

CITY OF WYNNE
FEASIBILITY STUDY
FOR
CITY HALL AND POLICE STATION DEVELOPMENT
‘Big Green Switch’

October 27, 2015



Mayor Bob Stacy

City of Wynne City Council Members:

- Ward I, Position 1 – Billy Fowler
- Ward I, Position 2 – Charles Hamrick
- Ward II, Position 1 – Herbert Todd
- Ward II, Position 2 – Glen Hirons
- Ward III, Position 1 – Buck Morris

- Ward III, Position 2 – Donald Jones
- Ward IV, Position 1 – Juanita Pruitt
- Ward IV, Position 2 – Kenneth Lofton
- Ward V, Position 1 - Ronald Baldwin
- Ward V, Position 2 – Jim Huff

Executive Director: John Paul Myrick

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- George Anne Draper, Wynne (First Term)
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Executive Director: Chris Clifton

Wynne Economic Development Corporation

Cross County Special Workshop Board

❖ EXECUTIVE SUMMARY

The City of Wynne Police Station Facility has been recognized as sub-standard. While the police facility has been incrementally upgraded through small remodels and renovations, the building does not comply with the American Disability Act and does not provide adequate space for fulfilling operations required. The combination of the City Hall and Police Station in one building has been and will continue to be an important collaboration for operational efficiency and public service. Following review of the current City Hall and Police Station it was also determined that the space analysis for City Hall was inefficient while the Chamber Room currently does not provide adequate space for public participation.

Cross County Public Library Board has also identified the need to expand their facility by approximately 4000 square feet to meet minimum standards to serve its Cross County population base. Upon hearing of the potential City Hall development the board approached the City of Wynne to offer their facility as a potential option for city hall/police relocation. In the event of such a move the Cross County Public Library Board identified the properties of 104 East Merriman, 206 North Front Street, and 208 North Front Street as possible historic properties to renovate providing the expansion required. It is also important to note that the three above mentioned properties are adjacent to the planned 2016 development of the Wynne Square providing the following programming elements: Farmers Market, Children's Play Equipment and Splash Park, Entertainment Stage, Sitting and Observation areas, and open public space. It is the intent of the Library Board to provide programming to the square increasing community quality of life and providing amenities and potential redevelopment to our downtown.

The 104 East Merriman Avenue property is currently owned and operated as the 'Fame' store by the Cross County Special Workshop a.k.a. (Cross County Recycling Industry). The Cross County Recycling Industry will also be considered in the study as their current programming has out grown their ability to serve potential clients and expand contracts in their current facility.

It was determined that a feasibility study shall be commissioned to properly look at alternatives for the development of a new city hall and police department facility with inclusion of the Library and Cross County Recycling Industry. The feasibility study was commissioned by a collaborative effort including; Wynne Economic Development, City of Wynne, Cross County Public Library and Cross County Recycling Industry. Ecological Design Group, Inc. was chosen to lead the feasibility study team which also included Fennell Purifoy Architects, Cromwell Engineers and Dwight Brown Appraisals. The intent of the feasibility study is to review 3 potential developments identifying the pros and cons of each. The potential of each developments impact on the community, quality of life and its connection to the Master Plan developed in 2010 also play an important role while studying each alternative.

The Three Alternatives to be Reviewed Follow:

Alternative No.1 – Expand and Renovate the existing facility located at 206 South Falls Blvd.

Alternative No.2 – Construct a new facility.

Alternative No.3 – Utilize or renovate existing infrastructure to accommodate a new facility.

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DRAFT

❖ OVERVIEW

“The Best Way to Predict the Future, Is to Create It Yourself”

Abraham Lincoln

“I like the dreams of the future better than the history of the past.”

Thomas Jefferson

The Secrets of Successful Communities – Have a Vision for the Future

by Edward McMahon

There are over 25,000 incorporated communities in America. How many of these are truly successful?

How is it that some small towns and rust belt cities are prospering, while many others are suffering disinvestment, loss of identity, and even abandonment?

Why are some communities able to maintain their historic character and quality of life in the face of a rapidly changing world, while others have lost the very features that once gave them distinction and appeal?

How can communities, both big and small, grow without losing their heart and soul?

From coast to coast, communities are struggling to answer these questions. After working in hundreds of communities in all regions of the country, I have come to some conclusions about why some communities succeed and others fail. There are many communities that have found ways to retain their small town values, historic character, scenic beauty and sense of community, yet sustain a prosperous economy. And they've done it without accepting the kind of cookie-cutter development that has turned many communities into faceless places that young people flee, tourists avoid and which no longer instill a sense of pride in residents.

Every "successful" community has its own strengths and weaknesses, but they all share some common characteristics. It's clear for instance that successful communities involve a broad cross-section of residents in determining and planning the future. They also capitalize on their distinctive assets -- their architecture, history, natural surroundings, and home grown businesses -- rather than trying to adopt a new and different identity.

Most successful communities also utilize a variety of private-sector and market incentives to influence their development, instead of relying solely on government regulations.

Not every, successful community displays all of the following characteristics, but most have made use of at least three or four:

1. Have a vision for the future
2. Inventory community assets
3. Build plans on the enhancement of existing assets
4. Use education and incentives, not just regulation
5. Pick and choose among development projects
6. Cooperate with neighbors for mutual benefit
7. Pay attention to community aesthetics
8. Have strong leaders and committed citizens

Have a Vision for the Future

Successful communities always have a plan for the future. Unfortunately, "planning" is a dirty word in some communities, especially in small towns and rural areas. In some places, this is the result of today's highly polarized political culture. In other places, it results from a misunderstanding of planning and its value.

The truth is, failing to plan, simply means planning to fail. It is difficult to name any successful individual, organization, corporation or community that doesn't plan for the future.

Try to imagine a company that didn't have a business plan. It would have a very hard time attracting investors or staying competitive in the marketplace. The same is true of communities. A community plan is simply a blueprint for the future. People may differ on how to achieve the community's vision, but without a blueprint, a community will flounder.

A community without a plan for the future is simply planning to fail.

Understandably, people in small towns don't like change. But change is inevitable. Technology, the economy, demographics, population growth, market trends and consumer attitudes are always changing and they will affect a community whether people like it or not. There are really only two kinds of change in the world today: planned change and unplanned change.

Communities can grow by choice or chance. Abraham Lincoln used to say that "the best way to predict the future is to create it yourself." Communities with a vision for the future will always be more successful than communities that just accept whatever comes along.

Ed McMahon holds the Charles E. Fraser Chair on Sustainable Development at the Urban Land Institute in Washington, D.C. where he is nationally known as an inspiring and thought provoking speaker and leading authority on topics related to sustainable development, land conservation, smart growth, and historic preservation.

Existing Conditions

City Hall and Police Station – 206 South Falls Blvd. (approximate measurements)

	Square footage	Acres	%Total
Total Lot Area	25,500	.58	
Parking and Drives (City Hall)	7,500	.17	29%
• Accessible Parking	1		
• General Parking	17		
Parking and Drives (Police Station)	4,000	.09	15%
• Accessible Parking			
• Police and General Parking	8 (2 parallel)		
Conditioned Space (City Hall)	2,190	.05	8%
• Waiting, Halls and Restroom	320		
• Office/Storage	650		
• Mayor's Office/Conference Room	590		
• Chamber Room	630		
Conditioned Space (Police Station *2 story)	2975	.07	6%
•			
Sidewalks	925		
Green Space	7910	.18	31%
Existing Yearly Utility Bills	\$		

Cross County Public Library – 410 East Merriman Avenue (approximate measurements)

	Square footage	Acres	%Total
Total Lot Area	33,837	.82	
Parking and Drives	17,000	.39	50%
• Accessible Parking	3		
• General Parking	40 (10 parallel)		
Conditioned Space	8,587	.20	25%
Sidewalks and Public Plaza	4,000	.09	12%
Green Space	4,250	.10	12%
Existing Yearly Utility Bills	\$		

Cross County Recycling Industry – Commercial Street (approximate measurements)

	Square footage	Acres	%Total
Total Lot Area	47,500	1.10	
Parking and Drives	22,500	.47	47%
• Accessible Parking	0		
• General Parking	10 (10 parallel)		
Conditioned Space	10,000	.23	21%
Unconditioned Space – out buildings	5,600		
Sidewalks and Public Plaza	0		
Green Space	9,400	.21	20%
Existing Yearly Utility Bills	\$		

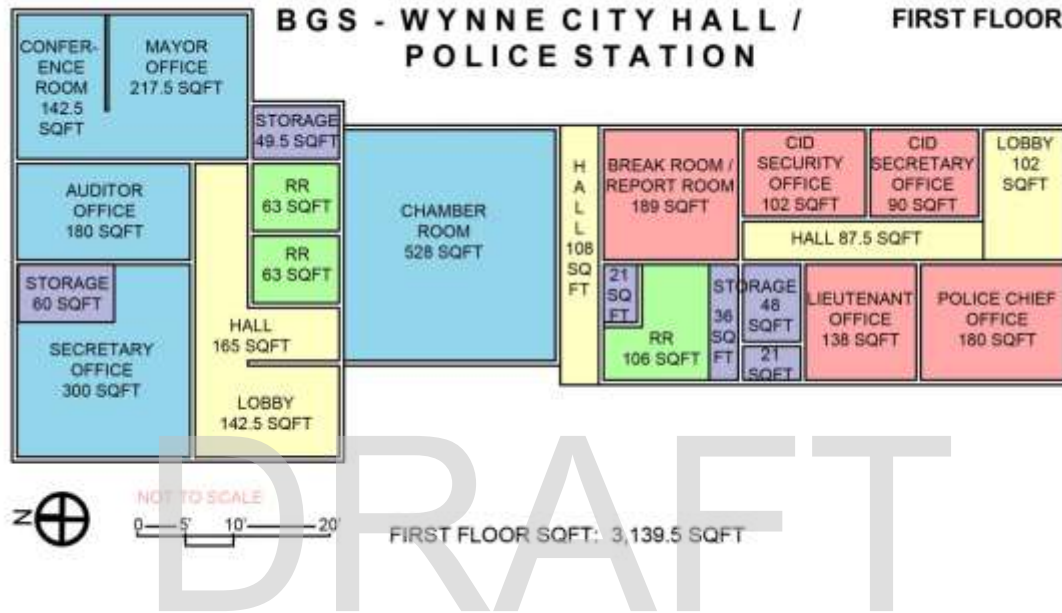
104 East Merriman, 206 North Front, 208 North Front Street (approximate measurements)

	Square footage	Acres	%Total
Total Lot Area	12,000	.28	
Parking and Drives (public street)	0		
Potential Conditioned Space (*2 story)	15,500	.23	21%
Sidewalks and Public Plaza (public)	0		
Green Space (urban area)	0	.21	20%
Existing Yearly Utility Bills	\$NA		

Development and Evaluation of Alternatives

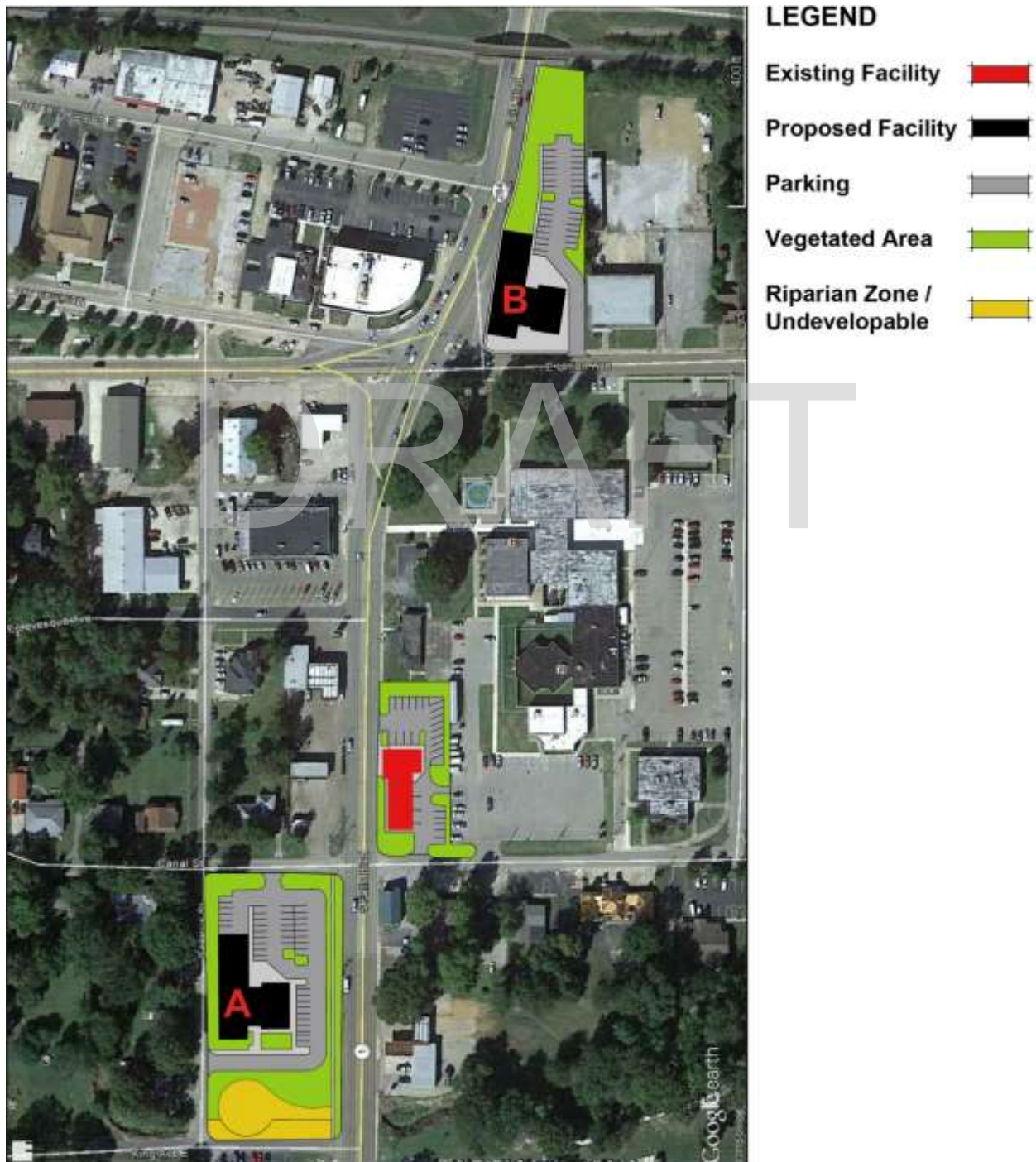
Alternate No.1 – Expand and Renovate the Existing Facility at 206 South Falls Blvd.

Following the study of the existing facility and lot area it was determined that it would not be advisable to continue with exploring renovation and expansion of the existing City Hall/Police Station. The following program was prepared identifying the optimal space analysis for use in Alternate No.2 and No.3. In addition alternate No.1 does not address the expansion of the public library or cross county recycling industry.



Alternate No.2 – Construction of New Facility.

The construction of a new facility is a viable option. For the review of alternative No.2 two lots have been identified as potential suitable development areas along Highway No.1 or Falls Blvd. These lots are identified for the sole purpose of evaluation of such development and cost estimating for such. It is believed the lots would be provided at no cost to the City if this alternative were to be chosen. For the purpose of providing a comparable analysis with Alternate No.3 the proposed facility to be constructed would accommodate 8587 square feet of conditioned space, similar construction materials (as Alternate No.3) and provide approximately 40 total parking spaces. The sitework, pedestrian areas and greenspace would be of similar nature as well. The two proposed study sites are listed as Site A and Site B and indicated below: Alternative No.2 does not address the expansion of the public library or cross county recycling industry.



Site A*(approximate measurements)*

	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	76,250	.58		
Developable Area	33,500			
Undevelopable Area	42,750*			
Parking and Drives	17,000	.39	50%	\$ 140,375
• Accessible Parking	3			
• General Parking	40 (10 parallel)			
Conditioned Space	8,587	.20	25%	\$1,073,375
Sidewalks and Public Plaza	4,000	.09	12%	\$ 40,000
Green Space	4,250	.10	12%	\$ 21,250

***Undevelopable Area** is due to a portion of the site exist within the 100 year flood plain and the southern portion of the site has failing stormwater infrastructure requiring improvements. It would be recommended but not required by City policy to create a riparian zone* to mitigate stormwater from any potential development on this site. *It is important to note that the City of Wynne has no stormwater management policy for such developments and allowing such developments in riparian zones over the years has a direct effect on its current stormwater and flooding issues. Regardless of alternative chosen it is advisable to implement a stormwater policy and commission studies to provide innovative means to address the flooding in residential and commercial districts. The watershed is the Languille River and funding for the implementation of such studies and or infrastructure may be available through EPA watershed grants:*

https://ofmpub.epa.gov/apex/watershedfunding/f?p=109:1:0::NO:RP::#search_results

*(*riparian area is the interface between land and a river or stream. Riparian zones are significant in ecology and stormwater management because of their role in soil conservation, and their habitat biodiversity.)*

Site A PROS

- Adequate land area to provide suitable programming as desired along with public parking and covered police parking.
- Location would be in similar proximity to existing City Hall and Police Station while also visible to the high traffic count of Falls Boulevard which may be appealing to visitors to the area.
- Located on the west side of Falls providing a direct connectivity to the Downtown of Wynne along with Public Library with additional sidewalk infrastructure.
- Existing public utility infrastructure in place.
- Existing public streets allow access without additional Falls curb cut.
- Land could potentially be donated to the City for such development.

CONS

- Partially located in 100 year flood plain, Finish Floor would need to be elevated above this elevation.
- Currently green space and development would increase stormwater runoff in an area with current flooding issues. **could be mitigated with city stormwater policy.*
- This site has declining stormwater infrastructure in need of improvements and also is a better candidate for providing stormwater mitigation and relief to the Caney Creek lateral No.5 to lessen downtown flooding.
- Does not address expansion for Cross County Public Library or Cross County Recycling Industry.

Estimated Construction Cost for Site A (\$1,275,000) for budgeting purposes only

**does not include land acquisition, legal fees, permit fees, design fees, topographic and geotechnical survey, stormwater infrastructure and riparian zone.*

Site B*(approximate measurements)*

	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	33,500	.58		
Parking and Drives + Utility	17,000	.39	50%	\$ 140,375
• Accessible Parking	3			
• General Parking	40 (10 parallel)			
Conditioned Space	8,587	.20	25%	\$1,073,375
Sidewalks and Public Plaza	4,000	.09	12%	\$ 40,000
Green Space	4,250	.10	12%	\$ 21,250

Site B is oddly shaped and would require a partial 2nd story or unique building footprint to accommodate the optimal programming and parking desired. The site also has an existing potential historic structure at this location. Although it would be advantageous to restore and accommodate the structure as part of the new development the cost associated versus the desired program does not lend itself to an efficient undertaking. The proximity of the site is also at one of the busiest intersections of Wynne with very limited access creating less than desirable parking accommodations and separation of public vs. police. The site does present an opportunity to develop a pedestrian/bike sky bridge over Falls Blvd. for access to downtown and providing a safe means for crossing this very busy state highway. Upon further review this property is better suited to be green space or dedicated park space. This of course would require a bike/pedestrian skyway providing connectivity to downtown Wynne and connecting residential neighborhoods and school district.

Site B PROS

- Location would be in similar proximity to existing City Hall and Police Station while also visible to the high traffic count of Falls Boulevard which may be appealing to visitors to the area.
- Proximity to Cross County Court House.
- Existing public utility infrastructure is within reach.
- Proximity allow potential bike/pedestrian skywalk for connectivity to downtown.
- Lot may be donated for such development.

CONS

- Oddly shaped lot at very busy intersection with limited access.
- Structure may require unique design and orientation while parking may not be as easily planned for the public along with separation of police.
- Does not address expansion for Cross County Public Library or Cross County Recycling Industry.

Estimated Construction Cost for Site B (\$1,275,000) for budgeting purposes only.

**does not include skywalk, building demolition, land acquisition, legal fees, permit fees, design fees, topographic and geotechnical survey.*

Alternate No.3 – Utilize or Renovate Existing Infrastructure








Termed the 'Big Green Switch' this alternate does not include new infrastructure. The plan would include the needs of expansion for the Cross County Public Library and Cross County Recycling Industry. This plan follows the principals as described in the Overview and has the greatest community and potential economic impact for this rural delta town. In order to attract industry a community must have a vibrant downtown with amenities favorable for raising a family. With the continuation of the tax the proposed downtown revitalization project termed the Wynne Square (*see illustration page 8) located on City property at the intersection of Front and Merriman Avenue will provide a catalyst for such development. The space is programed to attract children, parents and grandparents with the following programming elements: public plaza, shaded sitting areas, covered market area, children's play equipment and splash park, small venue stage for local music, open area for programed special events, family movie night, bocce ball, and potential for outdoor dining or café. This project is scheduled for construction in 2016. In order to take full advantage of such a vibrant plaza and event space it is important for an organization to program such events and oversee the utilization and success of the public park.

The Cross County Public Library Board has great interest in providing such programing. This also includes interest in looking into the feasibility of moving the public library to acquire additional space while also igniting this revitalization effort. The board has identified the need to expand the current Library by approximately 4000 sf to serve the citizens of Cross County. The additional square footage would total approximately 12,500 sf. A programming document for the Library's needs and expansion was prepared (*see program page 10). The block of buildings directly to the North of the proposed Wynne Square were identified as the appropriate structures to include in the feasibility study as listed here: 104 East Merriman Avenue, 206 North Front Street and 208 North Front Street. The 104 East Merriman Avenue building is currently owned by the Cross County Recycling Industry so the Library Board approached Mr. Donnell Hill with the proposal.

The Cross County Recycling Industry (CCRI) upon hearing of the library proposal expressed concerns of their own in regards to expansion and the need to consolidate their 'Fame' and 'Treasure Chest' stores. CCRI showed interest in the potential switch which in turn opened the study to identify the potential growth of CCRI and their needs in a facility to accommodate such growth. (*see CCRI programing document page 12). The main concerns for CCRI is overcrowding of their existing facility on Commercial Street along with access for semi-trucks which often load and haul from their downtown facility. Potential properties looked into for the consolidation of Fame and Treasure Chest included the vacant 100 South Wilson and 102 South Front Street property. The potential properties looked into for the CCRI facility included the vacant National Guard Armory and Colony Shop Distribution Center.

The City of Wynne would be interested in looking at the feasibility of moving City Hall and Police into the existing Cross County Public Library Building if the 'Big Green Switch' was an efficient economic solution for all parties involved.

LEGEND – Existing Downtown Properties Evaluated

- | | | | | | |
|---|---------------------------|---|-----------------------------|---|------------------------|
|  | County Recycling Industry |  | Cross County Public Library |  | Fame (CCRI) |
|  | 206 North Front Street |  | 208 North Front Street |  | 102 South Front Street |
|  | 100 Wilson Street | | | | |



LEGEND – Proposed Alternate No.3

- | | | | |
|---|--------------------------------|---|-------------------------------------|
|  | Wynne City Hall/Police Station |  | Proposed Wynne Public Square (2016) |
|---|--------------------------------|---|-------------------------------------|



Option A

Cross County Public Library move to the following: **see sheet 20 for programming document/floor plan*

Phase One: 104 East Merriman, 206 North Front *(approximate measurements)*

	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	12,000	.28		
Parking (public street)	60+			
Potential Conditioned Space (*2 story) <i>(*see detailed estimate page 12)</i>	11,616	.26	96%	\$1,055,238
Sidewalks (public)	3000			
Green Space Urban Square	16,500	.38	137%	
<i>*utilize wallin park and proposed wynne square</i>				
Potential Sale of 411 East Merriman Ave.	*see appraisal attachment A			(\$ 630,000)
Purchase 104 East Merriman Avenue	*see appraisal attachment B			\$ 80,000
Purchase 206 North Front Street				\$ 10,000
Purchase 208 North Front Street	*purchase only no improvements			\$ 25,000
				\$ 540,238

**does not include environmental abatement, legal fees, design fees, etc.*

Option A PROS

- Proximity to the 2016 planned Wynne Square Construction (Urban Square)
- Revitalization of existing vacant buildings in the central core of the community.
- Provides the required square footage as identified in programming document*
- Promotes potential development for the Historic Commercial District of Wynne.
- Provides adequate programming and utilization of current facility for City Hall and Police Station.
- Creates potential for Wynne Economic Development, City of Wynne, Cross County Public Library, Cross County Recycling Industry and Cross County to collaborate for one community vision.
- Development in the downtown will force the community to address the historic flooding issues.
- Environmental abatement is eligible for grants through ADEQ including analysis and abatement.
- Acquires a total of 15,500 sf for future expansion and/or public facility use.

CONS

- Finish Floor of existing buildings in question are currently within the 100 year flood plain as determined by the 1980 FEMA maps and will require flood insurance.
- Historic Buildings will require structural upgrades to accommodate the 150 pounds per square foot as required for second floors of Library's.
- Environmental Abatement will most likely include small amounts of asbestos and lead.
- Second story structure will require an elevator.

Option B

Cross County Public Library – 411 East Merriman Avenue *(approximate measurements)*

Expansion at Current Facility

	Square footage	Acres	%Total	Est Dev. Cost
Total Lot Area	33,837	.82		
Parking and Drives	13,976	.39	41%	
• Accessible Parking	3			
• General Parking	32 (10 parallel)			
Conditioned Space	3,024	.20	25%	\$ 453,600
Sidewalks and Public Plaza	4,000	.09	12%	
Green Space	4,250	.10	12%	
				\$ 453,600

**does not include topographic survey, geotechnical borings, design fees etc.*

Option B PROS

- Less expensive option by approximately \$75,000.

CONS

- Would need to acquire additional property to create the amount of additional parking required.
- Separation from the Wynne Square and its connectivity.
- Would not address Cross County Recycling Industry Expansion needs.

Considering Option A on page 14 the following would be triggered:

City Hall and Police Station move to current Cross County Public Library:

	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	33,837	.82		
Parking and Drives	17,000	.39	50%	
• Accessible Parking	3			
• General Parking	40 (10 parallel)			
Renovated to meet City Hall/Police Program	8,587	.20	25%	\$ 264,500
Sidewalks and Public Plaza	4,000	.09	12%	
Green Space	4,250	.10	12%	
Purchase of 411 East Merriman Ave.				\$ 630,000
				<i>*see appraisal page 15</i>
				<i>*does not include legal fees, design fees, etc.</i>
				\$ 894,500

CCRI 'FAME' Store and 'TREASURE CHEST' to 102 South Front Street or 100 Wilson:

Option A 102 South Front Street	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	5,000	.82		
General Parking	20 (downtown public)			
Conditioned Space Renovation	4,800	.20	25%	\$ 13,000
Sale of 102 East Merriman Ave.				\$ (80,000)
Purchase of 102 South Front Street				\$ 67,000
				<i>*does not include legal fees etc.</i>
				\$ 0
Option B 100 Wilson Street	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	6,725	.82		
General Parking	20 (downtown public)			
Conditioned Space Renovation	6,275	.20	25%	\$ 80,000
Sale of 102 East Merriman Ave.				\$ (80,000)
Purchase of 100 Wilson				\$ 40,000
				<i>*does not include legal fees etc.</i>
				\$ 40,000

Option A is the recommended move for the Fame and Treasure Chest

Cross County Recycling Industry property to National Guard Armory or Colony Shop Warehouse:

Option A National Guard Armory	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	47,500	.82		
General Parking	20			
Conditioned Space Renovation	10,000	.20	25%	\$ 75,000
Unconditioned Space	4,500			
Deed swap of properties with City				\$0
				<i>*does not include legal fees etc.</i>
				\$ 75,000
Option B Colony Shop Warehouse	SF/Spaces	Acres	%Total	Est. Dev. Cost
Total Lot Area	66,725	.82		
General Parking	20			
Conditioned Space	20,000	.20	25%	\$ 75,000
Purchase of Colony Shop Warehouse				\$ 400,000*
				estimated sale
Sale of Commercial Street Property				(\$ 150,000)
				<i>*does not include legal fees etc.</i>
				\$ 325,000

Option B is the recommended move for the CCRI



Armory



Colony Shop Warehouse

Summary of Alternates	SF	\$/sf	Value	Rehab	Value	New C	\$/sf	Const. Est.	Soft Cost	TOTAL BUDGET
Alternate No.2 vs. Alternate No.3				\$/sf						
CITY OF WYNNE - City Hall/Police										
New Construction						8587	150	\$1,288,050	\$103,044	\$1,391,094
Public Library - Purchase from County	8587	73.366717	\$630,000	32	\$274,784			\$904,784	\$21,983	\$926,767
*alternate No.1 not estimated due to limited lot availability to accommodate required programming									Difference	\$464,327

*New Construction SF cost uses the 410 East Merriman Property as a standard, masonry, parking counts, plaza space, sidewalks and landscape ect.

*Soft Cost include but not limited to: legal fees, topographic survey, geotechnical borings, permits, environmental, design fees ect.

*assumed land for new construction would be donated therefore Construction Estimate does not include acquisition.

CROSS COUNTY PUBLIC LIBRARY	SF	\$/sf	Value	Rehab	Value	New C	\$/sf	Const. Est.	Soft Cost	TOTAL BUDGET
Alternate No.2										
Expansion of Existing Library						3316	150	\$497,400	\$39,792	\$537,192
Alternate No.3 - Phase One										
Burnett Drugs - 104 East Merriman	7872	10.16255	\$80,000	90	\$708,480			\$788,480	\$78,848	\$867,328
206 North Front Street	3744	2.671	\$10,000	90	\$336,960			\$346,960	\$41,635	\$388,595
208 North Front Street *purchase only	3884	6.4367	\$25,000							\$25,000

Total Ph One **\$1,255,923**

Difference \$718,731

Public Library - Cross County sale to City	8587	73.366717	\$630,000							\$630,000
*Requires County support in order to utilize the funds from the sale towards the revitalization of the three buildings in question										Total Ph One \$625,923
*Requires City Street Infrastructure including crosswalks, bulb outs, parking space identification, ada ramps ect.										Difference \$88,731

Potential Incentive \$35,000

Cross County Recycling Industry	SF	\$/sf	Value	Rehab	Value	New C	\$/sf	Const. Est.	Soft Cost	TOTAL BUDGET
Alternate No.3										
104 East Merriman-Sale to County	7872	10.16255	\$80,000							\$80,000
102 South Front Street-purchase	4800	13.95835	\$67,000							\$67,000
506 Commercial Avenue-sale to City?	15000	10	\$150,000							\$150,000
Colony Shop Warehouse	21000	20	\$420,000							\$420,000
*506 Commercial requires an appraisal estimate provided for this study only										Total -\$257,000
*Colony shop warehouse requires an appraisal estimate provided for this study only										Potential Incentive \$172,000

POTENTIAL WYNNE ECONOMIC DEVELOPMENT INCENTIVE FOR PROJECT

Provide funding for 100% of Vacant Historic Commercial District Buildings										
102 South Front, 206 North Front, 208 North Front										\$102,000
Provide funding for 25% of Vacant Move in Ready City of Wynne Structures										\$105,000
*for discussion purposes - sets precedent and would require commitment requirements									Total Direct Incentive	\$207,000

Indirect Incentives for Discussion: Provide 1/3 matching grants for downtown infrastructure projects - sidewalks-stormwater infrastructure-accessibility ect.

Provide funding for innovative design with direct effect on FEMA flood maps - utilized for EPA watershed grant applications

Sitework:

Provide streetscape that blends into the existing downtown area. Improve the sidewalks if needed.

Driveway and Parking:

Provide ample parking for the building occupants, as well as the anticipated visitors for the chamber room. The police cars parking should be close in proximity to the building and have covered parking.

Mayor's Office:

Mayor Office should be ample in size (14' x 16'), enough for an additional small table to meet. The mayor's secretary should be close and have an additional storage area.

Small Conference Room:

Should be connected to the mayor's office

Secretary Office:

This office size should be around 12' x 14' in size and centrally located close to entrance and adjacent to mayor's office. Storage should be located close by.

Prep kitchen/small break room:

Can be located in small conference room or in the storage area. This area should include a microwave, coffee area, and storage for plates/cups.

Lobby/Entrance:

The overall feel needs to be welcoming, warm, open and comfortable. It needs to accommodate space for a kiosk and be in close proximity of the mayor secretary. There should be areas to encourage congregation and enough room for several groups to gather before or after entering the chamber room.

Restrooms

Existing restrooms can be utilized and updated if necessary. The new police department toilets can serve as an overflow restroom (if needed) and additional handicap toilets.

Storage:

Should be located close to the secretary's office. Provide additional storage if possible.

Auditor Office:

This room size should be around 12' x 12'. Storage area should be located nearby.

Chamber Room:

Should be around double the size of the existing room (Existing room size is 22' x 25'). Need a larger area to accommodate more people for public audience/seating.

Police Department Area:

CID (Criminal Investigation Division):

They will need two offices

Police Chief Office:

This office size should be around 12' x 14'

Lieutenant Office:

This office size should be around 12' x 14'

Dispatcher Room:

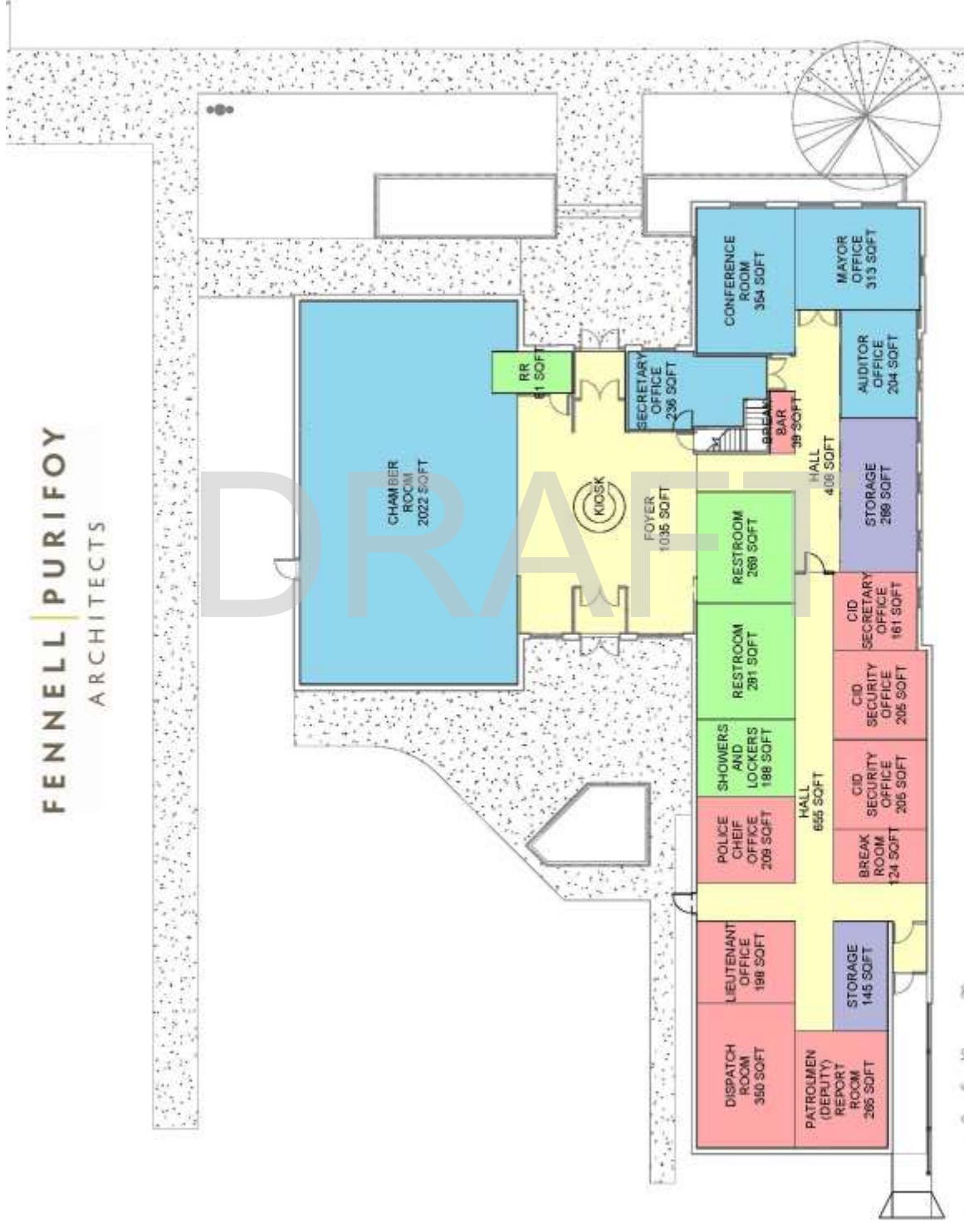
Space should be around 10' x 12' is size with a counter area.

Break room:

There should be a sink, refrigerator, microwave, coffee area, and possibly a stove/range. Provide an area for table and chairs.

Restrooms/Shower:

Provide women/men ADA restrooms. Provide a separate area for showers and lockers.



410 MERRIMAN AVE, WYNNE, ARKANSAS
BGS - WYNNE CITY HALL

❖ **Cross County Public Library Preliminary Program as of June 3, 2015** by Fennell Purifoy Architects

Description of Spaces

- Lobby/Main Entrance
Entrance
 - Should be well designated and highly visible
 - Covered with an extended canopy to along Merriman Ave. to Front Street
 - On grade access for the disabled
 - Recessed floor mat
 - Connection to Wynne Square across the street lobby
 - Water fountain
- Public Restrooms:
Restrooms should be close to the lobby and accessible to the meeting room/children's program after hours. Access to restrooms must be visible from the circulation desk.
Restrooms should provide the following:
 - Accessible to the disabled
 - Poured flooring-Epoxy
 - Stainless steel toilet partitions
 - Baby changing station (men's and women's)
 - Make doors lockable
- Meeting Room (To be located in the Appliance Center Building)
A meeting room should be provided to accommodate library related functions and public meetings. The following should be taken into consideration:
 - Seating for approximately 75 people
 - Entrance located so that meetings can be held after hours
 - Access to the public restrooms after hours
 - Outlets for data connections, "power point" capability (in conference rooms as well)
 - Dimming lights
 - Projection equipment can be relocated from current branch
 - Blinds or blackout shades
 - LCS board
 - Tackable wall space for temporary display
- Breakroom Area (to be located in the workroom?)
An area for serving refreshments to the meeting room is required. It should be an area with upper and lower cabinets with space for the following:
 - Single basin stainless steel sink
 - Undercounter icemaker?
 - Space for a microwave
 - Refrigerator
 - Coffee maker
 - Storage for supplies/cups/plates/silverware
- Conference Room:
An area for a small meeting, small conference of 12 people, chairs, and A/V equipment is needed adjacent to the meeting room. Double door access needed?
- Computer Area
An area dedicated for public use of computer terminals. The lab would need to be easily controlled and monitored by the Library Staff. 20 total workstations (3 to be dedicated for the children's area, 10 for public, and 7 for computer lab upstairs).
- Circulation Area
A staff person will occupy a small help desk. The functions of the circulation desk can be broken down into the following activities:
 - Book Return
Area is to be located near the reception area of the circulation area. Slots should be provided for two bins located under counter; one for books, the other for AV. Book and materials will be prepared for shelving in the area. Space for book trucks will be needed.
 - Reception Area
This area is to be the first point of contact between the library staff and patrons. Questions will be answered; library cards issued and incoming phone calls will be taken at this station. Computer station is required.

- Circulation Area
Self-checkout using a future RFID system; 3 to 4 computer stations on a desk.
Verify the need with Regional Library Director
- Office/Staff Workroom
This area should be adjacent to the circulation area.
The following should be considered:
 - Space for book carts and area for sorting materials
 - Cubicles for 5 staff persons (one to be children's programmer)
 - Wall shelving (how many sections? how high?)
 - Work space area computer stations
 - Space for fax and TDD machines
 - Cabinets for storage of media materials
 - Provide supply storage room (this will need to be implemented into the plan)
- Book Return
An external stand alone book return will be provided. Locate in a convenient place outside the building, next to entrance.
- Librarian's Office (located next to Work Room?)
Office the branch manager is to be provided. The following equipment is needed:
 - Desk, side return, credenza and desk chair
 - Two visitor's chairs
 - Computer
 - Shelving
 - File cabinets
- Adult Collection Area (upstairs)
This area will provide shelving of the adult and young adult collections. It will also provide space for casual seating, study carrels and tables. The following furnishings are to be provided:
 - Shelving for Fiction (volume capacity) (how many sections?)
 - Shelving for Non-Fiction (volume capacity) (how many sections?)
 - Shelving for Genre collection (volume capacity) (how many sections?)
 - Shelving for periodicals (volume capacity) (how many sections?)
 - Newspapers Display (racks) (could be located downstairs near audiovisuals)
 - Study seating
 - Lounge seating
 - Young Adult area
 - Seating , lounge chairs, study table with 4 chairs
 - Shelving for hardbound and paperbacks
 - Bulletin board
 - Shelving for requested reserve materials for? books. Is this needed?
 - Shelving for New Books. 12 sections; "hot picks" in A frame.
- Teen Area (1st floor)
Technology space, recording studio, and evolving area.
- Reference Area
The reference area should be easily recognizable and visible from the entrance.
The area will include the reference book stacks and online public access computers. Located near the public computer space on the 1st floor. Space to be provided to accommodate the following:
 - Online public access catalogs
 - Index tables. One table, double-faced with at least 8 seats.
 - Carrels, 8 one-person study tables.
 - Shelving (3 sections at 48" high)
 - Storage Cabinets
 - Lateral pamphlet files
 - Atlas Range (how many?)
 - Copier alcove (locate near staff area)
- Group study rooms (upstairs). Could possibly break up into two smaller study rooms?
Study rooms are to be monitored and controlled by the Reference Librarian/staff. This room should be visually accessible from the reference desk. Glass should be used in the doors and sidelights. Data outlets should be included in each room.

The following rooms are to be provided:

- 1 - six person conference room
- Children's Area

The children's area will include juvenile fiction, non-fiction and picture books. The area will need to be separated by furniture or shelving from the rest of the library. The area should be away from the reference desk, yet close to the circulation desk and the entrance. Should be located near the children's program area. Space should be provided for the following:

 - Tables and chairs. 3 round tables with 4 chairs per table.
 - Shelving
 - Picture Books (expand current collection)
 - Fiction
 - Non-Fiction
 - Magazine Shelving, low, sloping shelves, how many titles?
 - Paperbacks
 - Online catalogs
 - Display area. Tackable walls for seasonable display. 10 lineal feet.
- Children's Programming Room

Space for **25-30 children** to participate in storytime and other group activities. Provide storage for programming supplies.
- Audiovisual Media

The audiovisual area should be located near the main entrance of the library. Open shelving should be provided for the following:

 - DVDs
 - Compact discs
 - Allow 3 sections for displaying these
- Staff Lounge?

Staff Lounge should be located near the staff workroom. It should be a quiet area with windows. Equipment and furnishings are as follows:

 - One four person table/chairs
 - Sofa (full size, love seat?)
 - Kitchen equipped with double sink, refrigerator, icemaker (in refrigerator), microwave, coffee maker, dishwasher
 - Upper and lower cabinets
- Staff Toilet

Toilet to be fully accessible and should not open into the Staff Lounge. A wall hung sink, HC water closet, mirror, and poured flooring to be used.
- Delivery/Service Area

The receiving area should directly relate to the staff workroom and to the outside. The area could be an oversized corridor, 5' to 6', to accommodate storage of materials to one side. The area should include the following:

 - Covered entrance with clearance for book mobile (at least 11'-0")?
 - On-grade access to the outside door
 - Large door 48" wide
 - Space for shelving, book carts
- Janitor's Closet

The room should be centrally located and easily accessible to all parts of the Library (Second floor might not be the best location?). The room should include the following:

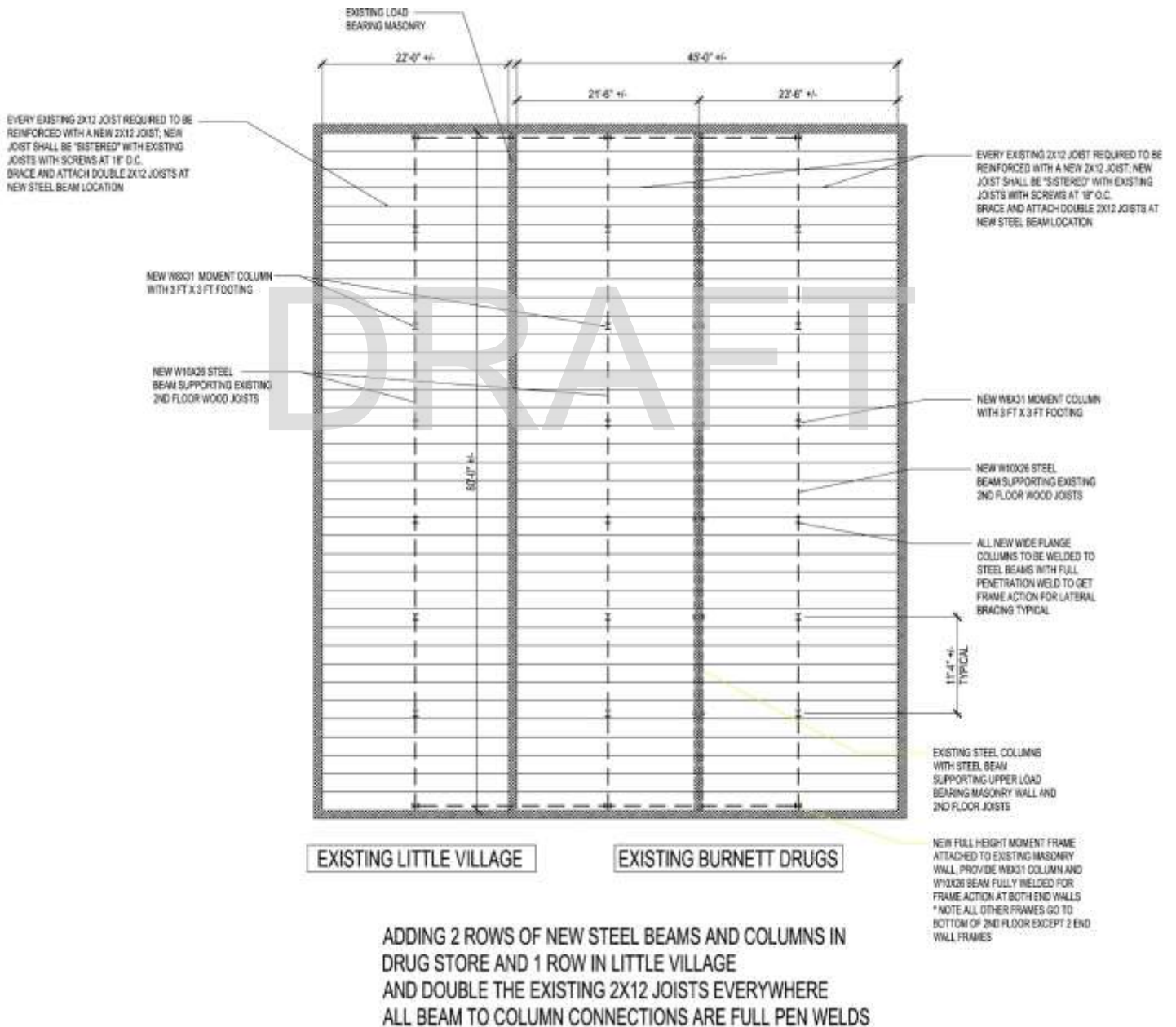
 - Floor sink
 - Storage maintenance supplies, mops, etc.
 - Poured floor
- Telephone/Data Room (can be located in the electrical room?)

The room to include all the telephone and server related equipment. Door to be lockable. Room should be centrally located within the building. List of equipment to include:

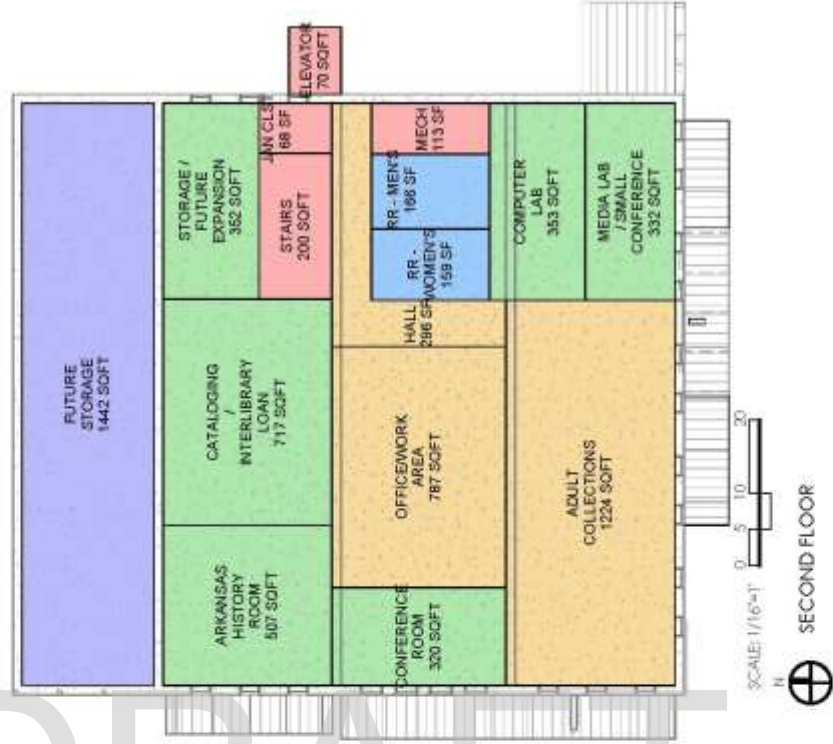
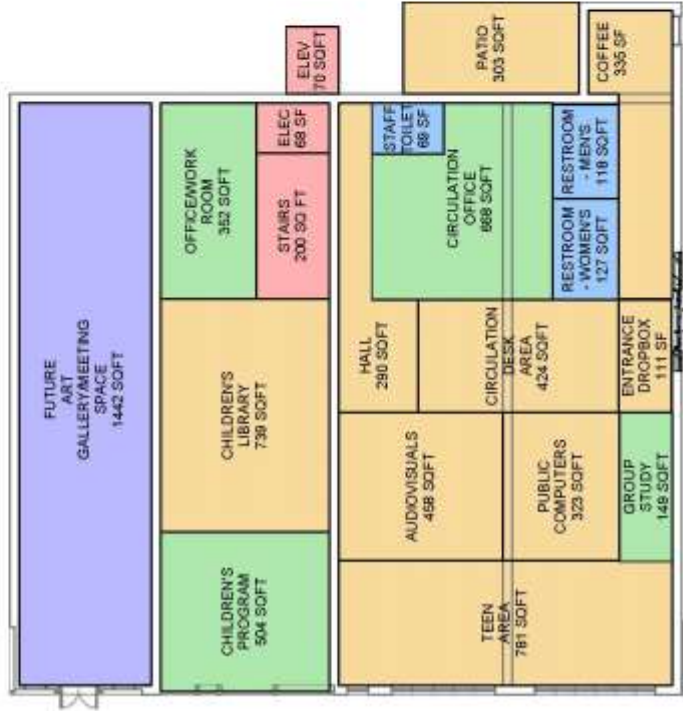
 - Telephone panel on plywood
 - Server (PC and 15" monitor)
 - 32 port patch panel mounted to the wall
 - Router
 - TSU switching unit
 - HUB

- Electrical Closet
This room to house all of the electrical panels and controls for the main electrical service to the building. Panel to be configured to meet the clearance requirements by code.
- Mechanical Closet(s)
The size and number of mechanical closets depends on which type of system is used. If heat pumps are used, closets will need to be scattered about the building. If a central air handler/VAV system is used, a central mechanical room will be needed.
- Elevator
The size of the elevator shaft is 7'-4" x 6'-8". This elevator should be designed to transport book/carts. Can be located on the outside of the existing building envelope (easier to construction)

❖ **Proposed Structural Support for Cross County Library (Wynne)** *By Cromwell Architects and Engineers*



DRAFT



206 FRONT STREET, WYNNE, ARKANSAS
BGS - CROSS COUNTY PUBLIC LIBRARY

SITE PLAN – Parking and Circulation



Architectural Illustration of Proposed Public Library



**Cross County Special Workshop (Cross County Recycling Industry):
Program and Expansion Capabilities**

- The Current Number and Names of Counties and Cities that CCRI Cover:
 - Cross County – Wynne, Cherry Valley, Vandale, Parkin, Hickory Ridge, Birdeye
 - St Francis County- Forrest City, Colt, Caldwell, Palestine, Wheatley, Madison, Widner, and Hughes
 - Crittenden- West Memphis, Marion, Earle, Sunsett, Crawfordsville, Turrell
 - Poinsett- Southern Poinsett, Harrisburg, Whitehall, Marked Tree
 - Woodruff- McCrory, & Patterson
- The Current Number of Labor Contracts, Name of Businesses, Possible Work Relations with said Business that we deal on a daily basis
 - Mueller/ Halstead- Wynne, AR
 - Munro Shoe/ Addison- Wynne AR
 - Wynne News Leader/ Progress- Wynne, AR
 - Shop Rags / Arkansas Highway Department
 - Marck Recycling- Brookland, AR
 - Midwest Fibers- Springfield, MO
 - Central Paper- Memphis, TN
 - TRG Recycling Co.- Jonesboro, AR
 - Charity-Shoes & Clothing- Dallas, TX
 - Plastic Ar. US- Coloranine, MN
- The Vendors that we deal with on a weekly basis to pick up all different contributions to the community.
 - Eakas- Wynne
 - Exxon/Cherry Valley
 - Esther Witcher CPA- Wynne
 - Cross County School District
 - Wynne School District
 - Bridge of Hope
 - Hayes
 - Arron's –Wynne
 - Rent One
 - East Arkansas Video- Forrest City
 - Woodruff Electric- Forrest City
 - St Francis Co. Court House
 - Wynne Medical Pharmacy
 - Flash Market-Wynne
 - United Medical
 - Crestpark Of Wynne
 - Miss Polly's Learning Center
 - Matthew's Potato Farm
 - Southern Pipe
 - Anyway Computer
 - Caldwell Pharmacy
 - Johnny Pro Auto
 - Dixie Furniture
 - Poinsett Co Department of Human Services
 - Cross County Library
 - Vere's Supply Hair- Wynne
- Our Current Programs, Activities, And Services Available
 - Community Services
 - Paper route
 - Computer basic learning and searching for Jobs Placement Assistance.
 - Mechanic
 - Recycling
 - Store Retail
 - Clerical Office
 - Janitorial

- Adult Development skills
- Factory
- Stocking
- Shipping and Receiving
- Machine Operators
- Sports
- Special Olympics
- Work Adjustment
- Extended Services
- Work Activity
- Extended Employment
- Family/Individual Support
- Adaptive Equipment
- Assessment
- Independent Living Assistance
- Home & Community Programs
- Social Security & DHS Assistance
- Transportation
- Yes we will be pursuing the greenhouse/commercial nursery operation
 - There will be 5 to 10 clients with 2 staff
- Yes we will be pursuing the commercial composting operation with the city
 - There will be 5 to 10 clients with 2 staff
- Our Current Number of Classrooms
 - We now have 6 classrooms. We are expecting to have in the next two to five years 10 classrooms
- Our Current Number of Clients
 - We now have 75 Clients. We are expecting to have in the next two to five years is 150 clients
- Our Current Number of Paid Supervisor and Any Other Full/Part Time Paid Employee that is Not a Client
 - We now have 22 full time employee/ 1 part time. We are expecting to have 30 full time and 5 part time in the next two to five years.
- Our Current Number Of Offices
 - We now have 6 office we are expecting to have 10 office in the next two to five years.
- Will there be Any Opportunity for Additional Organizations to Potentially Utilize the Extra Space i.e. The Food Bank
 - There will be a possibility.

A Wider Community Vision: Wynne Public Square (Planned 2016)



SUMMARY

The Mayor, representing the City of Wynne, is even more excited about this proposal as the city stands to gain a larger city hall/police station, cost savings in and expansion of its recycling program, and the potential for recycling its yard waste collections, further saving the city money (and keeping these materials out of costly landfills).

- All parties recognize that abatement of lower downtown drainage/storm-water issues is necessary for any economic development, particularly for the library to locate to that area.
 - The exciting possibility of redefining and revitalizing downtown by filling vacant or underused spaces with a unique, dynamic, programming-oriented public library and public square is still at the forefront of everyone's mind. Connectivity is key.
 - Blighted space along Commercial Street behind the current library/proposed City Hall would be eliminated and could be used for Police Department/City storage or potentially for greenspace (and part of the proposed Wynne Greenway).
 - The potential of replicating these specialized recycling services for other nearby cities (McCrory, Parkin, Harrisburg, Forrest City) is likely, furthering the economic impact.
 - The Workshop move would lead to an increased number of clients (which are, technically, paid "employees"), requiring additional supervisory personnel. The impact of 40-60 additional jobs and job training to the area's economy is significant.
 - Combining the Cross County Special Workshop's retail operations under one roof on Union Avenue with more parking will also lead to another re-used downtown property and additional sales, furthering economic development.
 - Such economic development impacts are significant enough to attract the attention of and fuel a desire to provide economic assistance from the Wynne Economic Development Corporation.
- It's About win-Win Solutions. Having smart development to create value to your quality of life thus creating a connected, healthy environment, vigorous economy, and vibrant community.
 - At it's most basic, "sustainable" means enduring. Sustainable communities are places of enduring value.
 - Communities and regions are in a global competition to attract and retain a talented workforce. Increasingly these talented workers are choosing where they want to live first and figuring out their job situations later. – CEO's for Cities, Segmentation Study, 2006
 - Economic Development
 - 20th Century Model
 - Public sector leadership
 - Shotgun recruitment strategy
 - Low cost positioning
 - Cheap labor
 - Focus on what you don't have
 - Quality of life unimportant
 - Driven by transactions
 - Key infrastructure = Roads
 - Suburban focus
 - 21st Century Model
 - Public/Private Partnerships
 - Laser recruitment strategy
 - High value positioning
 - Highly trained talent
 - Focus on what you do have
 - Quality of life critical
 - Driven by an overall vision
 - Key infrastructure – Education
 - Downtown Focus
 - Companies moving downtown
 - A new study by Smart Growth America and Cushman Wakefield reports that 500 American companies have either relocated to, expanded, or opened new offices in "walkable downtown locations" in the past 5 years.
 - Economic Development is about Choices
 - There are 3141 counties in the US. and 25, 375 towns in the US
 - They are all competing for a small number of new plants, factories or distribution centers. Focus on what you have and not always on what you don't.
 - Young People: The Future of Downtowns
 - Are getting married later or not at all ; smaller houses
 - Are postponing home ownership; to experience versatile living
 - Own fewer cars and drive less; want connectivity and walkability

- Are concentrating in major metropolitan areas and cool towns; unique with things to do
- Favor walkable neighborhoods
- Are adept with technology and social networking; can be anywhere to work
- Are more tolerant; potential more opportunities
- Use social media to make buying decisions; unique marketing is a huge asset
- Successful Cities are Distinctive Cities
- The PLACE is becoming more important than the product – National Association of Homebuilders 2011
- Among cities and towns with no particular recreational appeal, those that preserve their past continue to enjoy tourism. Those that haven't, receive almost no tourism at all. Tourists simply won't go to a city that has lost its soul. – Arthur Frommer
- When site searching the south, make sure you inspect a community's downtown first! – Southern business and development Fall 2002
- People stay longer, come back more often and spend more money in places that attract their affection and attention.
- Secrets of Successful Communities
 - Develop a shared vision for the future
 - Inventory local and regional assets – CCL and CCSW
 - Build plans around the enhancement of assets – CCL and CCSW
 - Use education, incentives, partnerships, and voluntary initiatives, not just regulation
 - Pick and choose among development proposals
 - Cooperate with neighbors for mutual benefit
 - Protect community character as well as ecology and economics
 - Have strong leaders and committed citizens

End of Study

Appendix A Follows

DRAFT

DRAFT



DRAFT

Appraisal Report

LOCATED AT:

410 E Merriman

Wynne, AR 72396

FOR:

The Cross County Library Board & The City of Wynne

AS OF:

6/16/2015

BY:

Dwight L. Brown

AR State Certified General Appraiser #CG 0558

1334 Osage / P. O. Box 1171

Wynne, Arkansas 72396

870-238-3066

FIRREA / USPAP ADDENDUM

Borrower _____ File No. 2015-196C

Property Address 410 E Merriman

City Wynne County Cross State AR Zip Code 72396

Lender The Cross County Library Board & The City of Wynne

Purpose

To render the market value of the subject property for possible transfer of ownership.

Scope of Work

The property was inspected on 6/16/2015. Information about the property being appraised was gathered along with market data of comparable sales in the market region. Information was gathered for each sale. The sales, cost and income approached were considered. The Definition of Market Value used in this report is according to Fannie Mae guidelines as stated in the certification of this report.

This is an "Appraisal report" type report. (New term due to USPAP change, effective as of 1/1/2014)

Intended Use / Intended User

Intended Use: The Intended Use of this appraisal report is to evaluate the property that is the subject for mortgage loan consideration, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value according to Fannie Mae guidelines. No additional Intended Use is identified by the appraiser.

Intended User(s): The Intended user identified within the scope of work is The City of Wynne and The Cross County Library Board.

History of Property

Current listing information: No current listing is known to exist for this property.

Prior sale: No prior transfer of ownership within the past 36 months was noted according to applicable public records.

Exposure Time / Marketing Time

The estimated exposure time was placed at 12 months.

The estimated marketing period for this property is estimated to be 12 months.

Personal (non-realty) Transfers

None were included.

Additional Comments

DRAFT

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.

Appraiser: Dwight L. Brown
 Signed Date: 08/6/2015
 Certification or License #: CG 0558
 Certification or License State: _____ Expires: 06/30/2016
 Effective Date of Appraisal: 06/16/2015



Supervisory Appraiser: _____
 Signed Date: _____
 Certification or License #: _____
 Certification or License State: _____ Expires: _____
 Inspection of Subject: Did Not Exterior Only Interior and Exterior

Borrower				File No. 2015-196C
Property Address	410 E Merriman			
City	Wynne	County	Cross	State AR Zip Code 72396
Lender	The Cross County Library Board & The City of Wynne			

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- Appraisal Report** (A written report prepared under Standards Rule 2-2(a) , pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b) , pursuant to the Scope of Work, as disclosed elsewhere in this report, 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.
- Unless otherwise indicated, 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 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.
- 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 (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 12 months.

The marketing period for similar properties is 12 months.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

APPRAISER:

Signature: Dwight L. Brown
 Name: Dwight L. Brown

State Certification #: CG 0558
 or State License #: _____
 State: _____ Expiration Date of Certification or License: 06/30/2016
 Date of Signature and Report: 08/06/2015
 Effective Date of Appraisal: 06/16/2015
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): 06/16/2015



SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____

State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____

Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): _____

UNIFORM COMMERCIAL/INDUSTRIAL SUMMARY APPRAISAL REPORT - EXISTING PROPERTY

Client The Cross County Library Board & The City of Wynne File Number 2015-196C
 Property Use: Office Commercial Industrial _____
 Property Address 410 E Merriman Map Reference 410 E Merriman
 City Wynne County Cross State AR Zip Code 72396
 Building Name Cross County Library Census Tract 9505.00
 Owner / Occupant Cross County Library APN 900-01017-000
 Typical Buyer Owner/User Investor _____
 Property Rights Appraised Fee Simple Leased Fee Leasehold Other _____
 Purpose of Appraisal To determine the market value for the subject property.

Intended Use of Report To be used by The Cross County Library Board and the City of Wynne.

Scope of Work The property was inspected on 6/15/2015. Information about the property being appraised was gathered along with market data of comparable sales in the market region. Information was gathered for each sale. The sales, cost and income approached were considered. The building measurements were hand measured.

Complete Appraisal Limited Appraisal due to the following departures from Standard 1 Appraisal Report (New term due to USPAP change, effective as of 1/1/2014)

Summary Appraisal Report

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Date of Report 08/6/2015 Date of Inspection 06/16/2015 Effective Date of Valuation 06/16/2015
 Value Indication - Site Value \$ 44,082
 Value Indication - Cost Approach \$ 680,000
 Value Indication - Income Approach \$ 705,000
 Value Indication - Direct Sales Comparison Approach \$ 630,000
 Market Value of Personal Property Included in Appraisal \$ _____
 Market Value of Other Non-Realty Interests Included in Appraisal \$ _____
 Estimated Market Value 'As Is' \$ 630,000

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: This appraisal has been made in compliance with the USPAP 2014 edition. No extraordinary assumptions or hypothetical conditions were taken or made.

Site Data	Building Data	Income Data	Appraisal Ratios
Site Size <u>22,041</u>	Gross Area <u>9,039</u> SF	GPI \$ <u>27,117</u>	EGIM <u>25.23</u>
Excess Land _____	Net Area <u>8,587</u> SF	Vacancy (Projected) <u>5 %</u>	Overall Rate <u>1.4%</u>
Zoning <u>C-2 Light Com</u>	Net/Gross <u>95 %</u>	Vacancy (Actual) <u>0 %</u>	SF Net <input type="checkbox"/> SF Gross <input checked="" type="checkbox"/>
Parking: _____	Number of Tenants <u>5</u>	Other Income \$ _____	Price/SF \$ <u>70.00</u>
<u>20</u> Spaces	Year Built <u>1992-94</u>	EGI \$ <u>25,762</u>	Rent/SF \$ <u>3.00</u>
<u>20000</u> Spaces 1000/SFBA	Effective Age <u>10</u>	Operating Exp. \$ <u>15,867</u>	Expense/SF \$ <u>1.75</u>
H & BU As If Vacant: _____	Remaining Econ. Life <u>50 Years</u>	NOI \$ <u>9,895</u>	Expense Ratio <u>61.5 %</u>
<u>Commercial Development</u>	H & BU As Improved: _____		
	<u>Commercial</u>		

THREE YEAR OWNERSHIP HISTORY

Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent _____	_____	_____	\$ _____	_____
Previous _____	_____	_____	\$ _____	_____
Previous _____	_____	_____	\$ _____	_____
Previous _____	_____	_____	\$ _____	_____
Current Contract <input type="checkbox"/>	Option <input type="checkbox"/>	Listing Price	\$ _____	
Buyer _____		Contract Price	\$ _____	
Seller _____		Closing Date	_____	
Analysis / Comments: <u>The property was been in the same ownership for longer than three years.</u>				

ENVIRONMENTAL ISSUES

Environmental Problems Known or Suspected Yes No
 Analysis/Comments: The appraiser states that he is not an expert on environmental issues, just an observer.

AREA DESCRIPTION

Identification of Market Area: Eastern Arkansas

Major Employment Categories: Federal Prison, Numerous Factories, Financial Institutions, Schools, Hospital, Medical Offices, Retail Businesses.

Change In Economic Base:
 Unlikely Likely Taking Place
 From: _____
 To: _____
 Impact on Property Values:
 Positive None Negative

	Up	Stable	Down
Population Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Employment Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Personal Income Levels	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail Sales	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
New Construction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Analysis/Comments: The subject property is located in the central part of Wynne. Wynne is the largest city in Cross County and is the County Seat. Population of Wynne is estimated to be about 8,500. Wynne has amenities such as schools, hospital, medical offices, financial institutions, houses of worship, shopping centers, and factories.
Cross County, in east central Arkansas is approximately 20 miles deep and 30 miles wide and has a land area of 400,640 acres.
The soils of the county formed in the alluvium and loess. Those in the eastern part of the county are nearly level soils formed in the alluvium and have been flooded by the backwaters from the Mississippi River and it's tributary, the St. Francis River. The soils in the western part of the county were formed in loess.
Most soils contain moderate to large amounts of plant nutrients, and there is an abundant supply of ground water for agriculture and industry. Large deposits of sand and gravel underlie most of the soils on Crowley Ridge.
The total rainfall is sufficient for most crops (55"), but the distribution of rainfall through the year is not favorable. In the summer, the rainfall is generally limited, and most crops benefit from irrigation. In the winter and spring, many soils need drainage. The county has approximately 210 days of frost free growing weather. Snowfall is negligible as a source of precipitation. The normal amount is less than five (5) inches.
This portion of Wynne where the subject property is located reflects other similar commercial type properties. The subject is located on East Merriman adjacent to the Post Office in the central business district of Wynne.

NEIGHBORHOOD DESCRIPTION

Boundaries: Property is located in the central part of the city of Wynne. No real noted boundaries other than the city limits.

Neighborhood Built Up <u>85</u> %			
Land Use: Single Family <u>65</u> %	Office <u>05</u> %	MultiFamily _____ %	
Industrial _____ %	Retail <u>10</u> %	Vacant <u>15</u> %	
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Vacancy
			<u>2</u> %
			<u>0</u> %
			<u>5</u> %
			<u>2</u> %
			<u>1</u> %

Location	<input type="checkbox"/> Rural	<input type="checkbox"/> Suburb	<input checked="" type="checkbox"/> Urban
Development Trend	<input checked="" type="checkbox"/> Up	<input type="checkbox"/> Stable	<input type="checkbox"/> Down
Value Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Vacancy Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Rental Demand	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down

Change In Land Use:
 Unlikely Likely Taking Place
 From _____ To _____
 Rental Rate Range (Exclude Extremes) for Subject Property Type:
 From \$ _____ /SF/Year To \$ _____ /SF/Year
 Age Range (Exclude Extremes) for Subject Property Type:
 From _____ To _____

Distance - CBD Miles
 Distance - Freeway 16 Miles
 Distance - Public Transportation Miles

Neighboring Property Use: Mainly commercial in nature along this section of Merriman Avenue.

Analysis/Comments: The location for the subject property is considered average. Traffic patterns for the subject property are considered average, with access being average. This location is in the central commercial development within the city of Wynne.

SITE DESCRIPTION

Legal Description East Half of Lots 2 & 5 and all of Lots 3 & 4 of Block 19 of Brookfields Original Division See Addenda

Site Size 22,041 sq. ft Usable Land Area 22,041 sq. ft Excess Land Area _____
 Site Dimensions 134.0' x 164.4'
 Street Frontage 134.0' on Merriman (estimated)

Access _____ Street Frontage _____ Shape _____ Functional Utility _____ Visibility _____ Landscaping _____ Drainage _____ Adequacy of Utilities _____ Traffic Pattern _____ Traffic Volume _____	Gd	Av	Fr	Utility:	Provided By:	Topography:
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Electricity _____	<u>Entergy</u>	Level <input checked="" type="checkbox"/> Mod Slope <input type="checkbox"/> Steep Slope <input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Gas _____	<u>Arkla Gas</u>	At Grade <input type="checkbox"/> Above Grade <input type="checkbox"/> Below Grade <input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water _____	<u>City Water Dept</u>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sewer _____	<u>City Water Dept</u>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Telephone _____	<u>Southwestern Bell</u>	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Improvements:	Describe:	Corner Lot _____ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Width _____	<u>Unknown</u>	Underground Utilities _____ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Paving _____	<u>Asphalt</u>	Railroad Access _____ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sidewalks _____	<u>Concrete</u>	Earthquake Zone _____ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
			Curbs & Gutters _____	<u>Concrete</u>	Flood Hazard Area _____ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
			Storm Sewers _____	<u>Concrete</u>	Map # <u>0500600005B</u> Date <u>08/15/1980</u>	
			Lighting _____	<u>Mercury Vapor</u>		

Soil Conditions N/A
 Easements Typical Public Utilities (None a detriment)
 Encroachments None Noted.

Analysis/Comments: No adverse easements or encroachments were noted during the inspection and court house work. Typical public utilities were noted during the inspection. Site area determined from the Assessor's Office records. The current utility easements are considered to not be a detriment on value for this property.

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ZONING

Current Zoning C-2 Light Com Legally Conforming Yes No
 Zoning Change: Likely Not Likely To _____
 Uses Allowed Under Current Zoning Light commercial

Parking Spaces _____ <u>20000</u> /1000 SFBA	Set Back Requirements:
Total Building Coverage _____ <u>47.9</u> % or Ratio	Front _____ <u>50</u> FT Rear _____ FT
Ground Floor Coverage _____ <u>95</u> % or Ratio	Side Yard _____ <u>50</u> FT Height _____ FT

Analysis/Comments: The subject property conforms to the legal zoning.

ASSESSMENT AND TAXES

Assessment Year	2015	APN 900-01017-000	Tax Rate	Year	Taxes
Total	\$ _____	Total	<u>49.5</u> mills	2015	\$ _____
Land	\$ _____	County	_____		\$ _____
Building(s)	\$ _____	City	_____		\$ _____/SF
Other	\$ _____	Other	_____	Year Of Next Reassessment	<u>2015</u>

Special Assessments: This property being in the ownership of a County Governmental entity is exempt from real estate taxes.

Reassessment Issues: If this property were to be placed into private ownership, it would be assessed and place on the County tax rolls.

Analysis/Comments: _____

IMPROVEMENTS DESCRIPTION

Property Type Commercial Construction Type Brick veneer # Buildings 1 # Stories 1

Building	Floor	Gross SF	*Net SF	Use Type	Net SF	Use %
Main	1	9,039	8,587	Office	1,000	11.9
				Retail		
				Warehouse		
				Manufacturing		
				Distribution		
				Research/Development	8,039	88.9
Total		9,039	8,587			

*Usable Area Rentable Area

Year Built	<u>1992-94</u>	Parking:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Industrial Only
Building Efficiency Ratio	<u>95 %</u>	On Site	<input checked="" type="checkbox"/> <input type="checkbox"/>	# Overhead Doors
Effective Age	<u>10</u>	Adequacy	<input checked="" type="checkbox"/> <input type="checkbox"/>	Floor Height
Total Economic Life	<u>60 Years</u>	Covered	<input type="checkbox"/> <input checked="" type="checkbox"/>	Ceiling Height
Remaining Economic Life	<u>50 Years</u>	Parking Garage	<input type="checkbox"/> <input checked="" type="checkbox"/>	Column Spacing
Floor Area Ratio		Paved	<input checked="" type="checkbox"/> <input type="checkbox"/>	FT x FT
Ground Coverage Ratio	<u>22.6 %</u>	Number of Spaces	<u>20</u>	Railroad Spur
		Spaces/1000 SFBA	<u>20000</u>	Yes <input type="checkbox"/> No <input type="checkbox"/>

Analysis/Comments: Subject property is in good condition.
Building size is based on hand measurements completed by the appraiser.

Building Description		Improvement Rating			
		Gd	Av	Fr	N/A
Foundation	<u>Concrete</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frame	<u>Brick veneer</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor/Cover	<u>Commercial grade carpet or tile</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ceiling	<u>Ceiling tile</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exterior Walls	<u>Block and Brick</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Partitions	<u>Painted drywall</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Cover	<u>Pitched roof</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing	<u>Adequate</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	<u>Central</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Conditioning	<u>Central</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical	<u>Adequate</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elevators	<u>None</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parking	<u>Adequate</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation	<u>Average</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sprinkler	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Roof Support	<u>Wood</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Site Improvements: Structure is in good condition. No noted repairs were noted.

Personal Property or Other Non-Realty Interests Included in Valuation: No Yes No personal property has been included in this valuation report.

Analysis/Comments: Subject has adequate electric outlets for light commercial uses.

HIGHEST AND BEST USE

HIGHEST AND BEST USE AS IF VACANT

Legally Permissible Uses: The subject property has C-2 zoning. Based on the information provided to me, no deed restrictions exists for this property. Therefore, the property is available to be developed to its highest potential.

Physically Possible Uses: The site would allow for the development of a building similar to what currently exists on this property. The current building is also something that would be physically possible to place on this property due to the size of the tract.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: Would certain uses be more productive than others? That would be determined by the cost to develop the property in a certain manner. To develop the property for an industrial site would exceed the capabilities of the property.

Analysis/Comments: The first step in determining the highest and best use of a property is to consider the property as though vacant and available for any use that would otherwise be legal. The physical characteristics of the subject property make commercial use physically possible. The location of the subject property and the current zoning supports this conclusion.

HIGHEST AND BEST USE AS IMPROVED

Legally Permissible Uses: The subject property is zoned C-2 for light commercial use. Based on the information provided to me, no deed restrictions exists for this property. Therefore, the property is available to be developed to its highest potential. The current use would fit into acceptable practices that would be legally permissible.

Physically Possible Uses: The site area is suffice for the current use. If the business were to grow, the expansion of the current facility would be limited.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: To develop the property for an industrial site would not be productive. The current use is logical and a good use for the property.

Analysis/Comments: The highest and best use as defined by the Dictionary of Real Estate Appraisal, Fourth Edition is "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." The four criteria the highest and best use must meet, are legal permissibility, physical possibility, financial feasibility, and maximum profitability. It is our opinion that the subject property is in it's "Highest & Best Use " as improved.

VALUATION METHODS SELECTED

Cost Approach

Income Approach

Direct Sales Comparison Approach

Reasons for Excluding an Approach: All of the approaches were utilized for this report.

MARKET VALUE ESTIMATE OF NON-REALTY ITEMS

Market Value of Personal Property	\$	_____
Market value of Other Non-Realty Interests	\$	_____
Total Market Value of Non-Realty Interests	\$	_____

Analysis/Comments: No non-realty items were appraised for this report.

COMPARABLE SITE DESCRIPTIONS

	Subject	Comparable #1	Comparable #2	Comparable #3
Data Sheets Att <input type="checkbox"/>				
Location/Address	410 E Merriman	Cogbill St.	S Falls Blvd	N Falls Blvd
Proximity to Subject		1 block north	4 blocks southeast	8 blocks north
Map Reference	410 E Merriman	Site Sale #1	Site Sale #2	Site Sale #3
Deed Reference	Cross County Library	Ritter	Caldwell PH	Evolve Bank
Date of Sale		01/18/2011	04/23/2007	03/06/2008
Exposure Time	over 12 months	Unknown	Unknown	Unknown
Data Source	Deed Records	Deed records	Deed Records	Deed records
Site Size SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	22,041	10,000 sq ft	182,080 sq ft	207,345 sq ft.
Frontage	134.0' on Merriman	unknown	unknown	None
Zoning	C-2 Light Com	C-2 Light Comm.	C-2 Light Comm.	C-2 Light Comm
Utilities	Adequate	Adequate	Adequate	Adequate
Site Improvements	Brick Building	None at the purchase	None at the purchase	None at the purchase

COMPARABLE SITE COMPARISON ANALYSIS

Unit of Comparison	Square Foot			
Sales Price		\$ 20,000	\$ 419,000	\$ 318,000
Price Per Unit		\$ 2.00	\$ 2.30	\$ 1.53
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing		None	None	None
Adjustment				
Conditions of Sale		Cash to seller	Cash to seller	Cash to seller
Adjustment				
Market Conditions		Average	Average	Average
Adjustment				
Other Adjustments:				
Location				
Topography				
Shape/Utility				
Utilities				
Site Improvements				
Access		+0.25		
Total Adjustments		0.25	0	0
Indicated Value Per Unit		\$ 2.25	\$ 2.3	\$ 1.53

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Analysis/Comments: Two of the comparable sales were quite larger, but these sales are still reflective of the values associated with tracts along Falls Blvd. Sale #1 is located on a secondary road one block from Falls Blvd., thus no frontage along Falls Blvd.

Reconciliation: After the adjustments were made the appraiser has determined a range in value of the site area to be in the range of \$1.53 per sq. ft. to \$2.30 per Sq. Ft.

SUMMARY OF SITE VALUE INDICATIONS

Total Site Units:	22,041	22,041
Unit Value		\$ 2.00
Estimated Site Value		\$ 44,082
EXCESS LAND		
Excess Land Area Units:		
Unit Value		\$
Estimated Excess Land Value		\$

COST APPROACH

Cost Source Marshal & Swift Cost Valuation handbook

Component	No.	Size	Unit Cost	Square foot	Cost
Main Building	1	9,039	\$ 82.80		\$ 748,429
Parking Lot estimated	1	3,920	\$ 1.89		\$ 7,409
			\$		\$
			\$		\$
			\$		\$
			\$		\$
Reproduction <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Cost New of Improvements					\$ 755,838
Plus: Indirect (Soft Costs)					\$
Plus: Entrepreneurial Profit			%		\$
Total Cost New					\$ 755,838
Less: Physical Deterioration			16.6 %	125,469	
Less: Functional Obsolescence			%		
Less: External Obsolescence			%		
Total Accrued Depreciation (Deterioration & Obsolescence)					(\$ 125,469)
Depreciated Value of Building(s)					\$ 630,369
Plus: Contributing Value of Site Improvements					\$ 5,000
Depreciated Value of Improvements					\$ 635,369

Analysis/Comments: The cost approach was derived using the Marshall and Swift Cost Evaluation Handbook. We used the Retail Stores building section (353) from the C Class with a type of Average which indicated a cost of \$90.00 x the local multiplier of 92% for an indicator of \$82.80 per square foot.

The physical depreciation was determined by the effective age-remaining life method. No external obsolescence or functional depreciation was noted.

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Reconciliation:

SUMMARY OF COST APPROACH VALUE INDICATIONS

Estimated Site Value	\$ 44,082
Plus: Estimated Excess Land Value	
Plus: Depreciated Value of Improvements	635,369
Plus: Market Value of Personal Property and Other Non-Realty Interests	
Indicated Value Before Adjustment for Interest Appraised	\$ 679,451
Less: Adjustment for Interest Appraised	
Value Indication - Cost Approach	\$ 679,451
Rounded	\$ 680,000

INCOME APPROACH/RENTAL COMPARABLE BUILDING DESCRIPTIONS

Data Sheets	Att <input type="checkbox"/>	Subject	Comparable #1	Comparable #2	Comparable #3
Address		410 E Merriman	707 E Eldridge	513 Falls Blvd N	671 Addison Drive
Proximity to Subject			11 blocks North	2 blocks northeast	6 blocks north
Map Reference		410 E Merriman	Rental #1	Rental #2	Rental #3
Year Built		1992/1994	2000	1962	1965
Gross Building Area		9,039	3,876	11,320	4,569
Number of Stories		1	1	1	1
Current Vacancy %		0%	0	5%	0
Construction Type		Good	Good	Good	Good
Construction Quality		Good	Good	Good	Good
Condition		Good	Good	Good	Good
Parking		Adequate	Adequate	Adequate	Adequate
Date of Rent Survey			06/2013	09/11/2012	06/2013
Asking Rent		Owner Occupied	\$2,300 per month	\$4,400 per month	\$1,350.00 per month
Lease Period		None	Unknown	Various	Unknown
Tenant Improvement Allowance					
Concessions					

Analysis/Comments: All of the rentals are in close proximity to the subject.

COMPARABLE BUILDING RENTAL ANALYSIS

	Subject	Comparable #1	Comparable #2	Comparable #3
Tenant Name		Hunt	Thomas & Jenkins	Lower Deck
Beginning Date	Unknown	Unknown	Unknown	Unknown
Term	Unknown	Unknown	Unknown	Unknown
Lease Type*	Gross	Gross	Gross	Gross
Tenant Size (SF)	9,039 SF	3,876 SF	11,320	4,569
Rent Per SF	\$	\$ 1.68	\$ 4.66	\$ 3.54
Rent Concessions Adj.				
Adjusted Rent Per SF	\$	\$ 1.68	\$ 4.66	\$ 3.54
Adjustment for Market Conditions				
Adjusted Rent Per SF	\$	\$ 1.68	\$ 4.66	\$ 3.54
Location	Good	Good	Good	Good
Quality	Good	Good	Good	Good
Condition	Good	Good	Good	Good
Total Adjustment				
Indicated Market Rent	\$	\$ 1.68	\$ 4.66	\$ 3.54

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

Analysis/Comments: All of the rentals are of retail use properties. All rentals are felt to be indicators for the rental potential if the subject property were to be placed on the open market as rental type property.
The subject property is an owner/occupied property. The rentals provided indicate what the typical rentals for the subject might be if placed on the open rental market.

SUMMARY OF SUBJECT LEASES

Tenant Name	Rented Area (SF)	Beginning Date	Term	*Lease Types	Current 2,015 Rent	Effective Rent/SF	Estimated Market Rent/SF
Totals							

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

SUBJECT LEASE TERMS

Existing Vacancy <u>0</u> %	Average Rent/SF \$ <u>4.65</u>	Typical Lease Terms: <u>Cash to landlord</u>
Range of Contract Rents \$ <u>1.71</u> to \$ <u>4.66</u>	Range of Effective Rents \$ <u>1.71</u> to \$ <u>4.66</u>	Renewal Options: <u>Unknown</u>
Expense Passthroughs	Typical Tenant Improvements Allowance	Provisions for Rent Change: <u>Unknown</u>
		Common Area Maintenance: <u>None known</u>
Number of Leases Expiring (12 Months)	Square Feet of Leases Expiring (12 Months)	Rent Concessions: <u>None known</u>
<u>Unknown</u>	<u>Unknown</u>	Rent Control Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Analysis/Comments: The market derived rentals will be applied to the subject property to indicate what the typical revenue would be for the subject property if placed on the open rental market.

INCOME AND EXPENSE HISTORY AND FORECAST

Actual		Comments and Calculations	Stabilized
From	to		
Income:			
From		<u>\$3.00 per 9,039 SF per year =</u>	\$ <u>27,117</u>
			\$
			\$
			\$
			\$
Gross Potential Income	\$		\$ <u>27,117</u>
Vacancy and Collection Loss <u>5</u> %	(\$	<u>5.0%</u>	(\$ <u>1,355</u>)
Other Income	\$		\$
Effective Gross Income	\$		\$ <u>25,762</u>
			\$
Expenses:			
Property Taxes	\$	<u>Estimated at</u>	\$ <u>3,155</u>
Insurance	\$	<u>\$12 per \$1,000 building value (\$630,349)</u>	\$ <u>7,560</u>
Property Management	\$	<u>estimated 10% of gross rentals</u>	\$ <u>2,576</u>
Electricity	\$		\$
Gas	\$		\$
Water/Sewer	\$		\$
Janitorial	\$		\$
Maintenance	\$	<u>estimated 10% of gross rentals</u>	\$ <u>2,576</u>
HVAC Maintenance	\$		\$
Elevator Maintenance	\$		\$
Trash Removal	\$		\$
	\$		\$
	\$		\$
Reserves	\$		\$
Total Expenses	\$		\$ <u>15,867</u>
Net Operating Income (NOI)	\$	Expense/SF \$ <u>1.75</u> Expense Ratio <u>61.5</u> %	\$ <u>9,895</u>

Analysis/Comments: The expense information has been based what would be typical for the operating expenses for the subject property.

DIRECT CAPITALIZATION

Overall Rate Range .014 to .025
 Overall Rate (RO) = .014

NOI 9,895 / (Ro) .014 = \$ Estimated Value 706,786

Equity Dividend Rate Range _____ to _____
 Mortgage _____ x _____ = _____
 Equity _____ x _____ = _____
 Overall Rate (RO) _____ = _____

NOI 9,895 / (Ro) _____ = \$ Estimated Value _____

Analysis/Comments: The rentals for this property would indicate a low rate of return on the investment. This indicated rate on the investment is at the lower end of the range that is typical rates of return for this type property located in the Wynne area.

The local market does not have adequate data to determine a proper market derived capitalization rate for properties similar to the subject. The rate indicated above is based on the rate of return utilizing the net operating income and the indication of value by the sales comparison approach.

Since this analysis only focuses on the rate of return on the investment based on the assumptions as to the earnings potential for this property and not a market derived capitalization rate, little weight will be given the income approach in the final opinion of value for this property.

YIELD CAPITALIZATION (DCF ANALYSIS)

Cash Flow Analysis in Addenda Yes No
 Forecast Holding Period _____
 Beginning NOI _____
 NOI Pattern _____
 Reversion Assumption _____
 Yield Rate _____
 Value Estimate _____

Market Rent Scenario
 6-12 months
 \$ 9,895

 \$ _____

Contract Rent Scenario

 \$ _____

 \$ _____

Analysis/Comments: The analysis would indicate that the rate of return on the investment based on the market rental potential for this property would be 1.4%.

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ADJUSTMENT FOR INTEREST APPRAISED

Value Estimate - Market Rent Scenario \$ _____
 Value Estimate - Contract Rent Scenario \$ _____
 Difference (Adjustment for Interest Appraised) \$ _____

Analysis/Comments: The interest appraised is the Fee Simple Estate

SUMMARY OF INCOME APPROACH VALUE INDICATIONS

Value Indicated by Direct Capitalization/Yield Analysis (excluding excess land) \$ 706,786
 Plus: Estimated Excess Land Value \$ _____
 Value Indication - Income Approach \$ 706,786
 Rounded \$ 705,000

DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING DESCRIPTIONS

Comp Sheets	Att <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Address		410 E Merriman	421 Falls Blvd S	1755 Falls Blvd N	1600 Falls Blvd N
Proximity to Subject			3 blocks southeast	10 blocks north	8 blocks north
Map Reference		410 E Merriman	Sale #1	Sale #2	Comp #3
Data Source		Owner	Assessor's records	Assessor's records	Assessor's records
Deed Reference		Cross County Library	Garner Rentals	K.G.H. Investments	F. & G.
Gross Building Area		9,039	2,717	4,000	4,160
Net Building Area		8,587	2,581	3,800	3,952
Site Size: SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>		22,041	14,593	28,314	43,996
Land-to-Building Ratio		1 to 2.43	1 to 5.371	1 to 7.079	1 to 10.576
Year Built		1992/1994	1963	1995	2001
Construction Type		Good	Average	Average	Average
Construction Quality		Good	Average	Average / Inferior	Average
Condition		Good	Average	Average	Average
Number of Stories		1	1	1	1
Parking		Adequate	Adequate	Adequate	Adequate
HVAC		Central H & A C	Central H & AC	Central H & AC	Central H & AC
Other					

COMPARABLE BUILDING ANALYSIS

	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Sale Price	\$	\$ 130,000	\$ 185,000	\$ 400,000
Date of Sale		03/16/2012	02/06/2012	01/19/2012
Exposure Time		Unknown	Unknown	Unknown
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing				
Adjustment				
Conditions of Sale				
Adjustment				
Excess Land				
Adjustment				
Non-Realty Interests				
Adjustment				
CE/Terms Adjusted Price	\$	\$ 47.85	\$ 46.25	\$ 96.15
Other Adjustments:				
Market Conditions				
Adjustment				
Location	Urban / Average	Urban /Average	Urban/Average	Urban/Average
Adjustment				
Quality	Good	Good	Average / Inferior	Good
Adjustment			9.25	
Condition	Good	Good	Good	Good
Adjustment				
Effective Age	10 years	20 years	10 Years	5 years
Adjustment		7.66		-7.69
Total Other Adjustments		7.66	9.25	-7.69
Indicated Value				
Per Square Foot	\$	\$ 55.51	\$ 55.50	\$ 88.46

Analysis/Comments: Comparable Sale #1 was a building similar to the subject property. Also, this sale is located to the south of the subject property on Falls Blvd.

Comparable Sale #2 is located to the north of the subject property about 10 blocks on Falls Blvd. The quality was felt to be inferior to that of the subject.

Comparable Sale #3 is located North of the subject on Falls Blvd. This was quite newer than the subject and was considered to be in better condition. This sale was the Movie Gallery prior to the ownership change. After the purchase the property was renovated and the building was added onto.

More weight was given toward the higher adjusted indicators noted above.

The adjusted value of the comparable sales indicate a per square foot value from \$55.50 to \$88.46 per square foot.

FEE SIMPLE OPERATING DATA AND RATIOS

	Comparable # 1	Comparable # 2	Comparable # 3
Gross Potential Income	\$ 9,645	\$ 14,200	\$ 14,768
Vacancy and Collection Loss %	5	5	5
Effective Gross Income	\$ 9163	\$ 13490	\$ 14030
Operating Expenses	\$ 5,026	\$ 7,400	\$ 7,696
Expenses/SF Gross Building Area	\$ 1.85	\$ 1.85	\$ 1.85
Expense Ratio	0.55	0.55	0.55
Net Operating Income	\$ 4137	\$ 6090	\$ 6334
EGIM	14.18	13.71	28.51
Overall Rate	0.032	0.033	0.016
Equity Dividend Rate			

LEASED FEE OPERATING DATA AND RATIOS (IF APPLICABLE)

Gross Potential Income	\$	\$	\$
Collection Loss %			
Effective Gross Income	\$	\$	\$
Operating Expenses	\$	\$	\$
Expenses/SF Gross Building Area	\$	\$	\$
Expense Ratio			
Net Operating Income	\$	\$	\$
EGIM			
Overall Rate			
Equity Dividend Rate			

Analysis/Comments: The rentals for the comparable sales in this analysis were not available. The above analysis utilized data that had been estimated for the subject property. Due to this fact little weight will be given toward the income analysis.

DRAFT

DIRECT SALES COMPARISON APPROACH/VALUE CALCULATIONS

Value Estimate	9,039
Value Per Unit	\$ 70.00 /Unit
Value Estimate	\$ 632,730
Effective Gross Income	\$ 25,762
Effective Gross Income Multiplier (EGIM)	X 25.23
Value Estimate	\$ 649,975

Analysis/Comments: The EGIM was figured using the value derived by the sales comparison approach and that figure divided by the effective gross rental income of the subject property.

SUMMARY OF DIRECT SALES COMPARISON APPROACH VALUE INDICATIONS

Value Indicated by Direct Sales Comparison Approach (excluding excess land)	\$ 632,730
Plus: Estimated Excess Land Value	\$
Plus: Adjustment for Interest Appraised	\$
Value Indication - Direct Sales Comparison Approach	\$ 632,730
Rounded	\$ 630,000

RECONCILIATION AND FINAL VALUE ESTIMATES

Cost Approach Indication	\$ 680,000
Income Approach Indication	\$ 705,000
Direct Sales Comparison Approach Indication	\$ 630,000


Reconciliation: The appraiser has given the sales approach to value more consideration in this analysis. The cost approach and the income approach supports this conclusion.
No non-fixed equipment was not included in this analysis.

Estimated Exposure Time: The estimated exposure time to the open market is over 12 months according to market indicators.

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: No extraordinary assumption have been made.

DRAFT

Estimated Market Value "As Is"	\$ 630,000
Effective Date of Valuation	06/16/2015
Market Value of Personal Property Included in Appraisal	\$
Market Value of Other Non-Realty Interests Included in Appraisal	\$

<p>Appraiser #1 Signature <u>Dwight L. Brown</u> Name <u>Dwight L. Brown</u> Certification No.: <u>CG 0558</u> State: _____ Exp. Date: <u>06/30/2016</u></p> <p>Appraiser #2 Signature _____ Name _____ Certification No.: _____ State: _____ Exp. Date: _____</p> <p>Appraiser #3 Signature _____ Name _____ Certification No.: _____ State: _____ Exp. Date: _____</p>	 Date <u>08/6/2015</u>	<p>Property Inspected Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
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CONTENTS OF ADDENDA

Legal Description	<input type="checkbox"/>	Land Lease	<input type="checkbox"/>	Support for Non-Realty Interest Valuation	<input type="checkbox"/>
Subject Photographs	<input checked="" type="checkbox"/>	Segregated Cost Sheet	<input type="checkbox"/>	Support for Adjustment for Interest Appraised	<input type="checkbox"/>
Area Map	<input checked="" type="checkbox"/>	Soils Survey Map	<input type="checkbox"/>	Copy of Easement	<input type="checkbox"/>
Neighborhood Map	<input type="checkbox"/>	Subject Leases	<input type="checkbox"/>	Appraiser Qualifications	<input checked="" type="checkbox"/>
Zoning Map	<input type="checkbox"/>	Rental Comparable Data Sheets	<input type="checkbox"/>	_____	<input type="checkbox"/>
Flood Zone Map	<input type="checkbox"/>	Rent Location Map	<input type="checkbox"/>	_____	<input type="checkbox"/>
Topographic Map	<input type="checkbox"/>	DCF Analysis	<input type="checkbox"/>	_____	<input type="checkbox"/>
Site Sketch	<input type="checkbox"/>	Improved Property Sales Data Sheets	<input type="checkbox"/>	_____	<input type="checkbox"/>
Site Plan	<input type="checkbox"/>	Building Sales Location Map	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>
Building Plans	<input type="checkbox"/>	Copy of Deed	<input type="checkbox"/>	_____	<input type="checkbox"/>
Tax Assessment Card	<input type="checkbox"/>	Contract of Sale	<input type="checkbox"/>		
Land Sales Data Sheets	<input type="checkbox"/>	Construction Cost Contract	<input type="checkbox"/>		
Land Sales Map	<input type="checkbox"/>	Support for Personal Property Valuation	<input type="checkbox"/>		

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 and 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 acting in what they consider their best interests; (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.

ASSUMPTIONS AND LIMITING CONDITIONS

- 1. As agreed upon with the client prior to the preparation of this appraisal, unless otherwise indicated, this is a Limited Appraisal because it invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has not been applied. Depending on the type and degree of limitations, the reliability of the value conclusion provided herein may be reduced.
- 2. Unless otherwise indicated, this is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
- 3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
- 4. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
- 5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- 6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- 7. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- 8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- 9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
- 10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- 11. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
- 12. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- 13. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
- 14. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
- 15. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- 16. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
- 17. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- 18. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
- 19. Neither all nor any part of the contents of the report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing the 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.
7. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the edition of the Uniform Standards of Professional Appraisal Practice current as of the date of the appraisal.
9. Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report, unless otherwise indicated.

Dwight L Brown



DRAFT

Dwight L Brown
Appraiser's Signature

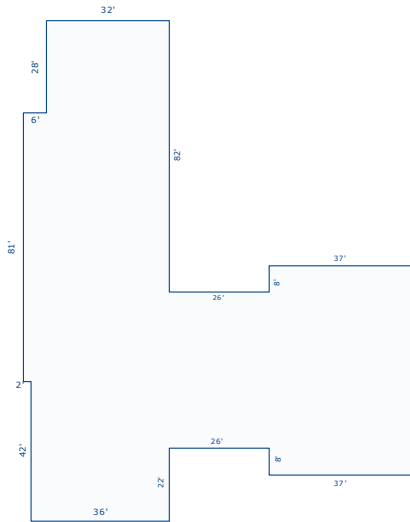
08/6/2015
Date

State Certification # CG 0558

Building Sketch

Borrower				
Property Address 410 E Merriman				
City	Wynne	County	Cross	State AR Zip Code 72396
Lender	The Cross County Library Board & The City of Wynne			

Hand measured by the appraiser.



DRAFT

Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	9039.00	9039.00
Net LIVABLE Area		(rounded)	9039

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
0.5 x	0.0 x	36.0	0.00
	22.0 x	36.0	792.00
	99.0 x	20.0	1980.00
	8.0 x	37.0	296.00
0.5 x	0.0 x	37.0	0.00
	8.0 x	37.0	296.00
0.5 x	0.0 x	54.0	0.00
	27.0 x	101.0	2727.00
0.5 x	32.0 x	0.0	0.00
0.5 x	0.0 x	28.0	0.00
	38.0 x	54.0	2052.00
	32.0 x	28.0	896.00
12 Items			(rounded) 9039

Photograph Addendum

Borrower					
Property Address	410 E Merriman				
City	Wynne	County	Cross	State	AR Zip Code 72396
Lender	The Cross County Library Board & The City of Wynne				



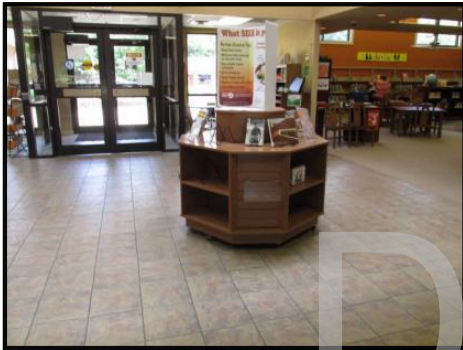
Building front view



Rear view of building



Rear view of building



Interior view



Interior view



Snack area for board room



Vaulted ceiling



Book display area



Hallway to office area



Computer stations



Office



Book display area

Comparable Photo Page

Borrower				
Property Address 410 E Merriman				
City	Wynne	County	Cross	State AR Zip Code 72396
Lender The Cross County Library Board & The City of Wynne				



Comparable 1

421 Falls Blvd S
 Prox. to Subject 3 blocks southeast
 Sales Price 130,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location Urban /Average
 View
 Site
 Quality Average
 Age 1963



Comparable 2

1755 Falls Blvd N
 Prox. to Subject 10 blocks north
 Sales Price 185,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location Urban/Average
 View
 Site
 Quality Average / Inferior
 Age 1995



Comparable 3

1600 Falls Blvd N
 Prox. to Subject 8 blocks north
 Sales Price 400,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location Urban/Average
 View
 Site
 Quality Average
 Age 2001

Comparable Rental Photo Page

Borrower				
Property Address	410 E Merriman			
City	Wynne	County	Cross	State AR Zip Code 72396
Lender	The Cross County Library Board & The City of Wynne			



Rental 1

707 E Eldridge
 Prox. to Subj. 11 blocks North
 G.B.A. 3,876
 Age 2000



Rental 2

513 Falls Blvd N
 Prox. to Subj. 2 blocks northeast
 G.B.A. 11,320
 Age

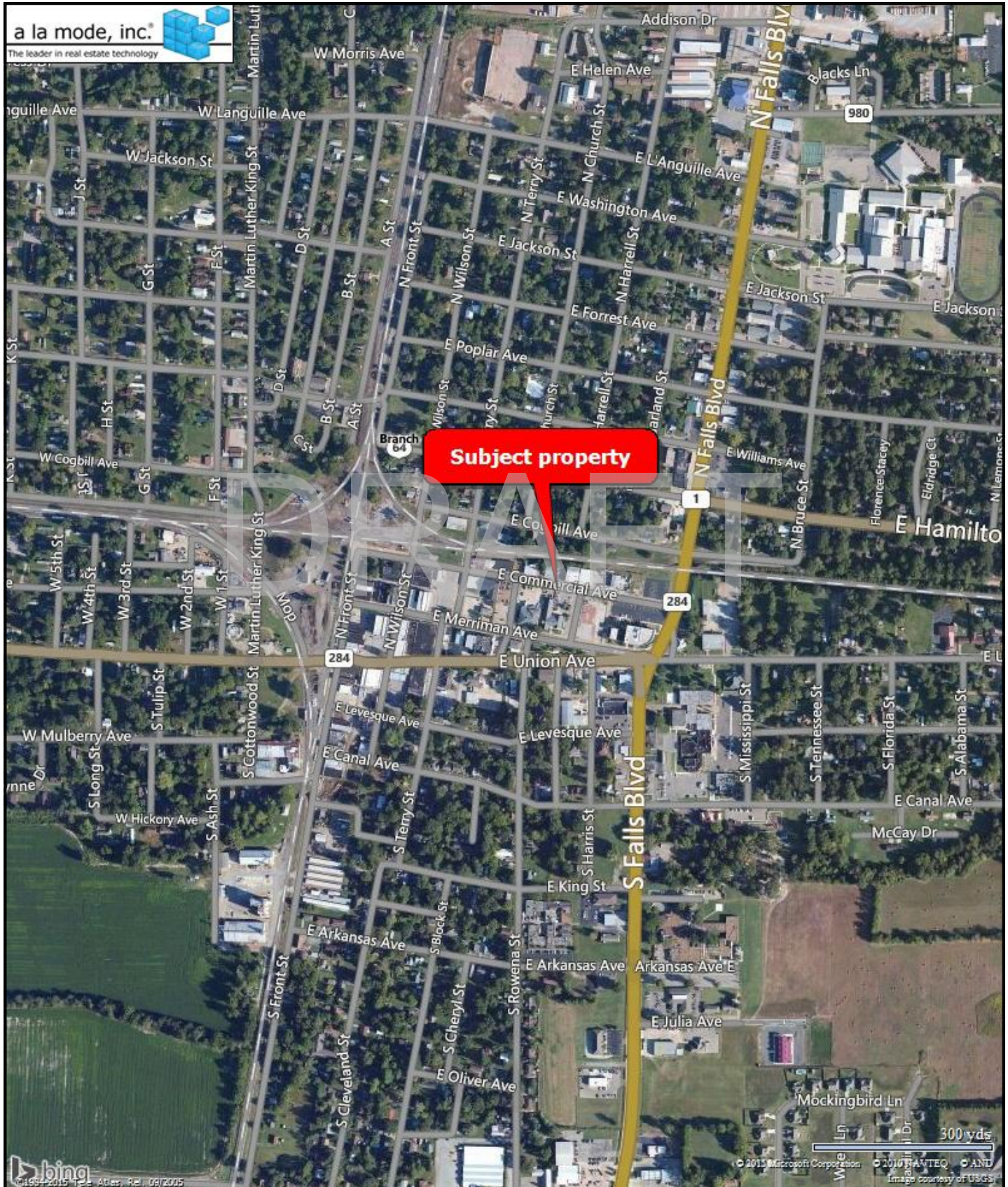


Rental 3

671 Addison Drive
 Prox. to Subj. 6 blocks north
 G.B.A. 4,569
 Age 1965

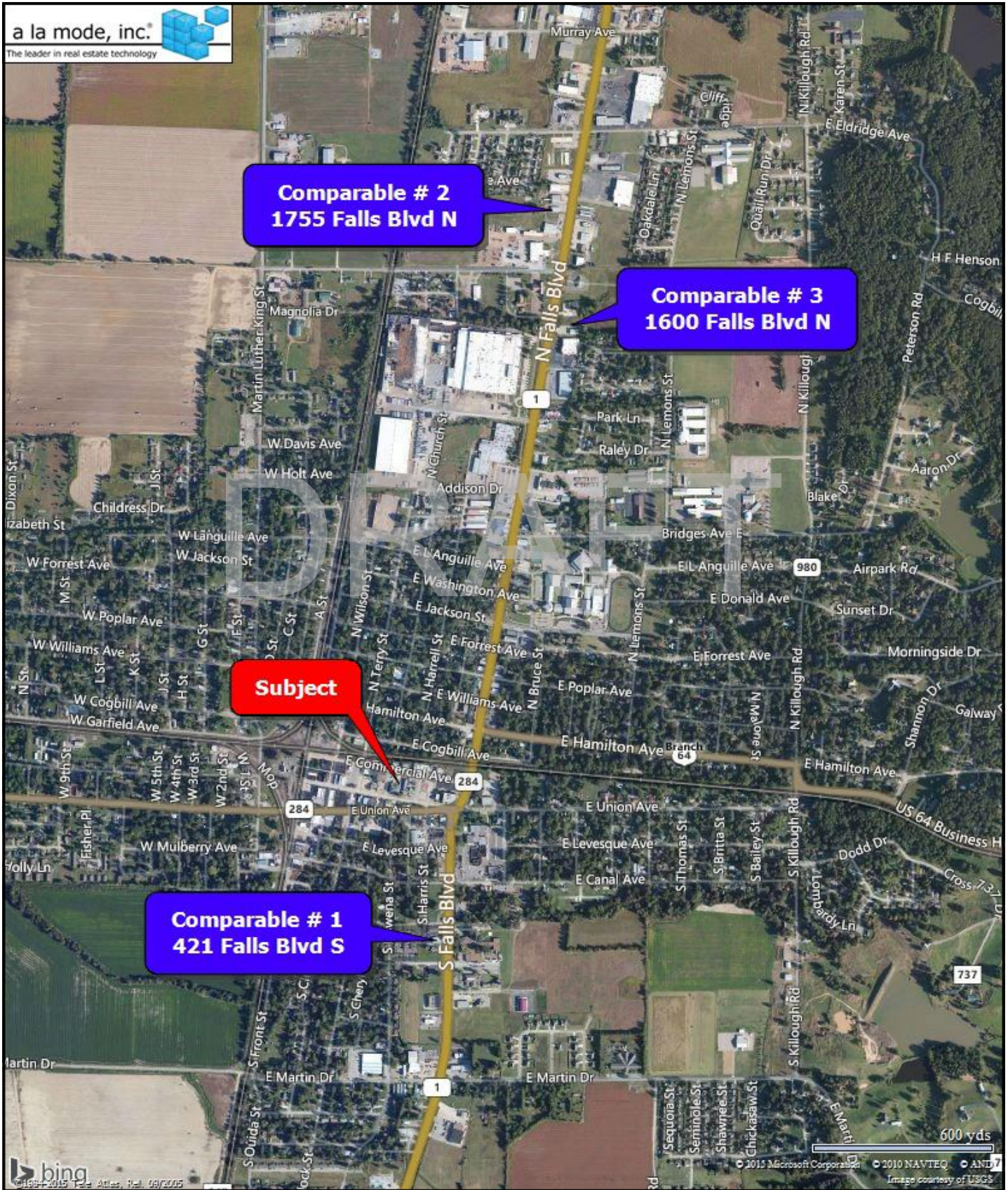
Location Map for the subject property

Borrower				
Property Address	410 E Merriman			
City	Wynne	County	Cross	State AR Zip Code 72396
Lender	The Cross County Library Board & The City of Wynne			



Location Map for the subject and building sales

Borrower							
Property Address	410 E Merriman	County	Cross	State	AR	Zip Code	72396
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The Cross County Library Board & The City of Wynne						



QUALIFICATIONS

Dwight L. Brown

Education: Graduate of Wynne High School, 1970

Appraisal Education:

American Society of Farm Managers and Rural Appraisers:

Course, A-12: Standards and Ethics, Wichita, Kansas, September 1991

Course, A-10: Fundamentals of Rural Appraisal, Denver, Co., October 1991

Course, A-15: Report Writing, Memphis, TN., November 1991

Course, A-20: Principals of Rural Appraisal, Memphis, TN, December 1991

Course, A-25: Eminent Domain, Columbia, Missouri March 1992

Course, A-30: Advanced Rural Appraisal, Jackson, Ms. June 1992

Course, A-18: Income Capitalization Un-Leveraged,
Memphis, TN, March, 1994

Course, A-29: Highest and Best Use, Memphis, TN August 1995

Course, A-12, Part II: Uniform Standards of Professional
Appraisal Practice, Little Rock, AR, March 1996

Income Approach Seminar, Memphis, TN, February 1997

Course A-12: Standards and Ethics, Part II, Little Rock, AR, May 2001

Course A-12: Ethics, Part I, Stillwater, OK, April 2002

American Society of Appraisers:

Course, RP202: Introduction to Income Capitalization, Lisle, IL, June 2001

Arkansas Appraisal Board:

April 14, 2005 appointed by Governor Huckabee for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.

Elected Vice Chairman of the Appraisal Board for 2007.

Elected Chairman of the Arkansas Appraisal Board for 2008

Re-elected as Chairman of the Arkansas Appraisal Board for 2009

March 19, 2008 reappointed by Governor Beebe for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.

Attended seminars sponsored by the Appraisal Board on various topics.

Appraisal Institute:

Real Estate Disclosure, Seminar, 7 hours, Biloxi, Ms, July 14, 2003
Appraising the Tough Ones, 7 hours, Little Rock, AR, May 5, 2011
Course 801, Uniform Appraisal Dataset from Fannie Mae & Freddie Mac,
7 hours, Little Rock, AR June 15, 2011

Other education:

National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Russellville, Arkansas February 18, 2003
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas March 5, 2004
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 24, 2005
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 28, 2008
The New Residential Market Conditions Form seminar, 5 hours
Little Rock, Arkansas May 2009
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 21, 2010
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 23, 2012
Basic Appraisal Principles "A", RCI Career Enhancements, 15 hour,
Russellville, Arkansas February 6-7, 2012
Basic Appraisal Principals "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, March 12-13, 2012
Basic Appraisal Procedures "A", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, April 9-10, 2012
Basic Appraisal Procedures "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, May 7-8, 2012
2012-2013 USPAP, tested, RCI Career Enhancements, 15 hours
Russellville, Arkansas, May 14-15, 2012
Write-it-Right, No. 148, The Columbia Institute, 8 hours, Memphis, TN
July 11, 2013
National Uniform Standards of Professional Appraisal Practice, 7 hour
update, RCI Career Enhancements, 7 hours, Jonesboro, AR 1/20/14
Fannie Mae/ANSI Update, No. 139, The Columbia Institute, 8 hours
Little Rock, Arkansas 4/22/2015

Employment:

February, 1993 to January, 2002, Self employed, Brown Appraisal Service
Changed company name January 1, 2002 to Delta Real Estate Services, Inc.
December, 1991 to February, 1993, Staff Appraiser,
Eaton Appraisal Service, Wynne, Arkansas
1972 to 1992, Self employed farmer of 2,000 acres of rice, wheat,
soybeans, and catfish farm, Wynne, Arkansas

Professional Affiliations:

Past Candidate member of the American Society of Farm Managers and
Rural Appraisers, did not complete the required education and testing for
accreditation. 1992-2009
Associate member of the Appraisal Institute in 2006-2007

Associations:

Riceland Foods Board of Directors (Fair Oaks) 1980-1993
Cross County Farm Bureau Board of Directors 1982-2002
Life Sponsor of Ducks Unlimited
Arkansas Ducks Unlimited State Committee, 1990-1994
Ducks Unlimited National Convention Delegate, 1994-1997
Wynne Chamber of Commerce, 1993 - 2000
Chairman of the Arkansas Chapter of the National Association of Royalty
Owners (NARO-AR) 2006-2008, 2010-2011
Board member, National Association of Royalty Owners (NARO)
2007/2008

License:

Arkansas State Certified General Appraiser #CG 0558
Mississippi State Certified General Non-resident Appraiser #GA-593
Louisiana State Certified General Non-resident Appraiser #G1054 until 2015
FHA/HUD Designated Appraiser #AR-CG-0558

Continued Education:

Currently under the continuing education program requirements of the
Arkansas and Mississippi Appraisal Licensing Boards.

Some of my Clientele consists of:

Financial companies for:

Housing loans (in-house and secondary market), real estate loans,
foreclosure cases

Attorneys for:

Estate planners, divorce, property settlements, condemnation,
and other legal matters

Insurance Companies for:

Farm and recreational land valuations

Appraisals for Conservation Reserve Program of the USDA

Appraisals for Conservation Easements

DRAFT



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**
This is to certify that
Dwight Brown

License #: CG 0558

has complied with the requirements of Arkansas Code Section §17-14-201 et seq.; and is the holder of a valid certificate. This card is for identification purposes only.

Chairman

6/30/2016

Expiration Date

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

DWIGHT L. BROWN

On this date was certified as a

STATE CERTIFIED GENERAL APPRAISER

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

OCTOBER 13, 1994

Date Issued

CG0558

Certificate Number

Chairman, AAL & CB



DRAFT

Appraisal of the Real Property

LOCATED AT:

104 E. Merriman Ave.
Wynne, AR 72396

FOR:

The City of Wynne

AS OF:

06/16/2015

BY:

Delta Real Estate Services, Inc.
Dwight L. Brown
Arkansas State Certified General Appraiser #CG 0558
P. O. Box 1171/ 1334 Osage Street
Wynne, Arkansas 72396

Borrower/Client	City of Wynne	File No.	2015-196
Property Address	104 Merriman Ave E		
City	Wynne	County	Cross
Lender	The City of Wynne	State	AR
		Zip Code	72396

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DRAFT

FIRREA / USPAP ADDENDUM

Borrower/Client	City of Wynne	File No.	2015-196
Property Address	104 Merriman Ave E		
City	Wynne	County	Cross
		State	AR
		Zip Code	72396
Lender	The City of Wynne		

Purpose

To render the market value of the subject property.

Scope of Work

An interior inspection was performed on 06/16/2015. Photos were taken of the subject. Information about the property being appraised was gathered along with market data of comparable sales in the market region. At the type of property being appraised only the Sales and Cost Approaches to value will be utilized.

The value definition is located in the certification of this report and was derived from the Fannie Mae definition.

Intended Use / Intended User

Intended Use: Intended use of the appraisal is to aid the client in negotiation of a possible acquisition.

Intended User(s): The City of Wynne, the Cross County Special Workshop, Inc. and Ecological Design Group, Inc. are the intended users of the report. No other users are identified by the appraiser's.

History of Property

Current listing information: No listing to sale the subject was made known to the appraiser.

Prior sale: No prior 36 month sale of the subject according to the Assessor's records.

Exposure Time / Marketing Time

Estimated exposure / marketing time for the subject is over 8-12 months. This is typical for the market area.

Personal (non-realty) Transfers

None known.

Additional Comments

DRAFT

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.
- I have appraised the subject property within the past 36 months. The client was informed of this prior to the acceptance of this assignment.

Appraiser: Dwight L Brown

Signed Date: 06/30/2015

Certification or License #: CG 0558

Certification or License State: AR Expires: 06/30/2016

Effective Date of Appraisal: 06/16/2015



Supervisory Appraiser: _____

Signed Date: _____

Certification or License #: _____

Certification or License State: _____ Expires: _____

Inspection of Subject: Did Not Exterior Only Interior and Exterior

UNIFORM COMMERCIAL/INDUSTRIAL SUMMARY APPRAISAL REPORT - EXISTING PROPERTY

Client The City of Wynne File Number 2015-196
 Property Use: Office Commercial Industrial
 Property Address 104 Merriman Ave E Map Reference Subject
 City Wynne County Cross State AR Zip Code 72396
 Building Name Old Burnett Drug Company Building Census Tract 9505.00
 Owner / Occupant Cross County Special Workshop, Inc. APN 900-00920-000C
 Typical Buyer Owner/User Investor
 Property Rights Appraised Fee Simple Leased Fee Leasehold Other
 Purpose of Appraisal To determine the market value for the client as if Fee Simple Interest existed.

Intended Use of Report Intended use of the appraisal is to aid the clients in negotiations of a possible acquisition of the property.

Scope of Work An interior inspection was performed on 06/16/2015. Photos were taken of the subject. Information about the property being appraised was gathered along with market data of comparable sales in the market region.

Complete Appraisal Limited Appraisal due to the following departures from Standard 1 This is an Appraisal type Report. (New USPAP 2014 terminology).

Summary Appraisal Report

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Date of Report 06/30/2015 Date of Inspection 06/16/2015 Effective Date of Valuation 06/16/2015
 Value Indication - Site Value \$ 8,634
 Value Indication - Cost Approach \$ 75,000
 Value Indication - Income Approach \$ N/A
 Value Indication - Direct Sales Comparison Approach \$ 80,000
 Market Value of Personal Property Included in Appraisal \$
 Market Value of Other Non-Realty Interests Included in Appraisal \$
 Estimated Market Value 'As Is' \$ 80,000

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: The Extraordinary assumption has been taken that no asbestos exists in this structure.

Site Data	Building Data	Income Data	Appraisal Ratios
Site Size <u>4608</u>	Gross Area <u>3,936</u> SF	GPI \$	EGIM
Excess Land	Net Area <u>3,739</u> SF	Vacancy (Projected) %	Overall Rate
Zoning <u>Commercial</u>	Net/Gross <u>95</u> %	Vacancy (Actual) %	SF Net <input type="checkbox"/> SF Gross <input checked="" type="checkbox"/>
Parking: <u>0</u> Spaces	Number of Tenants <u>0</u>	Other Income \$	Price/SF \$
<u>0</u> Spaces 1000/SFBA	Year Built <u>1921</u>	EGI \$	Rent/SF \$
H & BU As If Vacant: <u>Commercial Development</u>	Effective Age <u>40</u>	Operating Exp. \$	Expense/SF \$
	Remaining Econ. Life <u>20</u>	NOI \$	Expense Ratio %
	H & BU As Improved: <u>Commercial</u>		

THREE YEAR OWNERSHIP HISTORY

Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent <u>Cross Co Works</u>	<u>Book 2011, P-2403</u>	<u>12/2/2011</u>	\$ <u>Unknown</u>	<u>Unknown</u>
Previous			\$	
Previous			\$	
Previous			\$	
Current Contract <input type="checkbox"/>	Option <input type="checkbox"/>	Listing Price	\$	
Buyer		Contract Price	\$	
Seller		Closing Date		

Analysis / Comments: The subject property has been in the ownership of the Cross County Special Workshop, Inc. for longer than the past 3 years. The dollar amount paid is unknown to the appraiser.

ENVIRONMENTAL ISSUES

Environmental Problems Known or Suspected Yes No
 Analysis/Comments: The appraiser is unaware of any environmental problems. The appraiser states that he is not an expert on environmental issues, just an observer.

AREA DESCRIPTION

Identification of Market Area: Market area is considered average.

Major Employment Categories: Agriculture, Factories, Schools, Hospital, and retail.

Change In Economic Base:
 Unlikely Likely Taking Place
 From: _____
 To: _____
 Impact on Property Values:
 Positive None Negative

	Up	Stable	Down
Population Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Employment Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Personal Income Levels	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail Sales	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
New Construction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Analysis/Comments: The subject property is located in the central part of Wynne in the older retail district part of town. Wynne is the largest City in Cross County and is the County Seat. Population of Wynne according to the 2009 US Census Bureau is 8,339. Wynne has amenities such as schools, hospital, medical offices, financial institutions, houses of worship, shopping centers, and factories.

NEIGHBORHOOD DESCRIPTION

Boundaries: Cogbill Ave. to the North, Canal Ave. to the South, Falls Blvd. to the East and Front St. to the West.

Neighborhood Built Up <u>99</u> %			
Land Use: Single Family _____ %	Office <u>10</u> %	MultiFamily _____ %	
Industrial _____ %	Retail <u>89</u> %	Vacant <u>5</u> %	
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			Vacancy
			<u>5</u> %
			<u>5</u> %
			<u>5</u> %
			<u>5</u> %
			_____ %

Location	<input type="checkbox"/> Rural	<input type="checkbox"/> Suburb	<input checked="" type="checkbox"/> Urban
Development Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Value Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Vacancy Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Rental Demand	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down

Change In Land Use:
 Unlikely Likely Taking Place
 From _____ To _____
 Rental Rate Range (Exclude Extremes) for Subject Property Type:
 From \$ _____ /SF/Year To \$ _____ /SF/Year
 Age Range (Exclude Extremes) for Subject Property Type:
 From _____ To _____

Distance - CBD 0 Miles
 Distance - Freeway 16 Miles
 Distance - Public Transportation 0 Miles

Neighboring Property Use: Commercial.

Analysis/Comments: The location for the subject property is considered to be average. Traffic patterns for the subject property are considered to be low. The subject property is surrounded by older similar structures.

SITE DESCRIPTION

Legal Description Lot 1 of Block 2 of Brookfields Original Division. See Addenda

Site Size 4,608 Sq.ft. Usable Land Area 4,608 Sq. ft. Excess Land Area _____
 Site Dimensions 48' x 96'
 Street Frontage 96 feet on Merriman Ave. and 48' on Front Street

Access <input type="checkbox"/> Gd <input checked="" type="checkbox"/> Av <input type="checkbox"/> Fr Street Frontage <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Shape <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Functional Utility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Visibility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Landscaping <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Drainage <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Adequacy of Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Traffic Pattern <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Traffic Volume <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	Utility: _____ Provided By: _____ Electricity <u>Entergy</u> Gas <u>Arkla Gas</u> Water <u>City Water</u> Sewer <u>City Sewage</u> Telephone <u>Southwestern Bell</u>	Topography: Level <input checked="" type="checkbox"/> Mod Slope <input type="checkbox"/> Steep Slope <input type="checkbox"/> At Grade <input type="checkbox"/> Above Grade <input type="checkbox"/> Below Grade <input type="checkbox"/>
	Street Improvements: _____ Describe: _____ Street Width <u>Unknown</u> Street Paving <u>Asphalt</u> Sidewalks <u>Concrete</u> Curbs & Gutters <u>Concrete</u> Storm Sewers <u>Average</u> Lighting <u>Mercury Vapor</u>	Corner Lot <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Underground Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> Railroad Access <input type="checkbox"/> <input checked="" type="checkbox"/> Earthquake Zone <input type="checkbox"/> <input checked="" type="checkbox"/> Flood Hazard Area <input checked="" type="checkbox"/> <input type="checkbox"/> Map # <u>0500600005B</u> Date <u>08/15/1980</u>

Soil Conditions Silt loam
 Easements Typical Utilities
 Encroachments None noted

Analysis/Comments: No adverse easements were noted during the inspection and court house work. Typical public utilities were noted during the inspection. Site area determined from the court house records. No survey was provided. The subject property is in A3 according to the flood zone information that the appraiser has utilized. It appears that all of the sales are in the same flood zone area. See copy of flood map.

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ZONING

Current Zoning Commercial Legally Conforming Yes No
 Zoning Change: Likely Not Likely To _____
 Uses Allowed Under Current Zoning Commercial

Parking Spaces <u>0</u> /1000 SFBA Total Building Coverage <u>100</u> % or Ratio Ground Floor Coverage <u>100</u> % or Ratio	Set Back Requirements: Front _____ FT Rear _____ FT Side Yard _____ FT Height _____ FT
--	--

Analysis/Comments: The subject property is located inside the city limits of Wynne. All utilities are present.

ASSESSMENT AND TAXES

Assessment Year	2014	APN 900-00920-000C	Tax Rate	Year	Taxes
Total	\$	Exempt	.0495	2014	\$
Land	\$	County		2014	\$
Building(s)	\$	City			\$ /SF
Other	\$	Other		Year Of Next Reassessment	2015

Special Assessments: This ownership entity is exempt from Ad Valorem taxes.

Reassessment Issues: None known.

Analysis/Comments: The real estate taxes for this property would probably be in the neighborhood of \$0.14 per square foot.

IMPROVEMENTS DESCRIPTION

Property Type Commercial Construction Type Brick # Buildings 1 # Stories 2

Building	Floor	Gross SF	*Net SF	Use Type	Net SF	Use %
1	1st	3,936	3,739	Office	500	13
				Retail	3,436	87
				Warehouse		
				Manufacturing		
				Distribution		
				Research/Development		
Total		3,936	3,739			

*Usable Area Rentable Area

Year Built	1921	Parking:	Yes	No	Industrial Only
Building Efficiency Ratio	95 %	On Site	<input type="checkbox"/>	<input checked="" type="checkbox"/>	# Overhead Doors
Effective Age	40	Adequacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Floor Height
Total Economic Life	60 Years	Covered	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Ceiling Height
Remaining Economic Life	20	Parking Garage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Column Spacing
Floor Area Ratio	1 %	Paved	<input type="checkbox"/>	<input checked="" type="checkbox"/>	FT x FT
Ground Coverage Ratio	100 %	Number of Spaces	0		Railroad Spur
		Spaces/1000 SFBA	0		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Analysis/Comments: Subject property consist of one building with common wall design with the adjacent building to the north. Parking is public street parking. The upper level is not finished or useable and is considered to be attic area and was not included in the overall square footage count.

Building Description		Improvement Rating			
		Gd	Av	Fr	N/A
Foundation	Concrete	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frame	Brick	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor/Cover	(113)Std Concrete & Carpet (111) LmWd & Carpet	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ceiling	Drop In Ceiling tile	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exterior Walls	Brick	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Partitions	Drywall	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Cover	Flat / built up	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Plumbing	Adequate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	Adequate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Conditioning	Adequate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical	Adequate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elevators	None	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parking	Public Street	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Insulation	Unknown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sprinkler	Unknown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Roof Support	Wood	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Site Improvements: Site improvements consists of one building that is utilized as a retail outlet for the Cross County Special Workshop.

Personal Property or Other Non-Realty Interests Included in Valuation: No Yes

Analysis/Comments: The condition of the subject property is considered to be average. The interior does not appear to have had a major renovation for a number of years. Access to the upper level is by a set of stairs in the interior rear of the building.

HIGHEST AND BEST USE

HIGHEST AND BEST USE AS IF VACANT

Legally Permissible Uses: The subject property has C-2 zoning. Based on the information provided to me, no deed restrictions exists for this property. Therefore, the property is available to be developed to its highest potential.

Physically Possible Uses: The site consists of 0.106 acres. This would typically allow for the existing business to function. No additional space is available for any structural expansion of the existing building.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: Would certain uses be more productive than others? That would be determined by the cost to develop the property in a certain manner. To develop the property for an industrial site would exceed the capabilities of the property as currently zoned.

Analysis/Comments: The first step in determining the highest and best use of a property is to consider the property as though vacant and available for any use that would otherwise be legal. The physical characteristics of the subject property make commercial use physically possible. The location of the subject property and the current zoning supports this conclusion.

HIGHEST AND BEST USE AS IMPROVED

Legally Permissible Uses: The subject property is Zoned C-1 for light commercial use. Therefore, the property is available to be developed to its highest potential within this zoning description. The current use would fit into acceptable practices that would be legally permissible.

Physically Possible Uses: The site area is suffice for the current use. If the business were to grow the owner would need to relocate due to the lack of expansion of the current facility on this site area.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: To develop the property for an industrial site would not be productive or permitted by current zoning. The current use is logical and a good use for the property.

Analysis/Comments: The highest and best use as defined by the Dictionary of Real Estate Appraisal, Fourth Edition is "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." The four criteria the highest and best use must meet, are legal permissibility, physical possibility, financial feasibility, and maximum profitability. It is my opinion that the subject property would be in it's "Highest & Best Use " as retail or office type property.

VALUATION METHODS SELECTED

Cost Approach Income Approach Direct Sales Comparison Approach

Reasons for Excluding an Approach: This is a restricted type report with only the request made by the client to develop the estimated value by the Sales Comparison Approach.

MARKET VALUE ESTIMATE OF NON-REALTY ITEMS

Market Value of Personal Property	\$	_____
Market value of Other Non-Realty Interests	\$	_____
Total Market Value of Non-Realty Interests	\$	_____

Analysis/Comments: No non-realty items were appraised for this report.

COMPARABLE SITE DESCRIPTIONS

	Subject	Comparable #1	Comparable #2	Comparable #3
Data Sheets Att <input type="checkbox"/>				
Location/Address	104 Merriman Ave E	Cogbill	Pecan	
Proximity to Subject		4 Blocks Northeast	5 blocks South	
Map Reference	Subject	Site Sale #1	Site Sale #2	
Deed Reference	Cross County Worksh	Ritter	Luering	
Date of Sale	N/A	01-18-2011	07/27/2010	
Exposure Time	N/A	Unknown	Unknown	
Data Source	Assessor's Records	Assessor's Records	Assessor's Records	
Site Size SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	4617	6,098	2,178	
Frontage	48' & 96'	100	est. 25	
Zoning	Commercial	Commercial	Commercial	
Utilities	Adequate	Adequate	Adequate	
Site Improvements	None	None	None	
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

COMPARABLE SITE COMPARISON ANALYSIS

Unit of Comparison	Per Square Foot			
Sales Price		\$ 20,000	\$ 1,000	\$
Price Per Unit		\$ 3.28	\$.46	\$
Property Rights Conveyed		Fee Simple	Fee Simple	
Adjustment				
Financing		None	None	
Adjustment				
Conditions of Sale		Cash	Cash	
Adjustment				
Market Conditions		Average	Average	
Adjustment				
Other Adjustments:				
Location				
Topography				
Shape/Utility				
Utilities				
Site Improvements				

Total Adjustments				
Indicated Value Per Unit		\$ 3.28	\$ 0.46	\$



Analysis/Comments: Both Site sales have less frontage than the subject.

Reconciliation: _____

SUMMARY OF SITE VALUE INDICATIONS

Total Site Units:	4,617		4,617
Unit Value		\$	1.87
Estimated Site Value		\$	8,634
EXCESS LAND			
Excess Land Area Units:			
Unit Value		\$	
Estimated Excess Land Value		\$	

COST APPROACH

Cost Source Marshall & Swift Cost Valuation Handbook and Local Contractors

Component	No.	Size	Unit Cost	Square Foot	Cost
Lower Level	1	3,936	\$ 49.67	square foot	\$ 195,501
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
Reproduction <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Cost New of Improvements					\$ 195,501
Plus: Indirect (Soft Costs)					\$
Plus: Entrepreneurial Profit			%		\$
Total Cost New					\$ 195,501
Less: Physical Deterioration			66.7 %	130,399	
Less: Functional Obsolescence			0 %		
Less: External Obsolescence			0 %		
Total Accrued Depreciation (Deterioration & Obsolescence)					(\$ 130,399)
Depreciated Value of Building(s)					\$ 65,102
Plus: Contributing Value of Site Improvements					\$ 0
Depreciated Value of Improvements					\$ 65,102

Analysis/Comments: The above cost data was derived from the Marshall & Swift Cost Valuation handbook. I utilized the Neighborhood Shopping Centers (412) found in Section 13 at page 33. I utilized the Class D, Low Cost subsection. The local multiplier of 85.0% was applied to the published unit indicator of \$58.44 which equals \$49.67 per square foot.

The subject property analysis indicated an effective age 40 years with a remaining economic life expectancy of 20 years. This equates into physical depreciation in the amount of 66.7%.

No functional or external depreciation was noted.

No site improvements were noted.

DRAFT

Reconciliation:

SUMMARY OF COST APPROACH VALUE INDICATIONS

Estimated Site Value	\$ 8,634
Plus: Estimated Excess Land Value	
Plus: Depreciated Value of Improvements	65,102
Plus: Market Value of Personal Property and Other Non-Realty Interests	
Indicated Value Before Adjustment for Interest Appraised	\$ 73,736
Less: Adjustment for Interest Appraised	
Value Indication - Cost Approach	\$ 73,736
Rounded	\$ 75,000

INCOME APPROACH/RENTAL COMPARABLE BUILDING DESCRIPTIONS

Data Sheets Att <input checked="" type="checkbox"/> Address Proximity to Subject Map Reference Year Built Gross Building Area Number of Stories Current Vacancy % Construction Type Construction Quality Condition Parking Date of Rent Survey Asking Rent Lease Period Tenant Improvement Allowance Concessions	Subject 104 Merriman Ave E _____ Subject 1921 _____ 3,936 _____ 1 _____ 0 _____ Average / Masonry _____ Average _____ Average _____ Public Street _____ _____ _____ _____	Comparable #1 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	Comparable #2 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	Comparable #3 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____
---	---	---	---	---

Analysis/Comments: The income approach was felt to not be applicable in this case.

COMPARABLE BUILDING RENTAL ANALYSIS

	Subject _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	Comparable #1 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	Comparable #2 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	Comparable #3 _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____
Tenant Name	_____	_____	_____	_____
Beginning Date	_____	_____	_____	_____
Term	_____	_____	_____	_____
Lease Type*	_____	_____	_____	_____
Tenant Size (SF)	_____	_____	_____	_____
Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Rent Concessions Adj.	_____	_____	_____	_____
Adjusted Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Adjustment for Market Conditions	_____	_____	_____	_____
Adjusted Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Location	_____	_____	_____	_____
Quality	_____	_____	_____	_____
Condition	_____	_____	_____	_____
Total Adjustment	_____	_____	_____	_____
Indicated Market Rent	\$ _____	\$ _____	\$ _____	\$ _____

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

Analysis/Comments: Income approach was not be applicable in this case.

SUMMARY OF SUBJECT LEASES

Tenant Name	Rented Area (SF)	Beginning Date	Term	*Lease Types	Current Rent	Effective Rent/SF	Estimated Market Rent/SF
Totals							

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

SUBJECT LEASE TERMS

Existing Vacancy _____ %	Average Rent/SF \$ _____	Typical Lease Terms: _____
Range of Contract Rents \$ _____ to \$ _____	Renewal Options: _____	Provisions for Rent Change: _____
Range of Effective Rents \$ _____ to \$ _____	Expense Passthroughs _____	Common Area Maintenance: _____
Typical Tenant Improvements Allowance _____	Number of Leases Expiring (12 Months) _____	Rent Concessions: _____
Square Feet of Leases Expiring (12 Months) _____	Rent Control Yes <input type="checkbox"/> No <input type="checkbox"/>	

Analysis/Comments: _____

INCOME AND EXPENSE HISTORY AND FORECAST

Income:	Actual	Comments and Calculations	Stabilized
From _____ to _____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
Gross Potential Income	\$ _____		\$ _____
Vacancy and Collection			
Loss 5 %	(\$ _____)		(\$ _____)
Other Income	\$ _____		\$ _____
Effective Gross Income	\$ _____		\$ _____
<hr/>			
Expenses:			
Property Taxes	\$ _____		\$ _____
Insurance	\$ _____		\$ _____
Property Management	\$ _____		\$ _____
Electricity	\$ _____		\$ _____
Gas	\$ _____		\$ _____
Water/Sewer	\$ _____		\$ _____
Janitorial	\$ _____		\$ _____
Maintenance	\$ _____		\$ _____
HVAC Maintenance	\$ _____		\$ _____
Elevator Maintenance	\$ _____		\$ _____
Trash Removal	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
Reserves	\$ _____		\$ _____
Total Expenses	\$ _____		\$ _____
Net Operating Income (NOI)	\$ _____	Expense/SF \$ _____ Expense Ratio _____ %	\$ _____

Analysis/Comments: _____

DIRECT CAPITALIZATION

Overall Rate Range _____ to _____
 Overall Rate (RO) _____ = _____

NOI _____ (Ro) _____ = \$ _____ Estimated Value

Equity Dividend Rate Range _____ to _____
 Mortgage _____ x _____ = _____
 Equity _____ x _____ = _____
 Overall Rate (RO) _____ = _____

NOI _____ (Ro) _____ = \$ _____ Estimated Value

Analysis/Comments: _____

YIELD CAPITALIZATION (DCF ANALYSIS)

Cash Flow Analysis in Addenda Yes No
 Forecast Holding Period _____
 Beginning NOI _____
 NOI Pattern _____
 Reversion Assumption _____
 Yield Rate _____
 Value Estimate _____

Market Rent Scenario	Contract Rent Scenario
\$ _____	\$ _____
_____	_____
_____	_____
\$ _____	\$ _____

Analysis/Comments: _____

DRAFT

ADJUSTMENT FOR INTEREST APPRAISED

Value Estimate - Market Rent Scenario \$ _____
 Value Estimate - Contract Rent Scenario \$ _____
 Difference (Adjustment for Interest Appraised) \$ _____

Analysis/Comments: _____

SUMMARY OF INCOME APPROACH VALUE INDICATIONS

Value Indicated by Direct Capitalization/Yield Analysis (excluding excess land) \$ _____
 Plus: Estimated Excess Land Value \$ _____
 Value Indication - Income Approach \$ _____
 Rounded \$ _____

DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING DESCRIPTIONS

Comp Sheets Att <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Address	104 Merriman Ave E	206-208 S Front	1210 N Falls Blvd	615 E Canal
Proximity to Subject		2 blocks south	5 blocks north	4 blocks southeast
Map Reference	Subject	Sale #1	Sale #2	Sale #3
Data Source	Int. Insp./Assessor	Appraisal	Appraisal	Appraisal
Deed Reference	Cross Co Workshop	Thomas Hess	Jeremy Ball	Restoration of ARK
Gross Building Area	3,936	Useable 4,568	4,689	1,856
Net Building Area	3,739	4,339	4,455	1,763
Site Size: SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	4,617	15,855	10,018	10,498
Land-to-Building Ratio	1.0 to 1.17	3.47 to 1	2.13 to 1	5.65 to 1
Year Built	1921	est 1931	1945	1975
Construction Type	Average / Masonry	Average / Masonry	Average/Masonry	Average/Field stone
Construction Quality	Average	Average	Average	Average
Condition	Average	Below Average	Average	Average
Number of Stories	1	1	1	1
Parking	Public Street	Public Street	Public St.	Public Street
HVAC	Average	Average	Average	Average
Other				

COMPARABLE BUILDING ANALYSIS

	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Sale Price	\$	\$ 45,000 / \$9.85	\$ 125,000 / 26.65	\$ 65,000 / 35.02
Date of Sale		9/3/2013	9/8/2014	07/3/2014
Exposure Time		Unknown	Unknown	Unknown
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing		Unknown	Unknown	Unknown
Adjustment				
Conditions of Sale		Cash to seller	Cash to seller	Cash to seller
Adjustment				
Excess Land				
Adjustment				
Non-Realty Interests				
Adjustment				
CE/Terms Adjusted Price	\$	\$ 9.85	\$ 26.65	\$ 35.02
Other Adjustments:				
Market Conditions	Average	Average	Average	Average
Adjustment				
Location	Average	Average	Superior -15%	Superior -15%
Adjustment			-3.99	-5.25
Quality	Average	Average	Average	Average
Adjustment				
Condition	Average	Below Avg +15%	Average	Average
Adjustment		1.47		
Adjustment				
Total Other Adjustments		1.47	-3.99	-5.25
Indicated Value				
Per Sq. Ft.	\$	\$ 11.32	\$ 22.66	\$ 29.77

Analysis/Comments: All three sales are of similar commercial type buildings. All of the sales are within marketing area of the subject. Once the adjustments were made to each sale the appraiser has determined a value range from \$11.32 to \$29.77 per square foot.

Sale #1 was purchase as a storage facility. One (3,320 sq. ft.) of the total building square footage needed to be demolished. I removed the square footage from the total square footage for this sale. Also, the balance of the buildings were in an unfinished condition. Thus an adjustment for condition was made of +15%.

Sales #2 was used as a florist business. The quality and condition were similar to that of the subject property, but the location was determined to be superior since this sale is located on the main artery running thru the city.

Sale #3 was used as a dental office. The quality and condition were similar to that of the subject property, but the location was determined to be superior to that of the subject property.

FEE SIMPLE OPERATING DATA AND RATIOS

	Comparable # 1	Comparable # 2	Comparable # 3
Gross Potential Income	\$ _____	\$ _____	\$ _____
Vacancy and Collection Loss %	_____	_____	_____
Effective Gross Income	\$ _____	\$ _____	\$ _____
Operating Expenses	\$ _____	\$ _____	\$ _____
Expenses/SF Gross Building Area	\$ _____	\$ _____	\$ _____
Expense Ratio	_____	_____	_____
Net Operating Income	\$ _____	\$ _____	\$ _____
EGIM	_____	_____	_____
Overall Rate	_____	_____	_____
Equity Dividend Rate	_____	_____	_____

LEASED FEE OPERATING DATA AND RATIOS (IF APPLICABLE)

	Comparable # 1	Comparable # 2	Comparable # 3
Gross Potential Income	\$ _____	\$ _____	\$ _____
Collection Loss %	_____	_____	_____
Effective Gross Income	\$ _____	\$ _____	\$ _____
Operating Expenses	\$ _____	\$ _____	\$ _____
Expenses/SF Gross Building Area	\$ _____	\$ _____	\$ _____
Expense Ratio	_____	_____	_____
Net Operating Income	\$ _____	\$ _____	\$ _____
EGIM	_____	_____	_____
Overall Rate	_____	_____	_____
Equity Dividend Rate	_____	_____	_____

Analysis/Comments: The income approach was not be applicable in this case.

DRAFT

DIRECT SALES COMPARISON APPROACH/VALUE CALCULATIONS

Value Estimate <u>square foot</u>	3,936
Value Per Unit	\$ 20.00 /Unit
Value Estimate	\$ 78,720
Effective Gross Income	\$ _____
Effective Gross Income Multiplier (EGIM)	X _____
Value Estimate	\$ _____

Analysis/Comments: _____

SUMMARY OF DIRECT SALES COMPARISON APPROACH VALUE INDICATIONS

Value Indicated by Direct Sales Comparison Approach (excluding excess land)	\$ 78,720
Plus: Estimated Excess Land Value	\$ _____
Plus: Adjustment for Interest Appraised	\$ _____
Value Indication - Direct Sales Comparison Approach	\$ 78,720
Rounded	\$ 80,000

RECONCILIATION AND FINAL VALUE ESTIMATES

Cost Approach Indication \$ 75,000
Income Approach Indication \$ N/A
Direct Sales Comparison Approach Indication \$ 80,000

Reconciliation: The estimated value of the subject is \$80,000 based on the sales approach only.

Estimated Exposure Time: At the appraised value exposure / marketing time is estimated to be over 6 months.

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: This appraisal has been completed under the assumption that no environmental problems exist.

DRAFT

Estimated Market Value "As Is" \$ 80,000
Effective Date of Valuation 06/16/2015
Market Value of Personal Property Included in Appraisal \$
Market Value of Other Non-Realty Interests Included in Appraisal \$

Appraiser #1 Signature: Dwight L Brown, Name: Dwight L Brown, Certification: No.: CG 0558, State: AR, Exp. Date: 06/30/2016, Date: 06/30/2015, Property Inspected: Yes [X] No []



Appraiser #2 Signature: _____, Name: _____, Certification: No.: _____, State: _____, Exp. Date: _____, Date: _____, Property Inspected: Yes [] No []

Appraiser #3 Signature: _____, Name: _____, Certification: No.: _____, State: _____, Exp. Date: _____, Date: _____, Property Inspected: Yes [] No []

CONTENTS OF ADDENDA

- Legal Description []
Subject Photographs [X]
Area Map [X]
Neighborhood Map []
Zoning Map []
Flood Zone Map [X]
Topographic Map []
Site Sketch []
Site Plan []
Building Plans []
Tax Assessment Card []
Land Sales Data Sheets []
Land Sales Map []
Land Lease []
Segregated Cost Sheet []
Soils Survey Map []
Subject Leases []
Rental Comparable Data Sheets []
Rent Location Map [X]
DCF Analysis []
Improved Property Sales Data Sheets []
Building Sales Location Map [X]
Copy of Deed []
Contract of Sale []
Construction Cost Contract []
Support for Personal Property Valuation []
Support for Non-Realty Interest Valuation []
Support for Adjustment for Interest Appraised []
Copy of Easement []
Appraiser Qualifications [X]

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 and 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 acting in what they consider their best interests; (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.

ASSUMPTIONS AND LIMITING CONDITIONS

1. As agreed upon with the client prior to the preparation of this appraisal, unless otherwise indicated, this is a Limited Appraisal because it invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has not been applied. Depending on the type and degree of limitations, the reliability of the value conclusion provided herein may be reduced.
2. Unless otherwise indicated, this is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
4. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
7. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
11. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
12. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
13. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
15. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
16. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
17. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
18. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
19. Neither all nor any part of the contents of the report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing the 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.
7. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the edition of the Uniform Standards of Professional Appraisal Practice current as of the date of the appraisal.
9. Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report, unless otherwise indicated.
11. The appraiser has not appraised the subject property within the past 36 months.

Dwight L Brown



DRAFT

Dwight L Brown
Appraiser's Signature

06/30/2015
Date

State Certification # CG 0558

Subject Photo Page

Borrower/Client	City of Wynne						
Property Address	104 Merriman Ave E						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						

Subject Front

104 Merriman Ave E
Sales Price
Gross Building Area
Age 1921



Subject Rear



Subject Street



Photograph Addendum

Borrower/Client	City of Wynne						
Property Address	104 Merriman Ave E						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



Retail area



Retail area



Central HVAC



Break room



Upper level storage



Upper level storage

Comparable Photo Page

Borrower/Client	City of Wynne						
Property Address	104 Merriman Ave E						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



Comparable 1

206-208 S Front
 Sales Price 45,000 / \$9.85
 G.B.A. Useable 4,568
 Age/Yr.Blit. est 1931



Comparable 2

1210 N Falls Blvd
 Sales Price 125,000 / 26.65
 G.B.A. 4,689
 Age/Yr.Blit. 1945

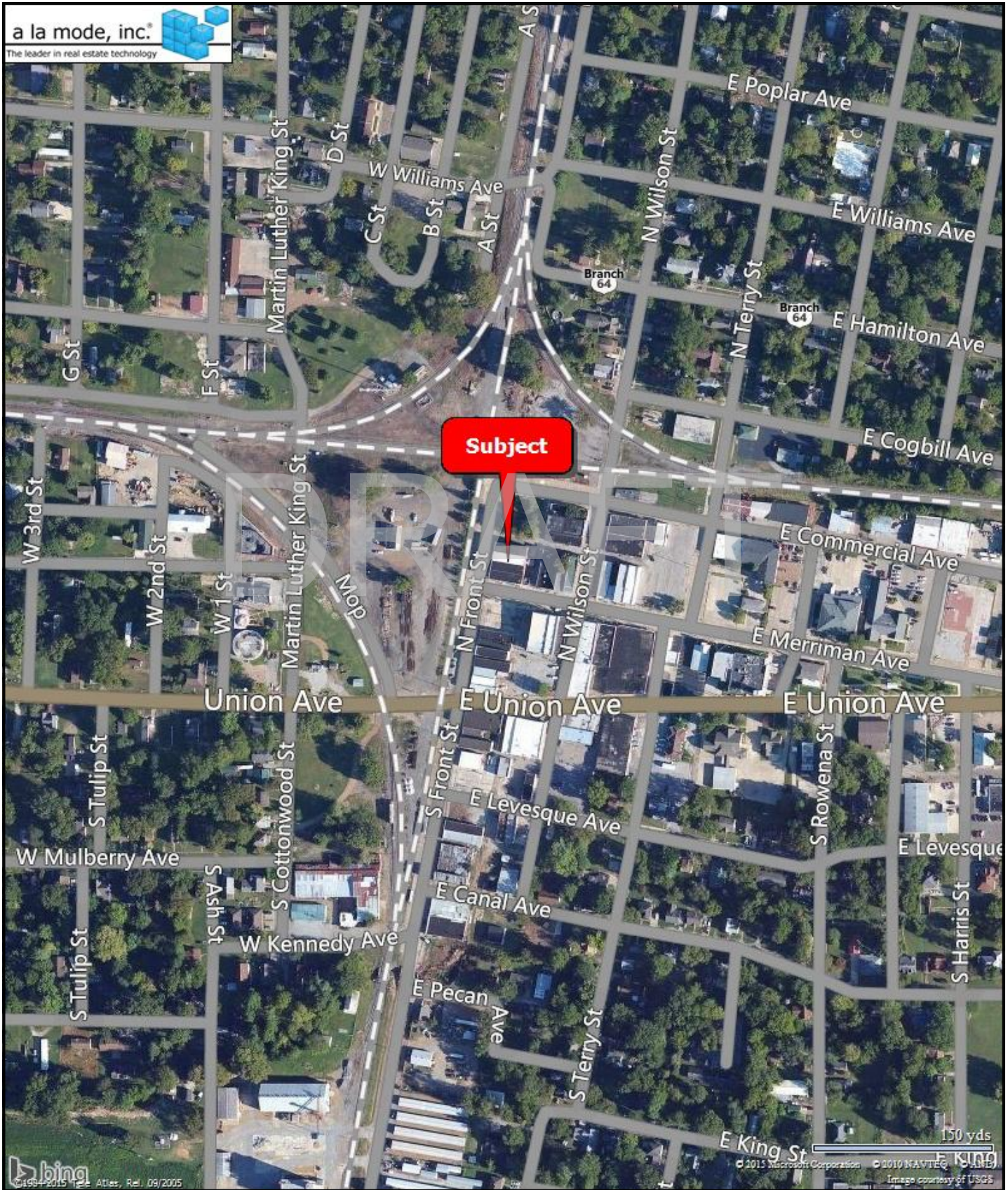


Comparable 3

615 E Canal
 Sales Price 65,000 / 35.02
 G.B.A. 1,856
 Age/Yr.Blit. 1975

Location Map

Borrower/Client	City of Wynne						
Property Address	104 Merriman Ave E						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



Location Map for the subject and sales

Borrower/Client	City of Wynne						
Property Address	104 Merriman Ave E						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



QUALIFICATIONS

Dwight L. Brown

Education: Graduate of Wynne High School, 1970

Appraisal Education:

American Society of Farm Managers and Rural Appraisers:

Course, A-12: Standards and Ethics, Wichita, Kansas, September 1991

Course, A-10: Fundamentals of Rural Appraisal, Denver, Co., October 1991

Course, A-15: Report Writing, Memphis, TN., November 1991

Course, A-20: Principals of Rural Appraisal, Memphis, TN, December 1991

Course, A-25: Eminent Domain, Columbia, Missouri March 1992

Course, A-30: Advanced Rural Appraisal, Jackson, Ms. June 1992

Course, A-18: Income Capitalization Un-Leveraged,
Memphis, TN, March, 1994

Course, A-29: Highest and Best Use, Memphis, TN August 1995

Course, A-12, Part II: Uniform Standards of Professional
Appraisal Practice, Little Rock, AR, March 1996

Income Approach Seminar, Memphis, TN, February 1997

Course A-12: Standards and Ethics, Part II, Little Rock, AR, May 2001

Course A-12: Ethics, Part I, Stillwater, OK, April 2002

American Society of Appraisers:

Course, RP202: Introduction to Income Capitalization, Lisle, IL, June 2001

Arkansas Appraisal Board:

April 14, 2005 appointed by Governor Huckabee for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.

Elected Vice Chairman of the Appraisal Board for 2007.

Elected Chairman of the Arkansas Appraisal Board for 2008

Re-elected as Chairman of the Arkansas Appraisal Board for 2009

March 19, 2008 reappointed by Governor Beebe for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.

Attended seminars sponsored by the Appraisal Board on various topics.

Appraisal Institute:

Real Estate Disclosure, Seminar, 7 hours, Biloxi, Ms, July 14, 2003
Appraising the Tough Ones, 7 hours, Little Rock, AR, May 5, 2011
Course 801, Uniform Appraisal Dataset from Fannie Mae & Freddie Mac,
7 hours, Little Rock, AR June 15, 2011

Other education:

National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Russellville, Arkansas February 18, 2003
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas March 5, 2004
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 24, 2005
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 28, 2008
The New Residential Market Conditions Form seminar, 5 hours
Little Rock, Arkansas May 2009
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 21, 2010
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 23, 2012
Basic Appraisal Principles "A", RCI Career Enhancements, 15 hour,
Russellville, Arkansas February 6-7, 2012
Basic Appraisal Principals "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, March 12-13, 2012
Basic Appraisal Procedures "A", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, April 9-10, 2012
Basic Appraisal Procedures "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, May 7-8, 2012
2012-2013 USPAP, tested, RCI Career Enhancements, 15 hours
Russellville, Arkansas, May 14-15, 2012
Write-it-Right, No. 148, The Columbia Institute, 8 hours, Memphis, TN
July 11, 2013
National Uniform Standards of Professional Appraisal Practice, 7 hour
update, RCI Career Enhancements, 7 hours, Jonesboro, AR 1/20/14
Fannie Mae/ANSI Update, No. 139, The Columbia Institute, 8 hours
Little Rock, Arkansas 4/22/2015

Employment:

February, 1993 to January, 2002, Self employed, Brown Appraisal Service
Changed company name January 1, 2002 to Delta Real Estate Services, Inc.
December, 1991 to February, 1993, Staff Appraiser,
Eaton Appraisal Service, Wynne, Arkansas
1972 to 1992, Self employed farmer of 2,000 acres of rice, wheat,
soybeans, and catfish farm, Wynne, Arkansas

Professional Affiliations:

Past Candidate member of the American Society of Farm Managers and
Rural Appraisers, did not complete the required education and testing for
accreditation. 1992-2009
Associate member of the Appraisal Institute in 2006-2007

Associations:

Riceland Foods Board of Directors (Fair Oaks) 1980-1993
Cross County Farm Bureau Board of Directors 1982-2002
Life Sponsor of Ducks Unlimited
Arkansas Ducks Unlimited State Committee, 1990-1994
Ducks Unlimited National Convention Delegate, 1994-1997
Wynne Chamber of Commerce, 1993 - 2000
Chairman of the Arkansas Chapter of the National Association of Royalty
Owners (NARO-AR) 2006-2008, 2010-2011
Board member, National Association of Royalty Owners (NARO)
2007/2008

License:

Arkansas State Certified General Appraiser #CG 0558
Mississippi State Certified General Non-resident Appraiser #GA-593
Louisiana State Certified General Non-resident Appraiser #G1054 until 2015
FHA/HUD Designated Appraiser #AR-CG-0558

Continued Education:

Currently under the continuing education program requirements of the
Arkansas and Mississippi Appraisal Licensing Boards.

Some of my Clientele consists of:

Financial companies for:

Housing loans (in-house and secondary market), real estate loans,
foreclosure cases

Attorneys for:

Estate planners, divorce, property settlements, condemnation,
and other legal matters

Insurance Companies for:

Farm and recreational land valuations

Appraisals for Conservation Reserve Program of the USDA

Appraisals for Conservation Easements

DRAFT



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**
This is to certify that
Dwight Brown

License #: CG 0558

has complied with the requirements of Arkansas Code Section §17-14-201 et seq.; and is the holder of a valid certificate. This card is for identification purposes only.

Chairman

6/30/2016

Expiration Date

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

DWIGHT L. BROWN

On this date was certified as a

STATE CERTIFIED GENERAL APPRAISER

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

OCTOBER 13, 1994

Date Issued

CG0558

Certificate Number

Chairman, AAL & CB



DRAFT

Appraisal of the Real Property

LOCATED AT:

100 S Wilson Street
Wynne, AR 72396

FOR:

The City of Wynne

AS OF:

06/16/2015

BY:

Delta Real Estate Services, Inc.
Dwight L. Brown
Arkansas State Certified General Appraiser #CG 0558
P. O. Box 1171/ 1334 Osage Street
Wynne, Arkansas 72396

Borrower/Client	City of Wynne	File No.	2015-196B
Property Address	100 S Wilson		
City	Wynne	County	Cross
Lender	The City of Wynne	State	AR
		Zip Code	72396

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Location Map for the subject and building sales 22

DRAFT

FIRREA / USPAP ADDENDUM

Borrower/Client	City of Wynne	File No.	2015-196B
Property Address	100 S Wilson		
City	Wynne	County	Cross
		State	AR
		Zip Code	72396
Lender	The City of Wynne		

Purpose
 To render the market value of the subject property.

Scope of Work
 An interior inspection was performed on 06/16/2015. Photos were taken of the subject. Information about the property being appraised was gathered along with market data of comparable sales in the market region. At the type of property being appraised only the Sales and Cost Approaches to value will be utilized.

The value definition is located in the certification of this report and was derived from the Fannie Mae definition.

Intended Use / Intended User
 Intended Use: Intended use of the appraisal is to aid the client in negotiation of a possible acquisition.

Intended User(s): The City of Wynne, DTC, Inc. and Ecological Design Group, Inc. are the intended users of the report. No other users are identified by the appraiser's.

History of Property
 Current listing information: No listing to sale the subject was made known to the appraiser.

Prior sale: No prior 36 month sale of the subject according to the Assessor's records.

Exposure Time / Marketing Time
 Estimated exposure / marketing time for the subject is over 8-12 months. This is typical for the market area.

Personal (non-realty) Transfers
 None known.

Additional Comments

DRAFT

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.

I have appraised the subject property within the past 36 months. The client was informed of this prior to the acceptance of this assignment.

Appraiser: Dwight L Brown

Signed Date: 08/5/2015

Certification or License #: CG 0558

Certification or License State: AR Expires: 06/30/2016

Effective Date of Appraisal: 06/16/2015



Supervisory Appraiser: _____

Signed Date: _____

Certification or License #: _____

Certification or License State: _____ Expires: _____

Inspection of Subject: Did Not Exterior Only Interior and Exterior

UNIFORM COMMERCIAL/INDUSTRIAL SUMMARY APPRAISAL REPORT - EXISTING PROPERTY

Client The City of Wynne File Number 2015-196B
 Property Use: Office Commercial Industrial
 Property Address 100 Wilson St S Map Reference Subject
 City Wynne County Cross State AR Zip Code 72396
 Building Name Salty Cracker Census Tract 9505.00
 Owner / Occupant DTC Inc. APN 900-02884-000C
 Typical Buyer Owner/User Investor
 Property Rights Appraised Fee Simple Leased Fee Leasehold Other
 Purpose of Appraisal To determine the market value for the client as if Fee Simple Interest existed.

Intended Use of Report Intended use of the appraisal is to aid the clients in negotiations of a possible acquisition of the property.

Scope of Work An interior inspection was performed on 06/16/2015. Photos were taken of the subject. Information about the property being appraised was gathered along with market data of comparable sales in the market region.

Complete Appraisal Limited Appraisal due to the following departures from Standard 1 This is an Appraisal type Report. (New USPAP 2014 terminology).

Summary Appraisal Report

SUMMARY OF SALIENT FACTS & CONCLUSIONS

Date of Report 08/05/2015 Date of Inspection 06/16/2015 Effective Date of Valuation 06/16/2015
 Value Indication - Site Value \$ 13,847
 Value Indication - Cost Approach \$ 40,000
 Value Indication - Income Approach \$ N/A
 Value Indication - Direct Sales Comparison Approach \$ 40,000
 Market Value of Personal Property Included in Appraisal \$
 Market Value of Other Non-Realty Interests Included in Appraisal \$
 Estimated Market Value 'As Is' \$ 40,000

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: The Extraordinary assumption has been taken that no asbestos exists in this structure.

The Income approach was not developed due to the lack of credible data of rentals for similar properties. A portion of the subject where the barber shop is rents monthly for \$400.00.

Site Data	Building Data	Income Data	Appraisal Ratios
Site Size <u>7405</u>	Gross Area <u>6,606</u> SF	GPI \$	EGIM
Excess Land	Net Area <u>6,275</u> SF	Vacancy (Projected) %	Overall Rate
Zoning <u>Commercial</u>	Net/Gross <u>95</u> %	Vacancy (Actual) %	SF Net <input type="checkbox"/> SF Gross <input type="checkbox"/>
Parking:	Number of Tenants <u>0</u>	Other Income \$	Price/SF \$
<u>0</u> Spaces	Year Built <u>1937</u>	EGI \$	Rent/SF \$
<u>0</u> Spaces 1000/SFBA	Effective Age <u>55</u>	Operating Exp. \$	Expense/SF \$
H & BU As If Vacant:	Remaining Econ. Life <u>5</u>	NOI \$	Expense Ratio %
<u>Commercial Development</u>	H & BU As Improved:		
	<u>Commercial</u>		

THREE YEAR OWNERSHIP HISTORY

Owner	Recording Reference	Date	Price Paid	Terms of Sale
Most Recent <u>DTC Inc.</u>	<u>Book 385, P-217</u>	<u>2/3/1999</u>	\$ <u>1000</u>	<u>Unknown</u>
Previous <u>KRJ Enterprises</u>	<u>Book 367, P-817</u>	<u>10/27/1997</u>	\$ <u>45,000</u>	<u>Unknown</u>
Previous			\$	
Previous			\$	
Current Contract <input type="checkbox"/>	Option <input type="checkbox"/>	Listing Price	\$	
Buyer		Contract Price	\$	
Seller		Closing Date		

Analysis / Comments: The subject property has been in the ownership of the DTC, Inc. for longer than the past 3 years. The \$1,000 paid in 1999 appears to be below market trends in effect at that time.

ENVIRONMENTAL ISSUES

Environmental Problems Known or Suspected Yes No
 Analysis/Comments: The appraiser is unaware of any environmental problems. The appraiser states that he is not an expert on environmental issues, just an observer.

AREA DESCRIPTION

Identification of Market Area: Market area is considered average.

Major Employment Categories: Agriculture, Factories, Schools, Hospital, and retail.

Change In Economic Base:
 Unlikely Likely Taking Place
 From: _____
 To: _____
 Impact on Property Values:
 Positive None Negative

	Up	Stable	Down
Population Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Employment Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Personal Income Levels	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail Sales	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
New Construction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Analysis/Comments: The subject property is located in the central part of Wynne in the older retail district part of town. Wynne is the largest City in Cross County and is the County Seat. Population of Wynne according to the 2009 US Census Bureau is 8,339. Wynne has amenities such as schools, hospital, medical offices, financial institutions, houses of worship, shopping centers, and factories.

NEIGHBORHOOD DESCRIPTION

Boundaries: Cogbill Ave. to the North, Canal Ave. to the South, Falls Blvd. to the East and Front St. to the West.

Neighborhood Built Up <u>99</u> %			
Land Use: Single Family _____ %	Office <u>10</u> %	MultiFamily _____ %	
Industrial _____ %	Retail <u>89</u> %	Vacant <u>5</u> %	
	Undersupply	Balanced	Oversupply
Single Family	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multifamily	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Office	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Retail	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			Vacancy
			<u>5</u> %
			<u>5</u> %
			<u>5</u> %
			<u>5</u> %
			_____ %

Location	<input type="checkbox"/> Rural	<input type="checkbox"/> Suburb	<input checked="" type="checkbox"/> Urban
Development Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Value Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Vacancy Trend	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down
Rental Demand	<input type="checkbox"/> Up	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Down

Change In Land Use:
 Unlikely Likely Taking Place
 From _____ To _____
 Rental Rate Range (Exclude Extremes) for Subject Property Type:
 From \$ _____ /SF/Year To \$ _____ /SF/Year
 Age Range (Exclude Extremes) for Subject Property Type:
 From _____ To _____

Distance - CBD 0 Miles
 Distance - Freeway 16 Miles
 Distance - Public Transportation 0 Miles

Neighboring Property Use: Commercial.

Analysis/Comments: The location for the subject property is considered to be average. Traffic patterns for the subject property are considered to be high. The east/west street, which is East Union is a major artery to accessing the western part of the city and County. The subject property is surrounded by older similar structures.

SITE DESCRIPTION

Legal Description Lot 1 of Block 8 of Martin Division. See Addenda

Site Size 7,405 Sq.ft. Usable Land Area 7,405 Sq. ft. Excess Land Area _____
 Site Dimensions 77' x 96'
 Street Frontage 96 feet on Union and 77' on Wilson Street

Access <input type="checkbox"/> Gd <input checked="" type="checkbox"/> Av <input type="checkbox"/> Fr Street Frontage <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Shape <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Functional Utility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Visibility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Landscaping <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Drainage <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Adequacy of Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Traffic Pattern <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> Traffic Volume <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	Utility: _____ Provided By: _____ Electricity <u>Entergy</u> Gas <u>Arkla Gas</u> Water <u>City Water</u> Sewer <u>City Sewage</u> Telephone <u>Southwestern Bell</u>	Topography: Level <input checked="" type="checkbox"/> Mod Slope <input type="checkbox"/> Steep Slope <input type="checkbox"/> At Grade <input type="checkbox"/> Above Grade <input type="checkbox"/> Below Grade <input type="checkbox"/>																	
	Street Improvements: _____ Describe: _____ Street Width <u>Unknown</u> Street Paving <u>Asphalt</u> Sidewalks <u>Concrete</u> Curbs & Gutters <u>Concrete</u> Storm Sewers <u>Average</u> Lighting <u>Mercury Vapor</u>	<table border="1"> <tr> <td></td> <td>Yes</td> <td>No</td> </tr> <tr> <td>Corner Lot</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Underground Utilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Railroad Access</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Earthquake Zone</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Flood Hazard Area</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table> Map # <u>0500600005B</u> Date <u>08/15/1980</u>		Yes	No	Corner Lot	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Underground Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Railroad Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Earthquake Zone	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Flood Hazard Area	<input checked="" type="checkbox"/>
	Yes	No																	
Corner Lot	<input type="checkbox"/>	<input checked="" type="checkbox"/>																	
Underground Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>																	
Railroad Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>																	
Earthquake Zone	<input type="checkbox"/>	<input checked="" type="checkbox"/>																	
Flood Hazard Area	<input checked="" type="checkbox"/>	<input type="checkbox"/>																	

Soil Conditions Silt loam
 Easements Typical Utilities
 Encroachments None noted

Analysis/Comments: No adverse easements were noted during the inspection and court house work. Typical public utilities were noted during the inspection. Site area determined from the court house records. No survey was provided. The subject property is in A3 according to the flood zone information that the appraiser has utilized. It appears that all of the sales are in the same flood zone area. See copy of flood map.

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ZONING

Current Zoning Commercial Legally Conforming Yes No
 Zoning Change: Likely Not Likely To _____
 Uses Allowed Under Current Zoning Commercial

Parking Spaces <u>0</u> /1000 SFBA Total Building Coverage <u>100</u> % or Ratio Ground Floor Coverage <u>100</u> % or Ratio	Set Back Requirements: Front _____ FT Rear _____ FT Side Yard _____ FT Height _____ FT
--	--

Analysis/Comments: The subject property is located inside the city limits of Wynne. All utilities are present.

ASSESSMENT AND TAXES

Assessment Year	2014	APN 900-02884-000C	Tax Rate	Year	Taxes
Total	\$ 60,500	Total	.0495	2014	\$ 598.95
Land	\$ 13,350	County		2014	\$
Building(s)	\$ 47,150	City			\$ 0.09 /SF
Other	\$	Other		Year Of Next Reassessment	2015

Special Assessments: No special assessments were noted.

Reassessment Issues: None known.

Analysis/Comments: The real estate taxes appear to be typical for what is found with other properties within the downtown commercial section of the city of Wynne.

IMPROVEMENTS DESCRIPTION

Property Type Commercial Construction Type Brick # Buildings 1 # Stories 1

Building	Floor	Gross SF	*Net SF	Use Type	Net SF	Use %
1	1st	6,606	6,275	Office		
				Retail	5,606	84.8
				Warehouse	1,000	15.2
				Manufacturing		
				Distribution		
				Research/Development		
Total		6,606	6,275			

*Usable Area <input checked="" type="checkbox"/>	Rentable Area <input checked="" type="checkbox"/>	Year Built <u>1937</u>	Parking: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Industrial Only
Building Efficiency Ratio <u>95 %</u>	Effective Age <u>55</u>	Total Economic Life <u>60 Years</u>	On Site <input type="checkbox"/>	# Overhead Doors _____ FT
Remaining Economic Life <u>5</u>	Floor Area Ratio <u>1 %</u>	Ground Coverage Ratio <u>89.2 %</u>	Adequacy <input type="checkbox"/>	Floor Height _____ FT
			Covered <input type="checkbox"/>	Ceiling Height <u>10</u> FT
			Parking Garage <input type="checkbox"/>	Column Spacing _____ FT x _____ FT
			Paved <input type="checkbox"/>	Railroad Spur Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
			Number of Spaces _____ 0	
			Spaces/1000 SFBA _____ 0	

Analysis/Comments: Subject property consist of one building built in the 1937 time frame. Parking is public street parking. The northeast corner of the building houses a barber shop that has been there for a number of years. I was advised the rentals are \$400 per month. The overall condition of this building is poor and in need of demolition. I suspect this property has an asbestos concern.

Building Description		Improvement Rating			
		Gd	Av	Fr	N/A
Foundation	<u>Concrete</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frame	<u>Brick</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floor/Cover	<u>(113)Stained Concrete (111) Linoleum</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ceiling	<u>Drop In Ceiling tile</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exterior Walls	<u>Brick</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Partitions	<u>Drywall</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Cover	<u>Flat / built up</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Plumbing	<u>Adequate</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	<u>Adequate</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Conditioning	<u>Adequate</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical	<u>Adequate</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Elevators	<u>None</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parking	<u>Public Street</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Insulation	<u>Unknown</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sprinkler	<u>Unknown</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Roof Support	<u>Wood</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Site Improvements: Site improvements consists of one building that is utilized mainly as bar. A corner of the building with an outside entry only is rented to a local barber for their business.

Personal Property or Other Non-Realty Interests Included in Valuation: No Yes

Analysis/Comments: The condition of the subject property is considered to be average. The interior does not appear to have had a major renovation for a number of years. The Extraordinary assumption has been taken that no asbestos exists in this structure.

HIGHEST AND BEST USE

HIGHEST AND BEST USE AS IF VACANT

Legally Permissible Uses: The subject property has C-2 zoning. Based on the information provided to me, no deed restrictions exists for this property. Therefore, the property is available to be developed to its highest potential.

Physically Possible Uses: The site consists of 0.16 acres. This would typically allow for the existing business to function. No additional space is available for any structural expansion of the existing building.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: Would certain uses be more productive than others? That would be determined by the cost to develop the property in a certain manner. To develop the property for an industrial site would exceed the capabilities of the property as currently zoned.

Analysis/Comments: The first step in determining the highest and best use of a property is to consider the property as though vacant and available for any use that would otherwise be legal. The physical characteristics of the subject property make commercial use physically possible. The location of the subject property and the current zoning supports this conclusion.

HIGHEST AND BEST USE AS IMPROVED

Legally Permissible Uses: The subject property is Zoned C-1 for light commercial use. Therefore, the property is available to be developed to its highest potential within this zoning description. The current use would fit into acceptable practices that would be legally permissible.

Physically Possible Uses: The site area is suffice for the current use. If the business were to grow the owner would need to relocate due to the lack of expansion of the current facility on this site area.

Financially Feasible Uses: The market indicates that the development of the property would be financially feasible.

Maximally Productive Use: To develop the property for an industrial site would not be productive or permitted by current zoning. The current use is logical and a good use for the property.

Analysis/Comments: The highest and best use as defined by the Dictionary of Real Estate Appraisal, Fourth Edition is "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." The four criteria the highest and best use must meet, are legal permissibility, physical possibility, financial feasibility, and maximum profitability. It is my opinion that the subject property would be in it's "Highest & Best Use " as retail or office type property.

VALUATION METHODS SELECTED

Cost Approach Income Approach Direct Sales Comparison Approach

Reasons for Excluding an Approach: This is a restricted type report with only the request made by the client to develop the estimated value by the Sales Comparison Approach.

MARKET VALUE ESTIMATE OF NON-REALTY ITEMS

Market Value of Personal Property	\$	_____
Market value of Other Non-Realty Interests	\$	_____
Total Market Value of Non-Realty Interests	\$	_____

Analysis/Comments: No non-realty items were appraised for this report.

COMPARABLE SITE DESCRIPTIONS

	Subject	Comparable #1	Comparable #2	Comparable #3
Data Sheets Att <input type="checkbox"/>	100 Wilson St S	Cogbill	Pecan	
Location/Address		5 Blocks Northeast	3 blocks South	
Proximity to Subject		Site Sale #1	Site Sale #2	
Map Reference	Subject	Ritter	Luering	
Deed Reference	DTC, Inc	01-/8/2011	07/27/2010	
Date of Sale	N/A	Unknown	Unknown	
Exposure Time	N/A	Assessor's Records	Assessor's Records	
Data Source	Assessor's Records	6,098	2,178	
Site Size SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>	7405	100	est. 25	
Frontage	77' & 96'	Commercial	Commercial	
Zoning	Commercial	Adequate	Adequate	
Utilities	Adequate	None	None	
Site Improvements	None			

COMPARABLE SITE COMPARISON ANALYSIS

Unit of Comparison	Per Square Foot			
Sales Price		\$ 20,000	\$ 1,000	\$
Price Per Unit		\$ 3.28	\$.46	\$
Property Rights Conveyed		Fee Simple	Fee Simple	
Adjustment				
Financing		None	None	
Adjustment				
Conditions of Sale		Cash	Cash	
Adjustment				
Market Conditions		Average	Average	
Adjustment				
Other Adjustments:				
Location				
Topography				
Shape/Utility				
Utilities				
Site Improvements				
Total Adjustments				
Indicated Value Per Unit		\$ 3.28	\$ 0.46	\$

Analysis/Comments: Both Site sales have less frontage than the subject.

Reconciliation:

SUMMARY OF SITE VALUE INDICATIONS

Total Site Units:	7,405	7,405
Unit Value		\$ 1.87
Estimated Site Value		\$ 13,847
EXCESS LAND		
Excess Land Area Units:		
Unit Value		\$
Estimated Excess Land Value		\$

COST APPROACH

Cost Source Marshall & Swift Cost Valuation Handbook and Local Contractors

Component	No.	Size	Unit Cost	Square Foot	Cost
Building	1	6,606	\$ 49.67	square foot	\$ 328,120
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
Reproduction <input type="checkbox"/>	Replacement <input checked="" type="checkbox"/>	Cost New of Improvements			\$ 328,120
Plus: Indirect (Soft Costs)					\$
Plus: Entrepreneurial Profit					\$
Total Cost New					\$ 328,120
Less: Physical Deterioration			91.6 %	300,558	
Less: Functional Obsolescence			0 %		
Less: External Obsolescence			0 %		
Total Accrued Depreciation (Deterioration & Obsolescence)					(\$ 300,558)
Depreciated Value of Building(s)					\$ 27,562
Plus: Contributing Value of Site Improvements					\$ 0
Depreciated Value of Improvements					\$ 27,562

Analysis/Comments: The above cost data was derived from the Marshall & Swift Cost Valuation handbook. I utilized the Neighborhood Shopping Centers (412) found in Section 13 at page 33. I utilized the Class D, Low Cost subsection. The local multiplier of 85.0% was applied to the published unit indicator of \$58.44 which equals \$49.67 per square foot.

The subject property analysis indicated an effective age 55 years with a remaining economic life expectancy of 5 years. This equates into physical depreciation in the amount of 91.6%.

No functional or external depreciation was noted.

No site improvements were noted.

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Reconciliation:

SUMMARY OF COST APPROACH VALUE INDICATIONS

Estimated Site Value	\$ 13,847
Plus: Estimated Excess Land Value	
Plus: Depreciated Value of Improvements	27,562
Plus: Market Value of Personal Property and Other Non-Realty Interests	
Indicated Value Before Adjustment for Interest Appraised	\$ 41,409
Less: Adjustment for Interest Appraised	
Value Indication - Cost Approach	\$ 41,409
Rounded	\$ 40,000

INCOME APPROACH/RENTAL COMPARABLE BUILDING DESCRIPTIONS

	Subject	Comparable #1	Comparable #2	Comparable #3
Data Sheets <input checked="" type="checkbox"/>				
Address	100 Wilson St S			
Proximity to Subject				
Map Reference	Subject			
Year Built	1937			
Gross Building Area	6,606			
Number of Stories	1			
Current Vacancy %	0			
Construction Type	Average / Masonry			
Construction Quality	Average			
Condition	Below Average			
Parking	Public Street			
Date of Rent Survey				
Asking Rent				
Lease Period				
Tenant Improvement Allowance				
Concessions				

Analysis/Comments: The income approach was felt to not be applicable in this case.

COMPARABLE BUILDING RENTAL ANALYSIS

	Subject	Comparable #1	Comparable #2	Comparable #3
Tenant Name				
Beginning Date				
Term				
Lease Type*				
Tenant Size (SF)				
Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Rent Concessions Adj.				
Adjusted Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Adjustment for Market Conditions				
Adjusted Rent Per SF	\$ _____	\$ _____	\$ _____	\$ _____
Location				
Quality				
Condition				
Total Adjustment				
Indicated Market Rent	\$ _____	\$ _____	\$ _____	\$ _____

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

Analysis/Comments: Income approach was not be applicable in this case.

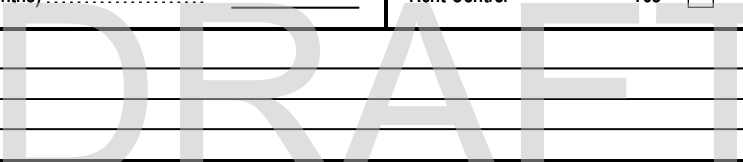
SUMMARY OF SUBJECT LEASES

Tenant Name	Rented Area (SF)	Beginning Date	Term	*Lease Types	Current Rent	Effective Rent/SF	Estimated Market Rent/SF
Totals							

*Lease Types: Gross Lease (G), Net Lease (N), Triple Net Lease (TN), Modified Gross (MG), Expense Passthroughs (P), Sales Overage Rents (O), Common Area Maintenance (C), Renewal Options (R)

SUBJECT LEASE TERMS

Existing Vacancy _____ %	Average Rent/SF \$ _____	Typical Lease Terms: _____
Range of Contract Rents \$ _____ to \$ _____		Renewal Options: _____
Range of Effective Rents \$ _____ to \$ _____		Provisions for Rent Change: _____
Expense Passthroughs		Common Area Maintenance: _____
Typical Tenant Improvements Allowance		Rent Concessions: _____
Number of Leases Expiring (12 Months)		Rent Control Yes <input type="checkbox"/> No <input type="checkbox"/>
Square Feet of Leases Expiring (12 Months)		



Analysis/Comments: _____

INCOME AND EXPENSE HISTORY AND FORECAST

Income:	Actual	Comments and Calculations	Stabilized
From _____ to _____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
Gross Potential Income	\$ _____		\$ _____
Vacancy and Collection			\$ _____
Loss 5 %	(\$ _____)		(\$ _____)
Other Income	\$ _____		\$ _____
Effective Gross Income	\$ _____		\$ _____
Expenses:			
Property Taxes	\$ _____		\$ _____
Insurance	\$ _____		\$ _____
Property Management	\$ _____		\$ _____
Electricity	\$ _____		\$ _____
Gas	\$ _____		\$ _____
Water/Sewer	\$ _____		\$ _____
Janitorial	\$ _____		\$ _____
Maintenance	\$ _____		\$ _____
HVAC Maintenance	\$ _____		\$ _____
Elevator Maintenance	\$ _____		\$ _____
Trash Removal	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
Reserves	\$ _____		\$ _____
Total Expenses	\$ _____		\$ _____
Net Operating Income (NOI)	\$ _____	Expense/SF \$ _____ Expense Ratio _____ %	\$ _____

Analysis/Comments: _____

DIRECT CAPITALIZATION

Overall Rate Range _____ to _____
 Overall Rate (RO) = _____

NOI _____ (Ro) _____ = \$ _____ Estimated Value

Equity Dividend Rate Range _____ to _____
 Mortgage _____ x _____ = _____
 Equity _____ x _____ = _____
 Overall Rate (RO) _____ = _____

NOI _____ (Ro) _____ = \$ _____ Estimated Value

Analysis/Comments: _____

YIELD CAPITALIZATION (DCF ANALYSIS)

Cash Flow Analysis in Addenda Yes No

Forecast Holding Period _____

Beginning NOI _____

NOI Pattern _____

Reversion Assumption _____

Yield Rate _____

Value Estimate _____

Market Rent Scenario

\$ _____

\$ _____

Contract Rent Scenario

\$ _____

\$ _____

Analysis/Comments: _____

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ADJUSTMENT FOR INTEREST APPRAISED

Value Estimate - Market Rent Scenario \$ _____

Value Estimate - Contract Rent Scenario \$ _____

Difference (Adjustment for Interest Appraised) \$ _____

Analysis/Comments: _____

SUMMARY OF INCOME APPROACH VALUE INDICATIONS

Value Indicated by Direct Capitalization/Yield Analysis (excluding excess land) \$ _____

Plus: Estimated Excess Land Value \$ _____

Value Indication - Income Approach \$ _____

Rounded \$ _____

DIRECT SALES COMPARISON APPROACH/COMPARABLE BUILDING DESCRIPTIONS

Comp Sheets	Att <input type="checkbox"/>	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Address		100 Wilson St S	206-208 S Front	119 E Merriman	118 E Levesque
Proximity to Subject			1 blocks southwest	1 block north	1 block south
Map Reference		Subject	Sale #1	Sale #2	Sale #3
Data Source		Int. Insp./Assessor	Appraisal	Appraisal	Prior Appraisal
Deed Reference		DTC Inc.	Thomas Hess	Simmons & Heritage	Williams
Gross Building Area		6,606	Useable 4,568	2,215	1,656
Net Building Area		6,275	4,339	2,104	1,573
Site Size: SF <input checked="" type="checkbox"/> Acres <input type="checkbox"/>		7,405	15,855	2,640	2,304
Land-to-Building Ratio		1.0 to 1.12	3.47 to 1	1 to 1.19	1 to 1.39
Year Built		1937	est 1931	1927	1941 (renovated 2000)
Construction Type		Average / Masonry	Average / Masonry	Average/Masonry	Average/Masonry
Construction Quality		Average	Average	Average	Average
Condition		Below Average	Below Average	Average	Average
Number of Stories		1	1	1	1
Parking		Public Street	Public Street	Public St.	Public Street
HVAC		Average	Average	Average	Average
Other					

COMPARABLE BUILDING ANALYSIS

	Subject	Comparable # 1	Comparable # 2	Comparable # 3
Sale Price	\$	\$ 45,000 / \$9.85	\$ 34,000 / 15.35	\$ 10,000 / 6.03
Date of Sale		9/3/2013	5/9/2012	08/3/2012
Exposure Time		Unknown	Unknown	Unknown
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Adjustment				
Financing		Unknown	Unknown	Unknown
Adjustment				
Conditions of Sale		Cash to seller	Cash to seller	Cash to seller
Adjustment				
Excess Land				
Adjustment				
Non-Realty Interests				
Adjustment				
CE/Terms Adjusted Price	\$	\$ 9.85	\$ 15.35	\$ 6.03
Other Adjustments:				
Market Conditions	Average	Average	Average	Average
Adjustment				
Location	Average	Average	Average	Average
Adjustment				
Quality	Average	Average	Average	Average
Adjustment				
Condition	Below Average	Below Avg -10%	Average -25%	Average -25%
Adjustment		-0.98	-3.84	-1.50
Adjustment				
Total Other Adjustments		-0.98	-3.84	-1.5
Indicated Value				
Per Sq. Ft.	\$	\$ 8.87	\$ 11.51	\$ 4.53

Analysis/Comments: All three sales are of similar commercial type buildings. All of the sales are within marketing area of the subject. Once the adjustments were made to each sale the appraiser has determined a value range from \$8.87 to \$21.02 per square foot.

Sale #1 was purchase as a storage facility. One (3,320 sq. ft.) of the total building square footage needed to be demolished. I removed the square footage from the total square footage for this sale. Also, the balance of the buildings were in poor condition but still superior to the condition of the subject property. An adjustment for condition was made of -10%.

Sale #2 was used as a beauty shop business. The upper level was not useable, therefore, my analysis for the appraisal on the property was based on the square footage of the lower level. The quality of construction was similar to that of the subject property. Also, the condition as of the date of sale was superior to that of the subject property. A condition adjustment of a -25% was applied to this sale property.

Sale #3 was used as a HQ for a local flooring company. The interior was renovated around 2000. The quality of construction was similar to that of the subject property. The condition as of the date of sale was superior to that of the subject property. A condition adjustment of a -25% was applied to this sale property.

FEE SIMPLE OPERATING DATA AND RATIOS

	Comparable # 1	Comparable # 2	Comparable # 3
Gross Potential Income	\$ _____	\$ _____	\$ _____
Vacancy and Collection Loss %	_____	_____	_____
Effective Gross Income	\$ _____	\$ _____	\$ _____
Operating Expenses	\$ _____	\$ _____	\$ _____
Expenses/SF Gross Building Area	\$ _____	\$ _____	\$ _____
Expense Ratio	_____	_____	_____
Net Operating Income	\$ _____	\$ _____	\$ _____
EGIM	_____	_____	_____
Overall Rate	_____	_____	_____
Equity Dividend Rate	_____	_____	_____

LEASED FEE OPERATING DATA AND RATIOS (IF APPLICABLE)

	Comparable # 1	Comparable # 2	Comparable # 3
Gross Potential Income	\$ _____	\$ _____	\$ _____
Collection Loss %	_____	_____	_____
Effective Gross Income	\$ _____	\$ _____	\$ _____
Operating Expenses	\$ _____	\$ _____	\$ _____
Expenses/SF Gross Building Area	\$ _____	\$ _____	\$ _____
Expense Ratio	_____	_____	_____
Net Operating Income	\$ _____	\$ _____	\$ _____
EGIM	_____	_____	_____
Overall Rate	_____	_____	_____
Equity Dividend Rate	_____	_____	_____

Analysis/Comments: The income approach was not be applicable in this case.

DRAFT

DIRECT SALES COMPARISON APPROACH/VALUE CALCULATIONS

Value Estimate <u>square foot</u>	6,606
Value Per Unit	\$ 6.00 /Unit
Value Estimate	\$ 39,636
Effective Gross Income	\$ _____
Effective Gross Income Multiplier (EGIM)	X _____
Value Estimate	\$ _____

Analysis/Comments: _____

SUMMARY OF DIRECT SALES COMPARISON APPROACH VALUE INDICATIONS

Value Indicated by Direct Sales Comparison Approach (excluding excess land)	\$ 39,636
Plus: Estimated Excess Land Value	\$ _____
Plus: Adjustment for Interest Appraised	\$ _____
Value Indication - Direct Sales Comparison Approach	\$ 39,636
Rounded	\$ 40,000

RECONCILIATION AND FINAL VALUE ESTIMATES

Cost Approach Indication	\$ 40,000
Income Approach Indication	\$ N/A
Direct Sales Comparison Approach Indication	\$ 40,000


Reconciliation: The estimated value of the subject is \$40,000 based on the sales approach only.

Estimated Exposure Time: At the appraised value exposure / marketing time is estimated to be over 6 months.

Extraordinary Assumptions, Hypothetical Conditions and Limiting Conditions: This appraisal has been completed under the assumption that no environmental problems exist.

DRAFT

Estimated Market Value "As Is"	\$ 40,000
Effective Date of Valuation	06/16/2015
Market Value of Personal Property Included in Appraisal	\$
Market Value of Other Non-Realty Interests Included in Appraisal	\$

<p>Appraiser #1 Signature: <u>Dwight L Brown</u> Name: <u>Dwight L Brown</u> Certification No.: <u>CG 0558</u> State: <u>AR</u> Exp. Date: <u>06/30/2016</u></p> <p>Appraiser #2 Signature: _____ Name: _____ Certification No.: _____ State: _____ Exp. Date: _____</p> <p>Appraiser #3 Signature: _____ Name: _____ Certification No.: _____ State: _____ Exp. Date: _____</p>		<p>Date: <u>08/03/2015</u></p> <p>Property Inspected: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
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CONTENTS OF ADDENDA

Legal Description	<input type="checkbox"/>	Land Lease	<input type="checkbox"/>	Support for Non-Realty Interest Valuation	<input type="checkbox"/>
Subject Photographs	<input checked="" type="checkbox"/>	Segregated Cost Sheet	<input type="checkbox"/>	Support for Adjustment for Interest Appraised	<input type="checkbox"/>
Area Map	<input checked="" type="checkbox"/>	Soils Survey Map	<input type="checkbox"/>	Copy of Easement	<input type="checkbox"/>
Neighborhood Map	<input type="checkbox"/>	Subject Leases	<input type="checkbox"/>	Appraiser Qualifications	<input checked="" type="checkbox"/>
Zoning Map	<input type="checkbox"/>	Rental Comparable Data Sheets	<input type="checkbox"/>	_____	<input type="checkbox"/>
Flood Zone Map	<input checked="" type="checkbox"/>	Rent Location Map	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>
Topographic Map	<input type="checkbox"/>	DCF Analysis	<input type="checkbox"/>	_____	<input type="checkbox"/>
Site Sketch	<input type="checkbox"/>	Improved Property Sales Data Sheets	<input type="checkbox"/>	_____	<input type="checkbox"/>
Site Plan	<input type="checkbox"/>	Building Sales Location Map	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>
Building Plans	<input type="checkbox"/>	Copy of Deed	<input type="checkbox"/>	_____	<input type="checkbox"/>
Tax Assessment Card	<input type="checkbox"/>	Contract of Sale	<input type="checkbox"/>		
Land Sales Data Sheets	<input type="checkbox"/>	Construction Cost Contract	<input type="checkbox"/>		
Land Sales Map	<input type="checkbox"/>	Support for Personal Property Valuation	<input type="checkbox"/>		

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 and 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 acting in what they consider their best interests; (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.

ASSUMPTIONS AND LIMITING CONDITIONS

1. As agreed upon with the client prior to the preparation of this appraisal, unless otherwise indicated, this is a Limited Appraisal because it invokes the Departure Provision of the Uniform Standards of Professional Appraisal Practice. As such, information pertinent to the valuation has not been considered and/or the full valuation process has not been applied. Depending on the type and degree of limitations, the reliability of the value conclusion provided herein may be reduced.
2. Unless otherwise indicated, this is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it might not include full discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
4. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
5. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
7. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
11. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
12. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
13. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
14. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
15. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
16. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
17. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
18. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
19. Neither all nor any part of the contents of the report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

CERTIFICATION

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

- 1. The statements of fact contained in this report are true and correct.
- 2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- 3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
- 4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6. My compensation for completing the 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.
- 7. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- 8. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the edition of the Uniform Standards of Professional Appraisal Practice current as of the date of the appraisal.
- 9. Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- 10. No one provided significant professional assistance to the person signing this report, unless otherwise indicated.
- 11. The appraiser has not appraised the subject property within the past 36 months.

Dwight L. Brown



DRAFT

Dwight L Brown
Appraiser's Signature

08/03/2015
Date

State Certification # CG 0558

Subject Photo Page

Borrower/Client	City of Wynne			
Property Address	100 Wilson St S			
City	Wynne	County	Cross	State AR Zip Code 72396
Lender	The City of Wynne			



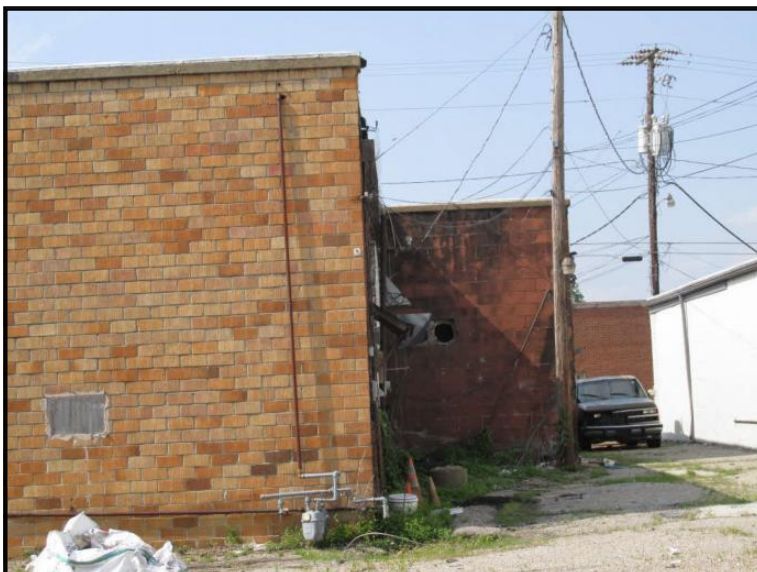
Subject Front

100 Wilson St S
 Sales Price
 Gross Building Area 6,606
 Age 1937

Subject side with street scene



Subject rear



Photograph Addendum

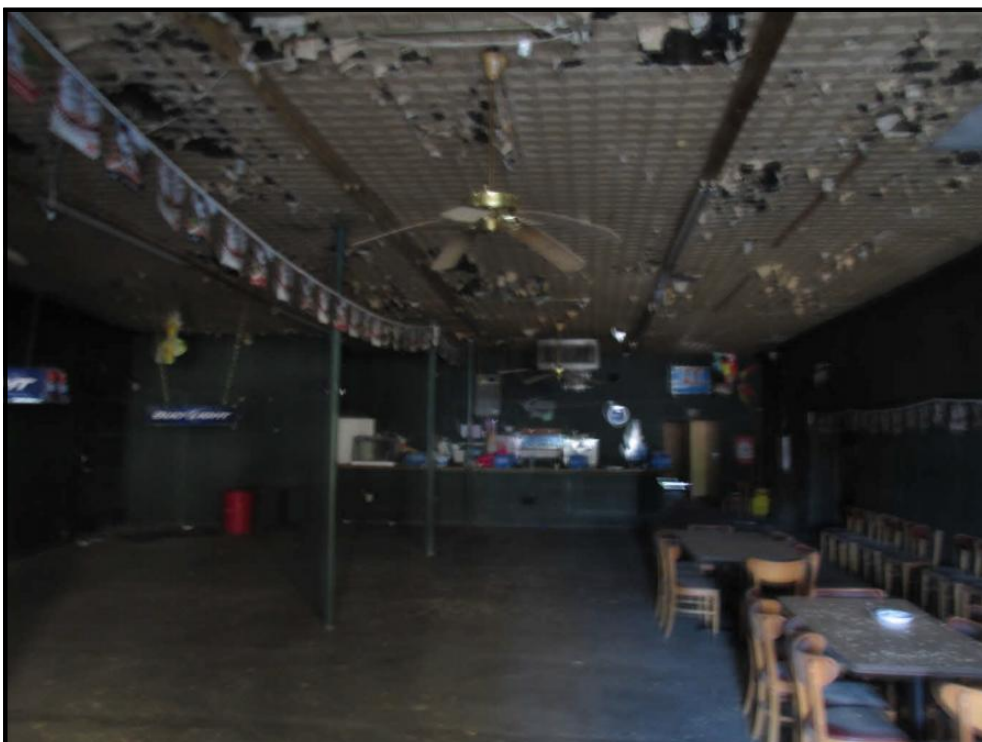
Borrower/Client	City of Wynne				
Property Address	100 Wilson St S				
City	Wynne	County	Cross	State	AR Zip Code 72396
Lender	The City of Wynne				



rear side view of building



Interior view of south part
sorry for the unfocused photo



Interior of the north part of
building
Notice the hanging paint from
ceiling.

Comparable Photo Page

Borrower/Client	City of Wynne						
Property Address	100 Wilson St S						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



Comparable 1

206-208 S Front
 Sales Price 45,000 / \$9.85
 G.B.A. Useable 4,568
 Age/Yr.Blit. est 1931



Comparable 2

119 E Merriman
 Sales Price 34,000 / 15.35
 G.B.A. 2,215
 Age/Yr.Blit. 1927

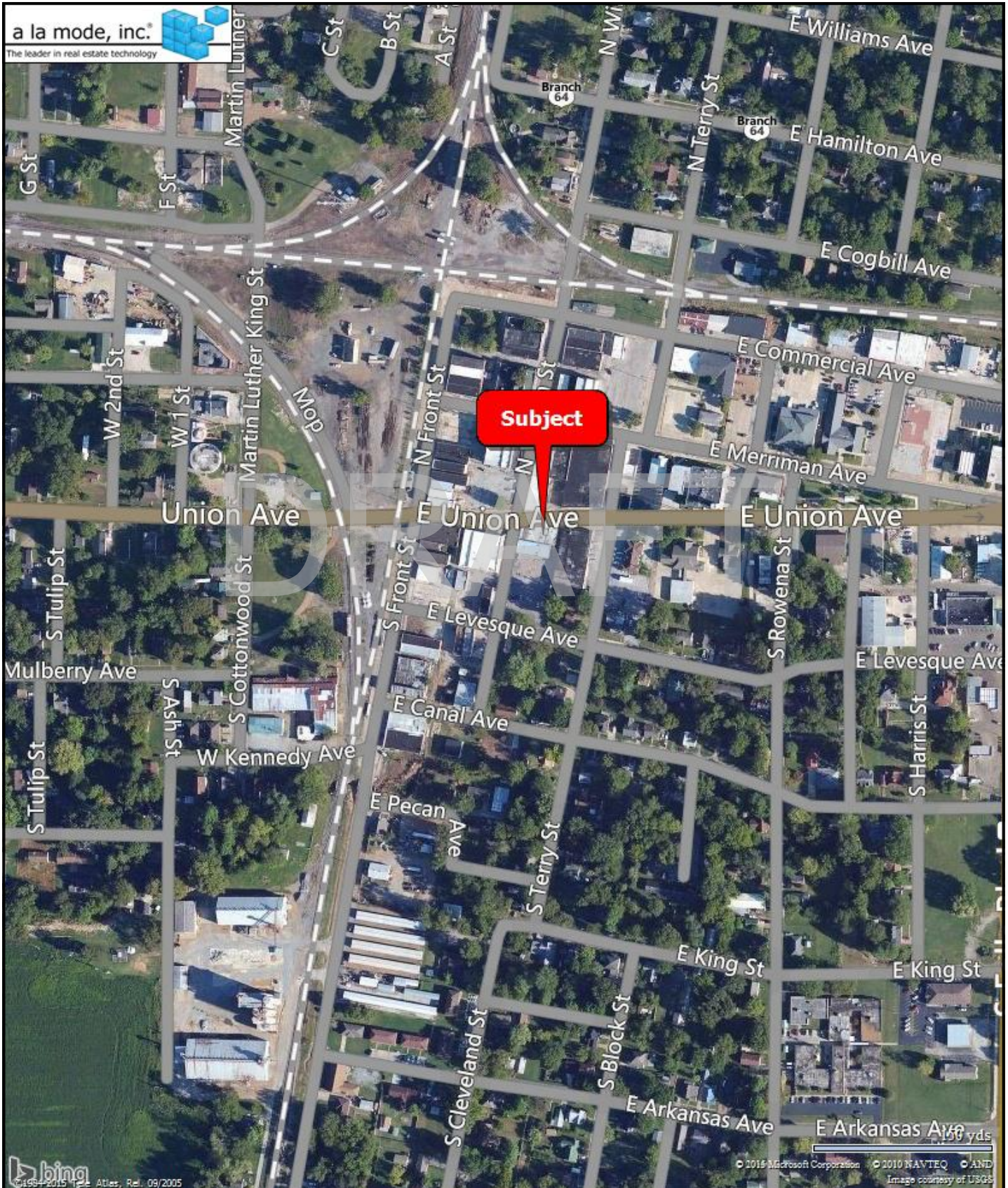


Comparable 3

118 E Levesque
 Sales Price 10,000 / 6.03
 G.B.A. 1,656
 Age/Yr.Blit. 1941 (renovated 201)

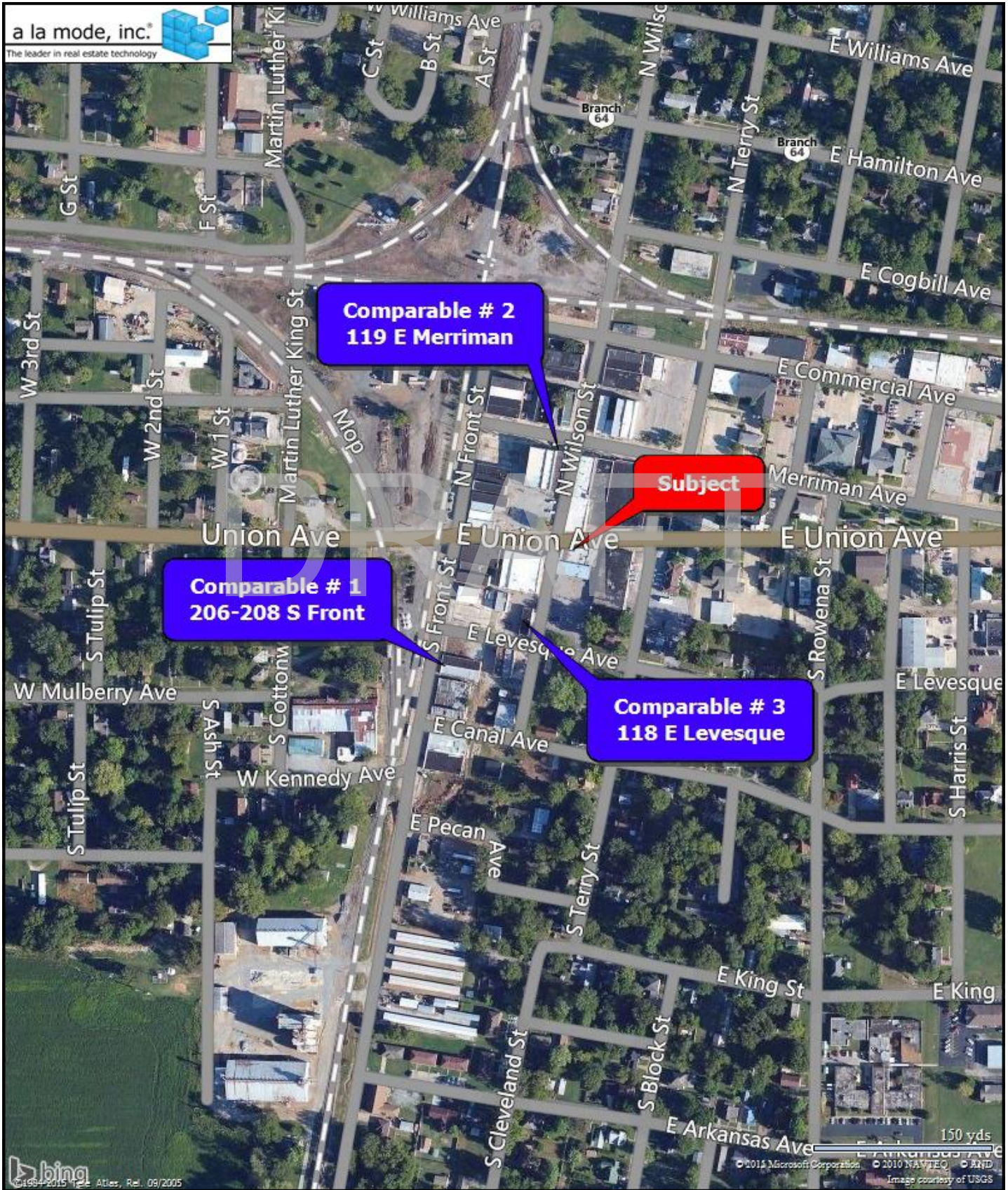
Location Map

Borrower/Client	City of Wynne						
Property Address	100 Wilson St S						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



Location Map for the subject and building sales

Borrower/Client	City of Wynne						
Property Address	100 Wilson St S						
City	Wynne	County	Cross	State	AR	Zip Code	72396
Lender	The City of Wynne						



QUALIFICATIONS

Dwight L. Brown

Education: Graduate of Wynne High School, 1970

Appraisal Education:

American Society of Farm Managers and Rural Appraisers:

- Course, A-12: Standards and Ethics, Wichita, Kansas, September 1991
- Course, A-10: Fundamentals of Rural Appraisal, Denver, Co., October 1991
- Course, A-15: Report Writing, Memphis, TN., November 1991
- Course, A-20: Principals of Rural Appraisal, Memphis, TN, December 1991
- Course, A-25: Eminent Domain, Columbia, Missouri March 1992
- Course, A-30: Advanced Rural Appraisal, Jackson, Ms. June 1992
- Course, A-18: Income Capitalization Un-Leveraged,
Memphis, TN, March, 1994
- Course, A-29: Highest and Best Use, Memphis, TN August 1995
- Course, A-12, Part II: Uniform Standards of Professional
Appraisal Practice, Little Rock, AR, March 1996
- Income Approach Seminar, Memphis, TN, February 1997
- Course A-12: Standards and Ethics, Part II, Little Rock, AR, May 2001
- Course A-12: Ethics, Part I, Stillwater, OK, April 2002

American Society of Appraisers:

- Course, RP202: Introduction to Income Capitalization, Lisle, IL, June 2001

Arkansas Appraisal Board:

- April 14, 2005 appointed by Governor Huckabee for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.
- Elected Vice Chairman of the Appraisal Board for 2007.
- Elected Chairman of the Arkansas Appraisal Board for 2008
- Re-elected as Chairman of the Arkansas Appraisal Board for 2009
- March 19, 2008 reappointed by Governor Beebe for a three year term as a Board member of the Arkansas Appraiser Licensing and Certification Board.
- Attended seminars sponsored by the Appraisal Board on various topics.

Appraisal Institute:

Real Estate Disclosure, Seminar, 7 hours, Biloxi, Ms, July 14, 2003
Appraising the Tough Ones, 7 hours, Little Rock, AR, May 5, 2011
Course 801, Uniform Appraisal Dataset from Fannie Mae & Freddie Mac,
7 hours, Little Rock, AR June 15, 2011

Other education:

National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Russellville, Arkansas February 18, 2003
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas March 5, 2004
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 24, 2005
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 28, 2008
The New Residential Market Conditions Form seminar, 5 hours
Little Rock, Arkansas May 2009
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 21, 2010
National Uniform Standards of Professional Appraisal Practice, 7 hour
update course. Jonesboro, Arkansas January 23, 2012
Basic Appraisal Principles "A", RCI Career Enhancements, 15 hour,
Russellville, Arkansas February 6-7, 2012
Basic Appraisal Principals "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, March 12-13, 2012
Basic Appraisal Procedures "A", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, April 9-10, 2012
Basic Appraisal Procedures "B", RCI Career Enhancements, 15 hours,
Russellville, Arkansas, May 7-8, 2012
2012-2013 USPAP, tested, RCI Career Enhancements, 15 hours
Russellville, Arkansas, May 14-15, 2012
Write-it-Right, No. 148, The Columbia Institute, 8 hours, Memphis, TN
July 11, 2013
National Uniform Standards of Professional Appraisal Practice, 7 hour
update, RCI Career Enhancements, 7 hours, Jonesboro, AR 1/20/14
Fannie Mae/ANSI Update, No. 139, The Columbia Institute, 8 hours
Little Rock, Arkansas 4/22/2015

Employment:

February, 1993 to January, 2002, Self employed, Brown Appraisal Service
Changed company name January 1, 2002 to Delta Real Estate Services, Inc.
December, 1991 to February, 1993, Staff Appraiser,
Eaton Appraisal Service, Wynne, Arkansas
1972 to 1992, Self employed farmer of 2,000 acres of rice, wheat,
soybeans, and catfish farm, Wynne, Arkansas

Professional Affiliations:

Past Candidate member of the American Society of Farm Managers and
Rural Appraisers, did not complete the required education and testing for
accreditation. 1992-2009
Associate member of the Appraisal Institute in 2006-2007

Associations:

Riceland Foods Board of Directors (Fair Oaks) 1980-1993
Cross County Farm Bureau Board of Directors 1982-2002
Life Sponsor of Ducks Unlimited
Arkansas Ducks Unlimited State Committee, 1990-1994
Ducks Unlimited National Convention Delegate, 1994-1997
Wynne Chamber of Commerce, 1993 - 2000
Chairman of the Arkansas Chapter of the National Association of Royalty
Owners (NARO-AR) 2006-2008, 2010-2011
Board member, National Association of Royalty Owners (NARO)
2007/2008

License:

Arkansas State Certified General Appraiser #CG 0558
Mississippi State Certified General Non-resident Appraiser #GA-593
Louisiana State Certified General Non-resident Appraiser #G1054 until 2015
FHA/HUD Designated Appraiser #AR-CG-0558

Continued Education:

Currently under the continuing education program requirements of the
Arkansas and Mississippi Appraisal Licensing Boards.

Some of my Clientele consists of:

Financial companies for:

Housing loans (in-house and secondary market), real estate loans,
foreclosure cases

Attorneys for:

Estate planners, divorce, property settlements, condemnation,
and other legal matters

Insurance Companies for:

Farm and recreational land valuations

Appraisals for Conservation Reserve Program of the USDA

Appraisals for Conservation Easements

DRAFT



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**
This is to certify that
Dwight Brown

License #: CG 0558

has complied with the requirements of Arkansas Code Section §17-14-201 et seq.; and is the holder of a valid certificate. This card is for identification purposes only.

Chairman

6/30/2016

Expiration Date

STATE OF ARKANSAS



APPRAISER LICENSING & CERTIFICATION BOARD

Attest That

DWIGHT L. BROWN

On this date was certified as a

STATE CERTIFIED GENERAL APPRAISER

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

OCTOBER 13, 1994

Date Issued

CG0558

Certificate Number

Chairman, AAL & CB