

LAND APPRAISAL REPORT

File No. 810161EA
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Borrower Jerry Honeycutt **Census Tract** 9803.00 **Map Reference** T22,R03,S17
Property Address RR01 Box 263
City Myrtle **County** Oregon **State** MO **Zip Code** 65778
Legal Description Attached
Sale Price \$ N/A **Date of Sale** N/A **Loan Term** N/A yrs. **Property Rights Appraised** **Fee** **Leasehold** **De Minimis PUD**
Actual Real Estate Taxes \$ _____ (yr) **Loan charges to be paid by seller** \$ None **Other sales concessions** None Stated
Lender/Client First National Banking Company **Address** P.O. Box 8, Ash Flat, AR 72576
Occupant Vacant **Appraiser** Mark Martin, M.S.A. **Instructions to Appraiser** Market Value

Location Urban Suburban Rural
 Built Up Over 75% 25% to 75% Under 25%
Growth Rate Fully Dev. Rapid Steady Slow
Property Values Increasing Stable Declining
Demand/Supply Shortage In Balance Oversupply
Marketing Time Under 3 Mos. 4-6 Mos. Over 6 Mos.
Present Land Use 5% 1 Family 2-4 Family Apts. Condo Commercial
 Industrial 95% Vacant %
Change in Present Land Use Not Likely Likely (*) Taking Place (*)
 (*) From _____ To _____
Predominant Occupancy Owner Tenant 5 % Vacant
Single Family Price Range \$ 10,000 to \$ 250,000 **Predominant Value** \$ 90,000
Single Family Age 1 yrs. to 40 yrs. **Predominant Age** 20 yrs.

Employment Stability	Good	Avg.	Fair	Poor
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): **The subject neighborhood is in a rural area. There is no public transportation or protection from detrimental conditions. There are no apparent factors that will negatively affect the marketability of the subject land. The economic base of the area has been relatively stable. The appraiser did not observe any negative factors in this area that would negatively affect market appeal or reasonable marketability of the property.**

Dimensions No survey provided = 40 acres+- Sq. Ft. or Acres Corner Lot
Zoning classification No Zoning Present Improvements do do not conform to zoning regulations
Highest and best use Present use Other (specify) _____
 Public Other (Describe) _____
Elec. **Gas** **Water** **San. Sewer** **Well** **Septic** **Underground Elect. & Tel.**
OFF SITE IMPROVEMENTS
Street Access Public Private
Surface gravel
Maintenance Public Private
 Storm Sewer Curb/Gutter Sidewalk Street Lights
Topo Rolling **Size** Average
Shape Rectangular **View** Rural
Drainage Appears adequate
 Is the property located in a HUD identified Special Flood Hazard Area? No Yes
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): **Site does not appear to have any other easements, encroachments, slide area, illegal or legal nonconforming zoning use other than utility.**

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>RR01 Box 263 Myrtle</u>	<u>EE Highway Myrtle</u>	<u>CR 248 Thayer</u>	<u>CR E-250 Myrtle</u>
Proximity to Subject		<u>Within 4 miles</u>	<u>Within 6 miles</u>	<u>Within 5 miles</u>
Sales Price	\$ <u>N/A</u>	\$ <u>55,900</u>	\$ <u>100,000</u>	\$ <u>68,500</u>
Price Acre	\$ <u>N/A</u>	\$ <u>1,400</u>	\$ <u>1,750</u>	\$ <u>1,462</u>
Data Source		<u>Appraiser files</u>	<u>Appraiser files</u>	<u>Appraiser files</u>
Date of Sale and Time Adjustment	DESCRIPTION <u>N/A</u>	DESCRIPTION <u>8/2007</u>	DESCRIPTION <u>3/2007</u>	DESCRIPTION <u>12/2006</u>
Location	<u>Average</u>	<u>Average</u>	<u>Average</u>	<u>Average</u>
Site/View	<u>Rural</u>	<u>Rural</u>	<u>Rural</u>	<u>Rural</u>
Size	<u>40 acres</u>	<u>40 acres +/-</u>	<u>57 acres</u>	<u>40 acres</u>
Improvements	<u>Dwelling</u>	<u>None</u>	<u>None</u>	<u>Old Dwelling</u>
		<u>+61,600</u>	<u>+61,600</u>	<u>+51,600</u>
Sales or Financing Concessions	<u>N/A</u>	<u>None found</u>	<u>None found</u>	<u>None found</u>
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>61,600</u>	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>31,600</u>	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ <u>51,600</u>
Indicated Value of Subject		\$ <u>117,500</u>	\$ <u>131,600</u>	\$ <u>120,100</u>

Comments on Market Data: **The market data was derived from public records. The subject is located in an area of few sales. The comparables used are considered to be the best available.**

Comments and Conditions of Appraisal: **The subject is vacant land. The income approach was considered not to be applicable. There were no special financing conditions found. The cost approach was used to determine the value of the proposed improvement.**

Final Reconciliation: **The final value estimate is based on the sales comparison approach, as that is a reasonable and supportable method for this type of property. The income approach was not used because the amount of income which can be expected from vacant land is very minimal and will not support the values based on market sales.**

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF October 10, 2008 to be \$ 120,000 as proposed

Appraiser(s) Mark Martin, M.S.A. Review Appraiser (if applicable) Did Did Not Physically Inspect Property