R-10-120

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO PURCHASE CERTAIN REAL PROPERTY LOCATED AT 1023 PARKER IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS; APPROPRIATING FUNDS; AND FOR OTHER PURPOSES.

WHEREAS, the Arkansas Development Finance Authority ("ADFA") applied for and received funding available from the United States Department of Housing and Urban Development ("HUD") under the Neighborhood Stabilization Program 1 ("NSP1"); and

WHEREAS, HUD and ADFA rules and regulations restrict these federal funds to certain neighborhoods which have been hardest hit by the housing crisis and foreclosures, and the Baring Cross Neighborhood in North Little Rock meets those criteria for funding; and

WHEREAS, the City of North Little Rock ("the City") has applied for and been approved to acquire property and construct thirteen (13) affordable single-family homes for low, moderate and middle-income households ("LMMH") as defined by the Housing and Economic Recovery Act of 2008 ("HERA"); and

WHEREAS, the City desires to purchase property located at 1023 Parker which has been identified as meeting the requirements of HERA, and the owner thereof has agreed to sell the property to the City at a fair market value of $19,800.00; and

WHEREAS, it is in the best interests of the City that the subject property be purchased for the construction of an affordable single-family for an LMMH homebuyer.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to execute an Offer & Acceptance (substantially similar to the one included in the Exhibit "A" Packet attached hereto and incorporated herein) for the purchase of the following described real property located at 1023 Parker for the sum of $19,800.00:

> Lot 1R, Block 2, Giles Addition to the City of North Little Rock, Pulaski County, Arkansas.

SECTION 2: That all closing documents for the sale and purchase of the subject property shall be approved by the City Attorney.

SECTION 3: That the purchase price of $19,800.00 is hereby appropriated from the General Fund, said amount to be reimbursed by ADFA from funds received under NSP1 of HUD.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Patrick H. Hays

SPONSOR:

Mayor Patrick H. Hays

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/b

FILED 11:30 A.M. _____ P.M.
BY City Atty Carter
DATE 8-3-10
Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas
RECEIVED by A Hodge

EXHIBIT “A” PACKET

Includes:

1. **Offer & Acceptance**
2. **Survey Map**
3. **Appraisal**

OFFER & ACCEPTANCE

KNOW ALL MEN BY THESE PRESENTS:

1. BUYER & SELLER: Baring Cross Restoration, LLC, owner of a certain tract of property located in the City of North Little Rock, AR, hereinafter referred to as "Seller", offers to sell, subject to the terms set forth herein, the following described property to the City of North Little Rock, Arkansas, hereinafter referred to as "Buyer".

LEGAL DESCRIPTION OF PROPERTY:

Lot 1 R, Block 2, Giles Additional, to the City of North Little Rock, Pulaski County, Arkansas.

2. PURCHASE PRICE: The Buyer will pay $19,800.00 for fee simple title to the herein-described property. The Buyer will be responsible for all closing costs.

3. EXPRESS CONDITIONS: This agreement is conditioned upon the following:

a. Approval by the North Little Rock City Council;

b. For a period of sixty (60) days following the date that this Offer is accepted, Buyer or its agent(s) shall be entitled to conduct such reviews related to the Property and inspections of the Property as Buyer deems necessary, including, without limitation, title review, survey review, environmental review, soil composition analysis, an appraisal of the value of the Property, financing analyses, feasability studies, traffic analyses, etc. (the "Buyer's Review Period"). During Buyer's Review Period, Buyer or its agents shall have the right to enter upon the Property to perform non-destructive tests such as, but not limited to, soils testing, environmental studies, or any other tests that might be necessary to help determine the feasibility of the Property. In the event that Buyer is dissatisfied with the results of Buyer's review or otherwise determines that the Property is not feasible for its purposes in its discretion, Buyer shall deliver written notice thereof to Seller prior to expiration of Buyer's Review Period, and this Agreement shall terminate, any earnest money shall be promptly refunded to Buyer and neither Buyer nor Seller shall have any further obligation to the other pursuant to this Agreement, or otherwise.

c. Closing shall occur no later than June 15, 2010; and

d. This offer shall expire at noon on June 4, 2010. Buyer shall consider expiration to be a rejection of this offer.

4. CONVEYANCE/WARRANTY: Seller agrees to grant, bargain, transfer and convey the above-described property unto Buyer and unto its administrators and assigns. Seller hereby covenants with the Buyer that it is the lawful owner of said property, that the property is free from liens and encumbrances, that Seller has good right to sell the same; and that Seller will warrant and defend the same against the lawful claims and demands of all persons or entities whomsoever.

5. POSSESSION: Possession shall be delivered to Buyer upon closing.

6. INSPECTION: Buyer certifies that Buyer has inspected the property and is not relying upon any warranties, representations or statements of any agent or Seller other than those specified herein.

7. MISCELLANEOUS:

a. This agreement shall be governed by the laws of the State of Arkansas.

b. This agreement contains the complete agreement between the parties and cannot be varied except by written agreement of the parties. The parties agree that there are no oral agreements, understandings, representations or warranties which are not expressly set forth herein.

c. Any portion of this agreement not otherwise consummated at closing will survive the closing of this transaction as a continuing agreement by and between the parties.

d. This agreement shall inure to the benefit of and bind the parties hereto and their respective heirs, representatives, successors and assigns.

e. Time is of the essence with respect to this offer and acceptance.

8. ACCEPTANCE: The term "acceptance" as used herein shall mean the later of the two dates on which this agreement is signed by Seller or when signed by North Little Rock's Mayor, as indicated by the appropriate signatures below, which later date shall be the date of final execution and agreement by the parties hereto. If any date or deadline provided for herein falls on Saturday, Sunday, or a holiday, the applicable date shall be the next business day.

SELLER:

_____
Baring Cross Restoration, LLC

Address: #5 Glenridge Road
Little Rock AR, 72227

Date: _____

BUYER:

CITY OF NORTH LITTLE ROCK, AR

By: _____
Patrick H. Hays, Mayor

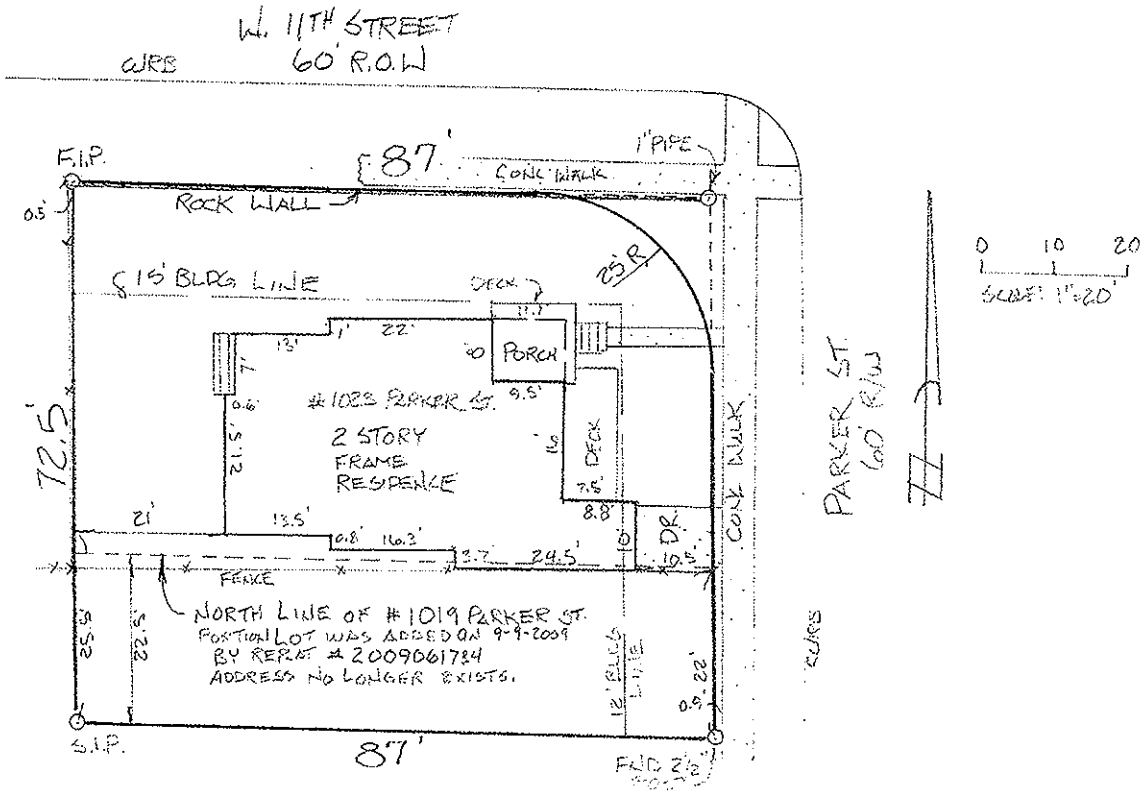
Date: _____

ATTEST:

_____
Diane Whitbey, City Clerk
[SEAL]

PREPARED BY:
Office of North Little Rock City Attorney
300 Main Street
North Little Rock, AR 72114

MARLAR ENGINEERING CO., INC.
Consulting Civil Engineers & Land Surveyors
5318 John F. Kennedy Boulevard
North Little Rock, Arkansas 72116
PHONE (501) 753-1987 FAX (501) 753-1993 WWW.MARLAR-ENG.COM



NOTES:
1. This survey is for the purpose of title and mortgage work.
2. The use and benefit of this survey is not transferable and does not extend to any other party
3. No other copies of this survey will be available.

DATE: APRIL 14, 2010

SCALE: 1" = 20'

LEGAL DESCRIPTION:
LOT 1 R, BLOCK 2, GILES ADDITION, TO THE CITY OF NORTH LITTLE ROCK, PULASKI COUNTY, ARKANSAS

THIS IS TO CERTIFY THAT THE ABOVE DESCRIBED LAND HAS BEEN SURVEYED IN APRIL OF 2010 . CORNERS ARE MARKED AS SHOWN AND ARE IN ACCORDANCE WITH EXISTING MONUMENTS IN THE AREA. THIS CERTIFICATION IS FOR AND LIMITED TO THE PARTIES SHOWN HEREON AND IS NOT TRANSFERABLE. ACCORDING TO THE FEMA FLOOD INSURANCE RATE MAP (FIRM) COMMUNITY PANEL NO. 050182 0008 D DATED SEPTEMBER 5, 1990 . THE ABOVE DESCRIBED PROPERTY APPEARS TO EXIST IN ZONE X AND DOES NOT LIE WITHIN THE 100 YEAR FLOOD PLAIN.

ADDRESS: 1023 PARKER STREET
NORTH LITTLE ROCK, ARKANSAS

FOR: CITY OF NORTH LITTLE ROCK

REGISTERED
STATE OF ARKANSAS
NO. 1
SIGNATURE
MICHAEL P. MARLAR
PROFESSIONAL LAND SURVEYOR

RECERTIFICATION OF VALUE

This recertification of value ☐ incorporates by attachment ☐ incorporates by reference information from file # _____
by Melissa Clifton, with an original effective date of January 19, 2010, and an
original value conclusion of $ 20,000. Please refer to the original report for additional information.

File No.: _____

Client: City of North Little Rock

Borrower: N/A

On January 19, 2010, the property situated at 1023 Parker, North Little Rock, AR 72114

was appraised by Melissa Clifton
and valued at $ 20,000

I have reviewed the above referenced appraisal, driven by the subject property, taken new subject front photos and recertify the value as indicated above.

Date of Re-inspection: July 27, 2010

It is my opinion that the value of the subject property:

☐ is now valid as an "as-is" value.

☐ is not valid as an "as-is" value because the following conditions have not been met:

Comments/Conditions:

Signature Melissa Clifton	Signature Tom M. Ferstl
Name Melissa Clifton	Name Tom M. Ferstl
Date Signed July 28, 2010	Date Signed July 28, 2010
State Certification # _____ State _____	State Certification # CG-0029 State AR
Or State License # SR-2289 State AR	Or State License # _____ State _____

Subject Photo Page

Borrower/Client	Client: City of North Little Rock						
Property Address	1023 Parker						
City	North Little Rock	County	Pulaski	State	AR	Zip Code	72114
Lender	N/A						

Subject Front

1023 Parker

Sales Price	N/A
Gross Living Area	1,873
Total Rooms	6
Total Bedrooms	4
Total Bathrooms	2
Location	Giles
View	Typical Urban
Site	6,300 Sq. Ft.
Quality	Avg/Frame
Age	100 Years

APPRAISAL OF REAL PROPERTY

LOCATED AT:

1023 Parker
Please See Attached Legal Description
North Little Rock, AR 72114

FOR:

City of North Little Rock
P. O. Box 5757
North Little Rock, AR 72119

AS OF:

January 19, 2010

BY:

Melissa Clifton

Borrower/Client	Client: City of North Little Rock			File No.	
Property Address	1023 Parker				
City	North Little Rock	County Pulaski		State AR	Zip Code 72114
Lender	N/A				

APPRAISAL AND REPORT IDENTIFICATION

This appraisal conforms to one of the following definitions:

- ☐ **Complete Appraisal** (The act or process of estimating value, or an opinion of value, performed without invoking the Departure Rule.)
- ☒ **Limited Appraisal** (The act or process of estimating value, or an opinion of value, performed under and resulting from invoking the Departure Rule.)

This report is one of the following types:

- ☐ **Self Contained** (A written report prepared under Standards Rule 2-2(a) of a Complete or Limited Appraisal performed under STANDARD 1.)
- ☒ **Summary** (A written report prepared under Standards Rule 2-2(b) of a Complete or Limited Appraisal performed under STANDARD 1.)
- ☐ **Restricted** (A written report prepared under Standards Rule 2-2(c) of a Complete or Limited Appraisal performed under STANDARD 1, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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

- ☐ The statements of fact contained in this report are true and correct.
- ☐ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- ☐ I have no (or the specified) present or prospective interest in the property that is the subject of this report, and no (or the specified) personal interest with respect to the parties involved.
- ☐ I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- ☐ My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ☐ My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- ☐ My analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- ☐ I have (or have not) made a personal inspection of the property that is the subject of this report.
- ☐ No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Comments on Appraisal and Report Identification

Note any departures from Standards Rules 1-3 and 1-4, plus any USPAP-related issues requiring disclosure:

The City of North Little Rock is the "client" with regard to this appraisal report, and this report is intended solely for the use and benefit of said client, and the appraisers have no intent to benefit any other party. **This appraisal report is prepared for the sole and exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express written consent of the appraiser.**

PURPOSE AND FUNCTION: The purpose of this appraisal is to estimate the fair market value of the subject property for Voluntary Acquisitions. The function of this appraisal is for use by the above named client to determine market value as of the date of this report. SCOPE OF APPRAISAL:The scope of this appraisal consisted of an inspection of the subject. Pictures of the front, rear, interior and street were taken. The neighborhood was driven through to determine its salient characteristics. The Highest and Best Use is yet to be determined. A cost approach is included in this report. The MLS and the local Tax Assessor's records were researched for comparable sales in the neighborhood. Several possible sales were viewed from the exterior. 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 were reconciled and an opinion of value was rendered based on the data available.

The following is an "appraisal" of the subject property, it is not an environmental, structural, 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. A professional home inspection and termite inspection is recommended. If this report is signed by a State Registered appraiser only, it may not be eligible for use in a federally related transaction.

APPRAISER: Melissa Clifton

Signature:
Name: Melissa Clifton
Date Signed: January 27, 2010
State Certification #:
or State License #: SR-2289
State: AR
Expiration Date of Certification or License: 12/31/2010

SUPERVISORY APPRAISER (only if required): Tom M. Ferstl

Signature:
Name: Tom M. Ferstl
Date Signed: January 27, 2010
State Certification #: CG-0029
or State License #:
State: AR
Expiration Date of Certification or License: 06/30/2010

☐ Did ☒ Did Not Inspect Property

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No.

SUBJECT

Property Description

Property Address 1023 Parker City North Little Rock State AR Zip Code 72114

Legal Description Please See Attached Legal Description County Pulaski

Assessor's Parcel No. 33N2730000700 Tax Year 2008 R.E. Taxes $ 328.91 Special Assessments $ N/A

Borrower N/A Current Owner Baring Cross Restoration LLC Occupant: ☐ Owner ☐ Tenant ☒ Vacant

Property rights appraised ☒ Fee Simple ☐ Leasehold Project Type ☐ PUD ☐ Condominium (HUD/VA only) HOA $ 0.00 /Mo.

Neighborhood or Project Name North Little Rock Map Reference 30780 Census Tract 0030.00

Sale Price $ N/A Date of Sale N/A Description and $ amount of loan charges/concessions to be paid by seller N/A

Lender/Client City of North Little Rock Address P. O. Box 5757, North Little Rock, AR 72119

Appraiser Melissa Clifton Address 621 East Capital Avenue, Little Rock, AR 72202

NEIGHBORHOOD

				Predominant occupancy	Single family housing PRICE $(000)	AGE (yrs)	Present land use %	Land use change
Location	☒ Urban	☐ Suburban	☐ Rural					
Built up	☒ Over 75%	☐ 25-75%	☐ Under 25%				One family 70	☒ Not likely ☐ Likely
Growth rate	☐ Rapid	☐ Stable	☒ Slow	☒ Owner 60	7 Low	21	2-4 family 20	☐ In process
Property values	☐ Increasing	☐ Stable	☒ Declining	☒ Tenant 35	89 High	90	Multi-family 5	To:
Demand/supply	☐ Shortage	☐ In balance	☒ Over supply	☒ Vacant (0-5%)	Predominant		Commercial 0	
Marketing time	☐ Under 3 mos.	☒ 3-6 mos.	☐ Over 6 mos.	☐ Vac.(over 5%)	14	70	Vacant 5	

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: The subject neighborhood is bounded by West Pershing Boulevard to the North; by the Arkansas River to the South; by Pike Avenue to the East and by Fort Roots Drive to the West in Pulaski County, Arkansas.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):
The subject neighborhood is located in an area of average quality and condition homes that would appeal to the typical home buyer. Supporting commercial development is nearby. Demand and appeal to the local market are considered average. Marketing time according to the local Realtors MLS data is approximately three to six months. The subject is in close proximity to employment centers.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):
The subject is located in North Little Rock where demand is considered average. Marketing time is currently three to six months and there appears to be an over supply competitive listings as compared to recent sales. An adequate supply of single family mortgage money is available with a variety of programs ranging from 3% to 7% and discount points from 0% to 4% for qualified buyers.

PUD

Project Information for PUDs (If applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)? ☐ Yes ☒ No

Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____

Describe common elements and recreational facilities:

SITE

Dimensions Approximately 87 x 72.5 | Topography Generally Level

Site area Approximately 6,300 Sq. Ft. Corner Lot ☒ Yes ☐ No | Size Approximately 6300 Sq. Ft.

Specific zoning classification and description R-4; Multi-Family District | Shape Please See Attached Map

Zoning compliance ☒ Legal ☐ Legal nonconforming (Grandfathered use) ☐ Illegal ☐ No zoning | Drainage Appears Adequate

Highest & best use as improved: ☐ Present use ☒ Other use (explain) See Addendum | View Typical Urban

Utilities	Public	Other	Off-site Improvements	Type	Public	Private
Electricity	☒		Street	Asphalt	☒	☐
Gas	☒		Curb/gutter	Concrete	☒	☐
Water	☒		Sidewalk	Concrete	☒	☐
Sanitary sewer	☒		Street lights	Mercury Vapor	☒	☐
Storm sewer	☒		Alley	None	☐	☐

Landscaping Average

Driveway Surface Concrete

Apparent easements Typical Utility

FEMA Special Flood Hazard Area ☐ Yes ☒ No

FEMA Zone X Map Date 9/5/1990

FEMA Map No. 0501820006D

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): There are no apparent adverse conditions, easements or encroachments. A survey is included in this report, however, there is no mention of the site area that was calculated by the surveyor. Therefore, the site area in this report is an estimated site area and is not warranted by the appraiser.

DESCRIPTION OF IMPROVEMENTS

GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT		INSULATION	
No. of Units	One	Foundation	Masonry	Slab	No	Area Sq. Ft.	N/A	Roof	☐
No. of Stories	1.5 Story	Exterior Walls	Frame	Crawl Space	Yes	% Finished	N/A	Ceiling	☐
Type (Det./Att.)	Detached	Roof Surface	Composite	Basement	No	Ceiling	N/A	Walls	☐
Design (Style)	1.5 Sty/Trad	Gutters & Dwnspts.	None	Sump Pump	No	Walls	N/A	Floor	☐
Existing/Proposed	Existing	Window Type	MTP	Dampness	No Apparent	Floor	N/A	None	☐
Age (Yrs.)	90 Years	Storm/Screens	No/No	Settlement	Yes	Outside Entry	N/A	Unknown	☒
Effective Age (Yrs.)	50-60 Yrs	Manufactured House	No	Infestation	No				

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm.	Rec. Rm.	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												N/A
Level 1		1	Com	bo				2	1			1,168
Level 2								2	1			705

Finished area above grade contains: 6 Rooms; 4 Bedroom(s); 2 Bath(s); 1,873 Square Feet of Gross Living Area

INTERIOR	Materials/Condition	HEATING		KITCHEN EQUIP.		ATTIC		AMENITIES		CAR STORAGE:	
Floors	Tile,Hdwd,Plywd/A-G	Type	None	Refrigerator	☐	None	☒	Fireplace(s) # None	☐	None	☐
Walls	Drywall/New	Fuel	N/A	Range/Oven	☐	Stairs	☐	Patio None	☐	Garage	# of cars
Trim/Finish	Wood/A-G	Condition	N/A	Disposal	☐	Drop Stair	☐	Deck Wood	☒	Attached	
Bath Floor	Plywood/A-G	COOLING	None	Dishwasher	☐	Scuttle	☐	Porch Covered	☒	Detached	
Bath Wainscot	Fiberglass/New	Central	N/A	Fan/Hood	☐	Floor	☐	Fence None	☐	Built-In	
Doors	None	Other	N/A	Microwave	☐	Heated	☐	Pool None	☐	Carport	1 Car
		Condition	N/A	Washer/Dryer	☐	Finished	☐			Driveway	1 Space

COMMENTS

Additional features (special energy efficient items, etc.): Front Covered Porch; Front Wood Deck; Attached 1 Car Carport.

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: The condition of the interior of the subject property is under construction. Please See Attached Photos. No functional or external obsolescence was noted at the time of inspection. Repairs are needed; the appraiser is not an inspector or an expert in this field. The appraiser suggests that a licensed inspector be obtained to determine needed repairs. Please see Supplemental Addendum for additional comments.

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: The subject property appears to have suffered a fire. The appraiser suggests that an expert in this field be obtained to determine any needed repairs. Please see Addendum for additional comments.

Form UA2 — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

Valuation Section

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No.

COST APPROACH

ESTIMATED SITE VALUE	= $ 4,500	Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): See attached sketch. Estimated Reproduction costs are from Marshall & Swift's "Residential Cost Handbook" & Local Builders.
ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:		
Dwelling 1,873 Sq. Ft. @$ 48.23	= $ 90,335	
N/A Sq. Ft. @$	=	
	=	
Garage/Carport 246 Sq. Ft. @$ 10.11	= 2,487	
Total Estimated Cost New	= $ 92,822	Note: Interior partitions are not provided. The opinion of site value was taken from the assessors value attributed to the lot in the appraised value for tax purposes section.
Less Physical 77,349 / Functional / External	=$ 77,349	
Depreciation		
Depreciated Value of Improvements	=$ 15,473	
"As-is" Value of Site Improvements	=$ 1,000	The subject property has no economic life in its current damaged and unfinished condition.
INDICATED VALUE BY COST APPROACH	=$ 20,973	

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	1023 Parker North Little Rock	1701 Schaer North Little Rock		1101 Parker North Little Rock		1120 Franklin North Little Rock	
Proximity to Subject		0.53 miles NE		0.06 miles N		0.11 miles NW	
Sales Price	$ N/A		$ 23,000		$ 12,900		$ 25,000
Price/Gross Living Area	$ ⌂	$ 11.95 ⌂		$ 10.42 ⌂		$ 22.16 ⌂	
Data and/or Verification Source	Inspection	MLS/Realtor MLS#10231361		MLS/Realtor MLS#10215539		Tax Assessors Records Tax Assessors Office	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(−)$ Adjust.	DESCRIPTION	+(−)$ Adjust.	DESCRIPTION	+(−)$ Adjust.
Sales or Financing Concessions		Bank Financing None Known		Cash None Known		Unknown None Known	
Date of Sale/Time		09/08/2009		02/23/2009		03/03/2009	
Location	Giles	Holts Industrial		Baring Cross		Baring Cross	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Site	6,300 Sq. Ft.	6,650 Sq. Ft.	-250	6,680 Sq. Ft.	-250	6,860 Sq. Ft.	-250
View	Typical Urban	Typical Urban		Typical Urban		Typical Urban	
Design and Appeal	1.5 Story/Trad	1 Story/Trad		1 Story/Trad		1 Story/Trad	
Quality of Construction	Avg/Frame	Avg/Brk&Frm	-500	Avg/Frame		Avg/Frame	
Age	100 Years	70 Years		70 Years		56 Years	
Condition	Under Construct	Average		Average		Avg to Good	-5,000
Above Grade Room Count (Total / Bdrms / Baths)	6 / 4 / 2	5 / 2 / 1	+2,000	4 / 2 / 1	+2,000	5 / 3 / 2	
Gross Living Area	1,873 Sq. Ft.	1,924 Sq. Ft.	-255	1,238 Sq. Ft.	+3,175	1,128 Sq. Ft.	+3,725
Basement & Finished Rooms Below Grade	None None	336 Sq. Ft. 2nd Dwelling	-5,000	None None		None None	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	None	None		Space Heater	-500	Floor Furnace	-500
Energy Efficient Items	None	None		None		None	
Garage/Carport	1 Car Carport	2 Car Carport	-500	1 Car Carport		None	+500
Porch, Patio, Deck, Fireplace(s), etc.	Porch, Deck None	Porch None	+500	Porch None	+500	Porch,Scr Porch None	
Fence, Pool, etc.	None	None		None		None	
Amenities	None	None		None		Storage	-500
Net Adj. (total)		☐ + ☒ − $	-4,005	☒ + ☐ − $	4,925	☐ + ☒ − $	-2,025
Adjusted Sales Price of Comparable		Net 17.4 % Gross 39.2 % $	18,995	Net 38.2 % Gross 49.8 % $	17,825	Net 8.1 % Gross 41.9 % $	22,975

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): These three comparables are deemed by the appraiser to be the best available comparables that could be located for the subject property in its marketing area. Equal emphasis is placed on all three comparables in the final analysis. After the necessary adjustments have been made all comparables are considered adequate indicators of value. Sale #1 is larger in size and similar in condition versus the subject property; this sale features a 2nd dwelling containing living, kitchen and bath. Sale #2 is smaller in size and similar in condition; this was a foreclosure sale. Sale #3 is smaller in size and superior in condition. The Pulaski County Tax Assessor has the subject property appraised for tax purposes at $16,170.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	05/14/2008 12,000 2008033406	None N/A Tax Assessors Records	11/18/2008 Unknown 2008078174 CRDS	None N/A Tax Assessors Records

Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: The above record of transfer for the subject property occurred during the previous 36 month period according to the assessors records. The subject property is not currently listed for sale. Please See Supplemental Addendum for further comments.

INDICATED VALUE BY SALES COMPARISON APPROACH $ 20,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent $ N/A /Mo. x Gross Rent Multiplier N/A = $ N/A

RECONCILIATION

This appraisal is made ☒ "as is" ☐ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans & specifications.

Conditions of Appraisal: None **This is a Complete Appraisal - Summary Report**

Final Reconciliation: The Sales Comparison Approach is considered to be the most reliable because it reflects the activities of typical buyers and sellers in the real estate market place. The Cost Approach was not considered applicable, however, it is included to show depreciation. The Income Approach was not considered applicable by the appraiser for the purposes of this assignment, therefore, not performed.

The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 6/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF January 19, 2010 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE $ 20,000

APPRAISER:	SUPERVISORY APPRAISER (ONLY IF REQUIRED):
Signature: Melissa Clifton	Signature: M. Ferstl
Name: Melissa Clifton	Name: Tom M. Ferstl
Date Report Signed: January 27, 2010	Date Report Signed: January 27, 2010
State Certification # / State	State Certification # CG-0029 / State AR
Or State License # SR-2289 / State AR	Or State License # / State

☐ Did ☒ Did Not Inspect Property

Form UA2 — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

Supplemental Addendum File No.

Borrower/Client	Client: City of North Little Rock				
Property Address	1023 Parker				
City	North Little Rock	County Pulaski	State AR	Zip Code 72114	
Lender	N/A				

Some of the interior materials and the windows are new and some of the interior materials are damaged. The subject property has new Central H/A duct work, however, no Central H/A unit has been installed Therefore, the appraiser considered the subject property to be in overall average condition.

A survey was provided to the appraiser and is included in this report. Please see the comment on page 1 of the URAR. The site placement was obtained from the Bagley Maps. This information is not warranted by the appraiser as accurate.

As noted on page 1 of the URAR, it appears to the appraiser that the subject property may have suffered a fire (please see attached photos). Currently, the subject property is under construction. The appraiser suggests that a licensed professional be obtained to determine what repairs are needed.

At the time of the inspection, the appraiser noted charred rafters, possibly due to a fire. The appraiser also noted possible foundation/settlement issues. The appraiser is not an inspector and suggests that a inspector be obtained to determine if extensive damage exists due to these issues. If an inspector determines that extensive damage does exist and the cost to cure the damages exceeds $500, the appraiser reserves the right to alter the final opinion of value.

The zoning for the subject property is R-4 Multi-family District according to the City of North Little Rock Zoning Map (Please see attached Map). The definition of this zoning includes; multifamily or apartment residences, but allows single- and two-family structures. The subject property is in compliance with the current zoning. The highest and best use for the subject property is yet to be determined and is pending repair estimates. If the combined repairs for the subject property for the structure, environmental hazards and/or repairs needed to bring the subject property to code exceed $20,000; it is the opinion of the appraiser that the highest and best use would be a new multifamily rental type structure.

According to the Pulaski County Tax Assessors Records, there is another previous sale for comparable sale #2 during the previous 12 month period: Date; 11/18/2008, Price; Unknown, Data Source; 2008078174 CRDS; Another sale exist during this period: Date; 11/04/2008, Price; Unknown, Data Source; 2008076262 MGDS. There is no other information available to the appraiser regarding this property.

According to the CARMLS, there have been 13 sales in the subjects marketing area during the previous 12 month period, and currently there are 29 active listings in the subjects marketing area. During the previous 36 month period, property values in the subjects marketing area have declined and longer than average marketing times have been noted.

Information regarding the closing, cancelled checks and receipts for improvements of the subject property were not provided to the appraiser by the owner.

Information regarding recent sales was also provided to the appraiser. There were 4 identified sales included, one of these was a duplex (1236 & 1238 West 10th Street), therefore, not considered comparable by the appraiser. Of the other 3, one could not be located in the Pulaski County Tax Assessors Records. The other 2; 1214 West 3rd Street and 300 Parker: the contract sales price given to the appraiser by the owner could not be verified in the Pulaski County Tax Assessors Records. Also, the Grantee listed by the Pulaski County Tax Assessors Records is the City of North Little Rock. Based on a possible assemblage factor, these were not used by the appraiser as applicable sales.

Much other data such as proposed improvements and a proposed multi-family apartment complex along with current active listings and previous appraisals by other firms was provided to the appraiser. This information was reviewed by the appraiser, however, it is not included in this report and it was not considered in the estimated opinion of market value for the subject property.

The reported analysis, opinions and conclusions were developed; and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the appraiser has the appropriate knowledge and experience required to comply with the competency provision of the USPAP.

We certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, the signing appraisers have completed the requirements of the continuing education program of the Appraisal Institute and that required by the State of Arkansas. We certify that we have the necessary real estate related training and experience relevant to properties such as the subject property.

Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraisers, or the firm with which they are connected, or any reference to the Appraisal Institute or the MAI or SRA designations, shall be disseminated to the public through media, sales media, or any other public means of communication without prior written consent and approval of the signed appraisers.

MULTI-PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS

Affiliated Real Estate Appraisals (501) 375-1439

Borrower/Client	Client: City of North Little Rock				
Property Address	1023 Parker				
City	North Little Rock	County Pulaski	State AR	Zip Code 72114	
Lender	N/A				

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.

☐ PURPOSE & FUNCTION OF APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a federally related transaction.

☒ EXTENT OF APPRAISAL PROCESS

☒ The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.

☒ The Reproduction Cost is based on Marshall and Swift Residential Cost Handbook and Local Builders supplemented by the appraiser's knowledge of the local market.

☒ Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.

☒ The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.

☐ The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.

☐ For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

☒ SUBJECT PROPERTY OFFERING INFORMATION

According to CARMLS the subject property:

☒ has not been offered for sale in the past: ☐ 30 days ☒ 1 year ☐ 3 years.

☐ is currently offered for sale for $ _____ .

☐ was offered for sale within the past: ☐ 30 days ☐ 1 year ☐ 3 years for $ _____ .

☐ Offering information was considered in the final reconciliation of value.

☒ Offering information was not considered in the final reconciliation of value.

☐ Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

☐ SALES HISTORY OF SUBJECT PROPERTY

According to Pulaski County Tax Assessor's records the subject property:

☐ Has not transferred ☐ in the past twelve months. ☒ in the past thirty-six months. ☐ in the past 5 years.

☐ Has transferred ☐ in the past twelve months. ☐ in the past thirty-six months. ☐ in the past 5 years.

☒ All prior sales which have occurred in the past 5 Years are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer
05/14/2008	12,000	2008033406 WADS	North Bluffs Dev Corp	Baring Cross Restoration LLC
04/17/2008	10,000	2008030215 SWD	HSBC Bank USA NA	North Bluffs Dev Corp
03/17/2008		200819230 MGDS	Clevester Davis	HSBC Bank USA NA

☒ FEMA FLOOD HAZARD DATA

☒ Subject property is not located in a FEMA Special Flood Hazard Area.

☐ Subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
X	0501820006D	9/5/1990	North Little Rock, Arkansas

☐ The community does not participate in the National Flood Insurance Program.

☒ The community does participate in the National Flood Insurance Program.

☒ It is covered by a regular program.

☐ It is covered by an emergency program.

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☐ CURRENT SALES CONTRACT

☐ The subject property is currently not under contract.
☐ The contract and/or escrow instructions were not available for review. The unavailability of the contract is explained later in the addenda section.

☐ The contract and/or escrow instructions were reviewed. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller

☐ The contract indicated that personal property was not included in the sale.
☐ The contract indicated that personal property was included. It consisted of _____ Estimated contributory value is $ _____.
☒ Personal property was not included in the final value estimate.
☐ Personal property was included in the final value estimate.
☐ The contract indicated no financing concessions or other incentives.
☐ The contract indicated the following concessions or incentives: _____.

☐ If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

☒ MARKET OVERVIEW

Include an explanation of current market conditions and trends.

3-6 months is considered a reasonable marketing period for the subject property based on CARMLS data.

☒ ADDITIONAL CERTIFICATION

The Appraiser certifies and agrees that:

(1) The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP"), except that the Departure Provision of the USPAP does not apply.
(2) Their compensation is not contingent upon the reporting of 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.
(3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

☒ ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

☐ ADDITIONAL COMMENTS

☒ APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Appraiser's Signature Melissa Clifton Effective Date January 19, 2010 Date Prepared January 27, 2010
Appraiser's Name (print) Melissa Clifton Phone # 501-375-1439
State AR ☒ License ☐ Certification # SR-2289 Tax ID # 86-1101242

☒ CO-SIGNING APPRAISER'S CERTIFICATION

☐ The co-signing appraiser has personally inspected the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.
☒ The co-signing appraiser has not personally inspected the interior of the subject property and:
☐ has not inspected the exterior of the subject property and all comparable sales listed in the report.
☒ has inspected the exterior of the subject property and all comparable sales listed in the report.
☒ The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.
☐ The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.

☒ CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION

Co-Signing Appraiser's Signature Tom M. Ferstl Effective Date January 19, 2009 Date Prepared January 27, 2010
Co-Signing Appraiser's Name (print) Tom M. Ferstl Phone # 501-375-1439
State AR ☐ License ☒ Certification # CG-0029 Tax ID # 20-8592052

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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.

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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.

10. If this report is signed by a state registered appraiser only, it may not be eligible for use in a federally related transaction.

11. If this report contains digital signatures, they are password protected with the appraiser being the sole person in charge of that password. The signature is in fact representative of the appraisers signature.

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: 1023 Parker, North Little Rock, AR 72114

APPRAISER:

Signature: Melissa Clifton
Name: Melissa Clifton
Date Signed: January 27, 2010
State Certification #:
or State License #: SR-2289
State: AR
Expiration Date of Certification or License: 12/31/2010

SUPERVISORY APPRAISER (only if required):

Signature: Tom M. Ferstl
Name: Tom M. Ferstl
Date Signed: January 27, 2010
State Certification #: CG-0029
or State License #:
State: AR
Expiration Date of Certification or License: 06/30/2010

☐ Did ☒ Did Not Inspect Property

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