has been determined with regard to what uses are physically possible, legally permissible, financially feasible, and maximally productive. In estimating (determining) the highest and best use, consideration is given to surrounding improvements, deed restrictions, the site's physical and legal constraints, location and trends in the neighborhood. Implied in these definitions is that the determination of highest and best use considers the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners.

An additional implication is that the determination of highest and best use results from the appraiser's judgment and analytical skill - that is, that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. (From The Appraisal of Real Estate, 13th Edition, published by the American Institute of Real Estate Appraisers, 2008). The highest and best use of the subject site as vacant will be analyzed based on the criteria for determining highest and best use.

Highest and Best Use is defined as "that reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonable, probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and which results in the highest land value."

The following tests must be passed in determining the highest and best use:

- The use must be within the realm of probability; that is, it must be likely, not speculative or conjectural.
- The use must be legal.
- A demand must exist for such use.
- The use must be profitable.
- The use must be such as to return to the land, as well as the property on the whole, the highest net return.

Four stages are included in the analysis of highest and best use:

Physically Possible: determine the physically possible uses for the subject site.

Legally Permissible: determine which uses are legally permitted for the subject site.

Financially Feasible: determine which possible and permissible uses will produce a net return to the subject site.

Maximally productive: determine which use, among the feasible uses, is the most profitable use of the subject site.

The highest and best use of the land as if vacant and available for use may be different from the highest and best use of improved property. This is true when the improvements do not constitute an appropriate use. The existing use will continue unless and until land value in its highest and best use exceeds the sum value of the entire property in its existing use and the cost to remove the improvements.



Supplemental Addendum

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Since the appraisal of the subject property is based on a premise of use, the highest and best use analysis determines just what this premise of use should be. A highest and best use analysis consists of considering the highest and best use of a property under two assumptions:

- (1) with a vacant and available site and
- (2) with the property as improved.
- These two assumptions on highest and best use are correlated into one final estimate of highest and best use.

As Vacant and Available

The first major aspect of the highest and best use analysis is considering the property as if it were vacant and available for development. This assumption is made to determine whether the land alone is worth more than the existing property, as is. In other words, this is the beginning benchmark to compare with the highest and best use of the property as is, to determine whether the site is presently under-utilized.

Possible Use - The physical aspects of the land impose the first constraints on any possible use of the property. The appraised tract is a relatively rectangular shaped tract consisting of 13,939 +/- square feet. The site is level in topography and above street grade. It has good access to public roadways. Based on the physical aspects of the land parcel, a variety of land uses are possible.

Permissible Use - Based on research conducted, the subject is currently zoned R-2, 2-4 Multi-Family Residential. This zoning classification allows for 2-4 multi-family uses as well as single family residential uses. There are no known easements that would negatively affect the development of the tract. In turn, residential uses up to 4 units would be possible and permissible.

Feasible Uses - The desirability for vacant land in the subject's immediate area is good based on the demand for vacant sites and low supply available. Development in the subject's immediate neighborhood consists of mostly residential uses. It is my opinion that a residential use provides a positive net return to the land and, therefore, is considered feasible.

Most Profitable Use - In the final analysis, a determination must be made as to which feasible use is the highest and best use of the parcel as if vacant. Based on the current demand for vacant sites in the subject's immediate market area, if the site were vacant and available, it is in the appraiser's opinion that the highest and best use would be for light 2-4 multi-family development.

Conclusion of Highest and Best Use

Based on the preceding analysis of the site, as vacant and available for development, it is the appraiser's opinion that the highest and best use for the subject property is 2-4 multi-family development.

Photograph Addendum

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Site



Street View



Corner Site



Site



Site



Site / Utilities

Comparable Photo Page

Borrower	City of Jonesboro Land Bank (CLIENT)					
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Lender/Client	City of Jonesboro					



Comparable 1

1404 S Church St



Comparable 2

1204 Haven St



Comparable 3

1225 S Culberhouse St

Figli

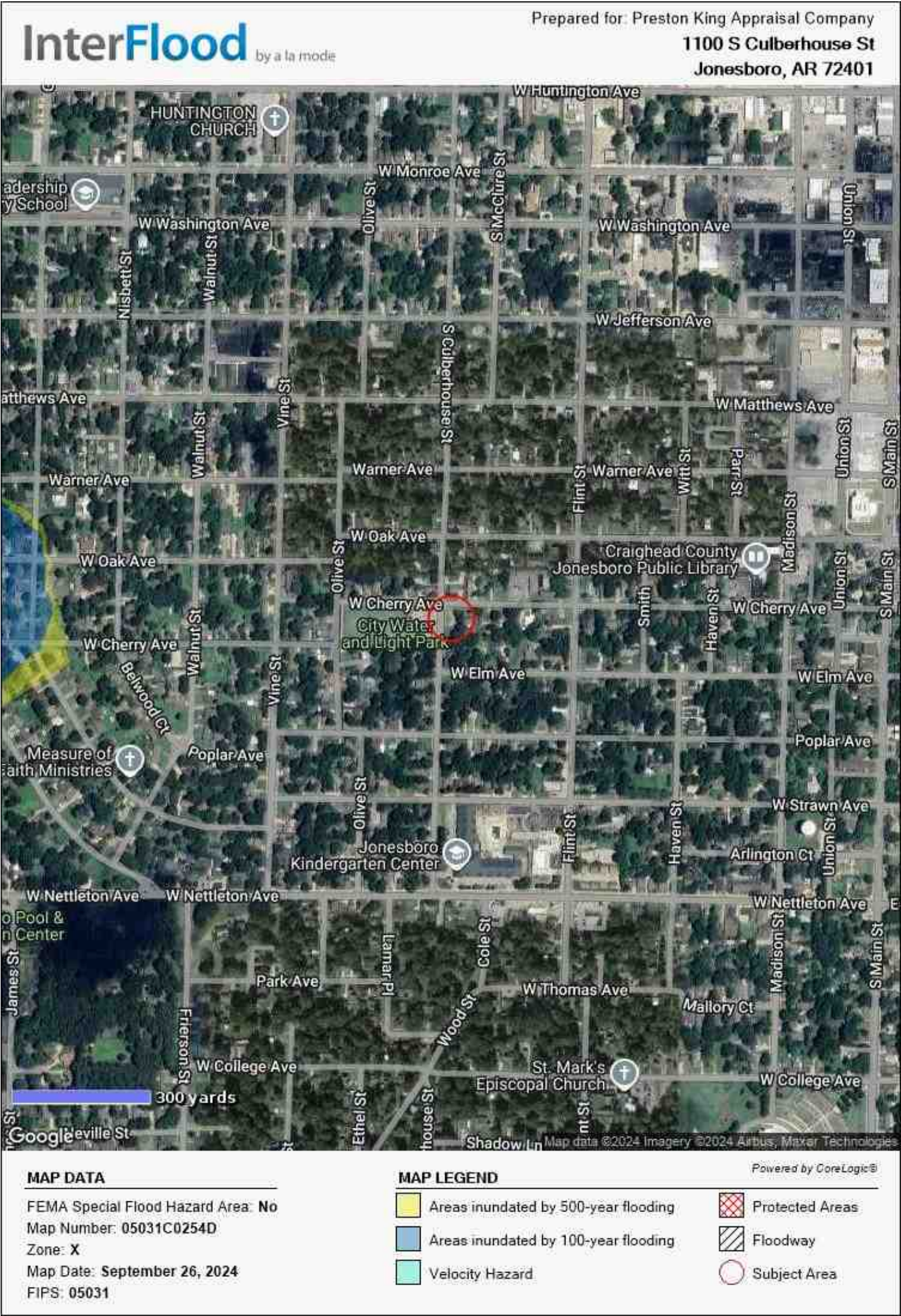
Comparable Sales Map

Borrower	City of Jonesboro Land Bank (CLIENT)				
Property Address	1100 S Culberhouse St				
City	Jonesboro	County	Craighead	State	AR
				Zip Code	72401
Lender/Client	City of Jonesboro				



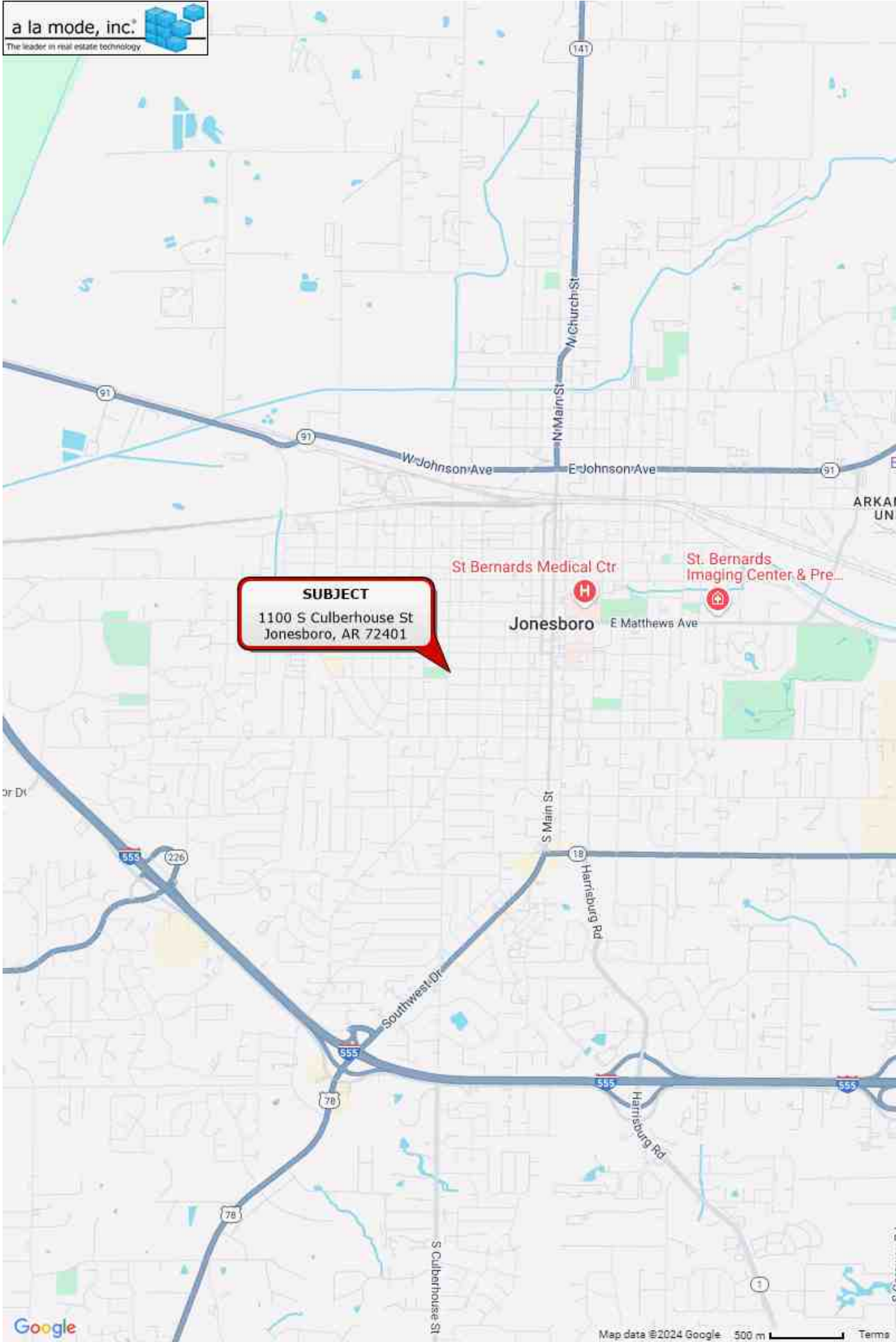
Flood Map

Borrower	City of Jonesboro Land Bank (CLIENT)				
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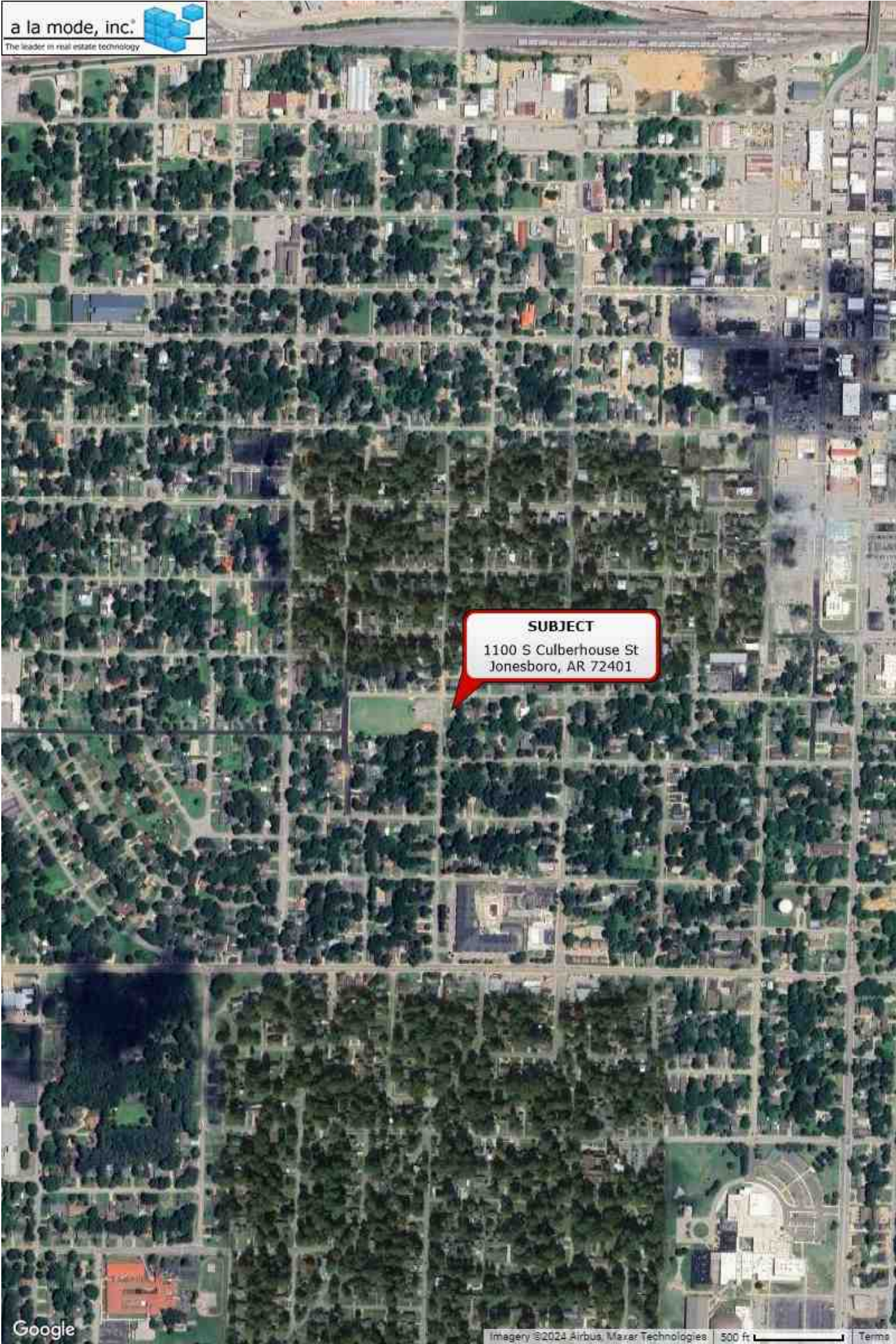
Location Map

Borrower	City of Jonesboro Land Bank (CLIENT)				
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Aerial Map

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Lender/Client	City of Jonesboro				



Aerial Map (Not a Legal Survey)





PRESTON KING

Certified General Appraiser

Email: pkingappraisals@gmail.com

Mobile: 870-847-2375

Preston King Appraisal Company

1207 Cardinal Rd.

Jonesboro, AR 72401

LICENSES HELD

Certified General Appraiser in Arkansas #CG3948

Certified General Appraiser in Louisiana #APR.04984-CGA

Certified General Appraiser in Missouri #2023003244

Licensed Real Estate Broker in Arkansas

PROFESSIONAL AFFILIATIONS

Appraisal Institute – Candidate Member

American Society of Farm Managers & Rural Appraisers – Candidate Member

National Association of Realtors

Arkansas Auctioneers Association

EDUCATION

Arkansas State University

- Bachelor of Science in Finance 2012
- Bachelor of Science in Accounting 2013

COURSES TAKEN

- 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
- General Income Approach, 60 hours, McKissock Online, 2022
- Appraisal Institute Business Ethics, Online, 2023
- ASFMRA Business Ethics, Online, 2023

Preston King License

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attests that

Preston J King

On this date was certified as a

STATE CERTIFIED GENERAL APPRAISER

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certification 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.

6/24/2022

Date Issued

CG-3948

Certification Number

Chairman, AALCB

Preston King Certification


SARAH HUCKABEE SANDERS
Governor
DARYL E. BASSETT
Secretary of Labor
and Licensing

State of Arkansas
Arkansas Dept of Labor and Licensing
Arkansas State Board of Appraisers,
Abstracters, and Home Inspectors
900 W Capitol Ave, Suite 400
Little Rock, AR 72201
PH (501)-296-1843
<https://www.arkansas.gov/alcb/>


PRESTON KING
1207 CARDINAL RD.
JONESBORO, ARKANSAS 72401

LICENSE #:
CG3948

THIS CERTIFIES THAT
PRESTON KING
IS LICENSED AS A
Certified General Appraiser

Given under our hand and seal this **5th** day of **Jun, 2024**.

This license expires: **06/30/2025**.



SECRETARY OF LABOR AND LICENSING