AGENDA REQUEST FORM

FOR:  Council Meeting of September 1, 2020

FROM: Council Member Matthew Petty

ORDINANCE OR RESOLUTION TITLE AND SUBJECT:

A RESOLUTION TO AUTHORIZE THE SALE OF A SMALL PARCEL OF LAND SOUTH OF GEORGE'S MAJESTIC LOUNGE AND WEST OF THE RAILROAD TRACKS TO BRIAN AND DAY CROWNE FOR THE AMOUNT OF $17,000.00

APPROVED FOR AGENDA:

Approved by email  
Council Member Matthew Petty  
8/14/2020  
Date

Approved as to form  
Asst. City Attorney Blake Pennington  
8/17/2020  
Date
RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE THE SALE OF A SMALL PARCEL OF LAND SOUTH OF GEORGE’S MAJESTIC LOUNGE AND WEST OF THE RAILROAD TRACKS TO BRIAN AND DAY CROWNE FOR THE AMOUNT OF $17,000.00

WHEREAS, the City of Fayetteville may only begin the process to sell its real property after “the City Council has passed a resolution expressly authorizing such sale,” §34.27 (A) Sale of Municipally Owned Real Property of the Fayetteville Code; and

WHEREAS, this small parcel totaling approximately 1,689 square feet is isolated from other city property by the railroad tracks, is not necessary for the Cultural Arts Corridor, and is, “no longer needed for municipal purposes.” §34.27 (B); and

WHEREAS, Brian and Day Crowne have submitted an offer to purchase this parcel of land for $17,000.00; and

WHEREAS, the appraisal obtained by the City in February of 2018 supports the proposed sale price.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby determines that the 1,689 square foot parcel described on Exhibit A is no longer needed for municipal purposes and should be sold to Brian and Day Crowne for the amount of $17,000.00, that no new appraisal is necessary, and that the property should not be rezoned.

PASSED and APPROVED this 1st day of September, 2020.

APPROVED: ATTEST:

By: LIONELD JORDAN, Mayor By: SONDRA E. SMITH, City Clerk/Treasurer
August 11, 2020

To whom it may concern with the City of Fayetteville,

Brian & Day Crowne the owners of George’s Majestic Lounge would like to purchase Tract A off the south end of our current property line from the city. Our property is 519 W Dickson St. The intent of use for the land if allowed to purchase is to allow us to expand outdoor programming offerings. We would build a deck / stage in and around the trees for bands to perform on. When not hosting shows and special events the deck would be a very cool seating area under the tree canopy. We are confident we can build the deck and have it functional with minimal impact to the existing trees. Only two of the smaller ones in the middle would need to be removed we expect. We would like to pay $17,000 for this tract if the council will approve. We appreciate the consideration and believe this would allow us to program more outside events that we know are safer during the pandemic.

Respectfully,

Brian & Day Crowne
TRACT "A" - 1,669 Sq. Ft.

TRACT "B" - 2,134 Sq. Ft.

A PART OF THE BLOCK SEVEN (7) OF THE ORIGINAL TOWN SUBDIVISION OF THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS SOUTH 03°01'17"/WEST 207.20 FEET FROM THE NORTHWEST CORNER OF SAID BLOCK SEVEN (7), SAID POINT BEING ON THE WEST LINE OF SAID BLOCK; THENCE LEAVING SAID WEST LINE OF SAID BLOCK SOUTH 87°02'26" EAST 43.88 FEET; THENCE SOUTH 24°43'32" WEST 5.09 FEET; THENCE NORTH 77°05'51" WEST 24.89 FEET TO THE WEST LINE OF SAID BLOCK SEVEN (7); THENCE ALONG SAID WEST LINE NORTH 03°01'17" EAST 46.70 FEET TO THE POINT OF BEGINNING, CONTAINING 1,669 SQUARE FEET, MORE OR LESS.

TRACT "B"

BEGINNING AT A POINT THAT IS SOUTH 03°01'17"/WEST 397.70 FEET FROM THE NORTHWEST CORNER OF SAID BLOCK SEVEN (7), SAID POINT BEING ON THE WEST LINE OF SAID BLOCK; THENCE LEAVING SAID WEST LINE OF SAID BLOCK SOUTH 87°02'26" EAST 24.89 FEET; THENCE NORTH 24°43'32" EAST 5.09 FEET TO THE WEST RIGHT-OF-WAY LINE OF THE ARKANSAS AND MISSOURI RAILROAD; THENCE RIGHT-OF-WAY ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING AN ARC LENGTH OF 103.20 FEET, A RADIUS OF 942.42 FEET, AND A CHORD BEARING AND DISTANCE OF SOUTH 27°04'16" WEST 103.20 FEET, THENCE CONTINUING ALONG SAID RIGHT-OF-WAY ALONG A COMPOUND CURVE TO THE RIGHT HAVING AN ARC LENGTH OF 47.88 FEET, A RADIUS OF 1,132.20 FEET, AND A CHORD BEARING AND DISTANCE OF SOUTH 20°30'45" WEST 47.88 FEET TO THE WEST LINE OF SAID BLOCK SEVEN (7); THENCE ALONG SAID WEST LINE NORTH 03°01'17" EAST 85.61 FEET TO THE POINT OF BEGINNING, CONTAINING 2,134 SQUARE FEET, MORE OR LESS.
CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the attached written notice was placed in the U.S. mail, first-class, postage prepaid this 13th day of August, 2020, and addressed as follows:

Name: City of Fayetteville
Street: 113 W Mountain Street
City, State, Zip: Fayetteville, AR 72701

Name: West Dickson Street Development Co
Street: 609 W Dickson Street, STE 206
City, State, Zip: Fayetteville, AR 72701

Name: Reindl Properties Inc.
Street: 509 W Spring Street STE 460
City, State, Zip: Fayetteville, AR 72703

Name: Southwestern Electric Power Co
Street: PO Box 16428
City, State, Zip: Columbus, OH 43216

Name: Brian Crowne Holdings LLC
Street: 15469 Hale Road
City, State, Zip: Elkins, AR 72727

Name: Tagon Corp
Street: PO Box 1223
City, State, Zip: Fayetteville, AR 72702

Name: AR & MO Railroad
Street: 306 E. Emma Ave.
City, State, Zip: Springdale, AR 72764

Devin Howland
(name of person completing the mailing)

(signature of person completing the mailing)
City File No. /Name: ADM-20-04
August 13, 2020

Public Notice- Sale of Municipally owned real property

Dear Property Owner,

Please be aware that the Fayetteville City Council will consider a resolution to sell 0.039 acres of municipally owned land (tract A of parcel 765-01745-001) to Brian and Day Crowne for $17,000.

This possible sale will be considered by the City Council during its 5:30 p.m meeting on September 1, 2020. The meeting will be held virtually due to the pandemic and you can obtain a link to attend and speak during the City Council meeting by visiting the week of the meeting at: https://www.fayetteville-ar.gov/1503/Meeting-Agendas-and-Video

City Council; 5:30PM; September 1, 2020

You can also submit public comment through this form: https://documents.fayetteville-ar.gov/Forms/publiccomment

If you wish to learn more about the proposed sale, please contact Devin Howland, Director of Economic Vitality at 479.575.8221. You are also invited to attend the September 1, 2020 City Council meeting via Zoom and make comments when the resolution is presented for the City Council's consideration.

Sincerely,

[Signature]

Devin Howland
Director of Economic Vitality
City of Fayetteville, Arkansas
I, Devin Howland attest that the above sign was posted on
August 13, 2020 adjacent to parcel 765-01745-001 (east of N Powerhouse Ave).

(signature of person completing the sign posting)

City File No./Name: ADM 20-04
Payment Due | Amount Paid | Received by
---|---|---
$65.36 | $0.00 | 

**Rates and Codes**

<table>
<thead>
<tr>
<th>Start</th>
<th>Paytype</th>
<th>BL</th>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/16/20</td>
<td>BL</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

**Rate Code**

<table>
<thead>
<tr>
<th>Stop</th>
<th>Rate Code</th>
<th>Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/16/20</td>
<td>NL4</td>
<td>1230</td>
</tr>
</tbody>
</table>

**Copy ph - Georges land**

---

**Ad Information**

- **Amount**: $65.36
- **Tax**: $0.00
- **Ad #**: 75308165
- **Ad Size**: 1 cols x 3.08 inches
- **Date**: 08/13/20

---

**Customer Receipt**

08/13/20

---

**Account Information**

- **Name**: CITY OF FAYETTEVILLE
- **Phone**: 479-521-7700
- **Address**: 113 W MOUNTAIN

---

**Ad Information**

- **Amount**: $65.36
- **Tax**: $0.00
- **Ad #**: 75308165
- **Ad Size**: 1 cols x 3.08 inches
- **Date**: 08/13/20

---

**Customer Receipt**

08/13/20

---
Appraisal Report
The City of Fayetteville - Engineering Division

As of February 15, 2018

Client:
City of Fayetteville Engineering Division
125 W Mountain St
Fayetteville, AR 72701

Presented By:
The Real Estate Consultants
118 N. East Avenue
Fayetteville, AR 72701

Produced By:
Mark E. Risk, GAA
State Certified General Appraiser #0202

File #17-0225
© Copyright 2018 by The Real Estate Consultants
All Rights Reserved
March 1, 2018

Ms. Holly Jones, City Land Agent
City of Fayetteville
113 W. Mountain
Fayetteville, AR 72701

RE: Appraisal Services

City of Fayetteville
Proposed Lot Split – N.Powerhouse Ave.
Fayetteville, AR 72701

Dear Ms. Jones:

In compliance with your request and to determine the Market Value of the above captioned property, I hereby certify that I have personally inspected the property and made a survey of matters pertinent to the estimation of its value. The subject property was inspected by the appraiser on February 15, 2018. The intended use is for potential sale evaluation of the aforementioned property by the City of Fayetteville. I further certify that I have no interest present or contemplated in the property under appraisement, and that my fee was not contingent upon the value estimate reported.

The opinions set forth in this letter are stated as of March 1, 2018.

The following narrative appraisal report contains the data gathered in my investigation and shows the method of appraisal in detail. The report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation. This report is considered an "Appraisal Report".

This appraisal is based upon information gathered by the appraiser from the subject owner, public records, and other reliable sources, and upon an inspection of the subject property and neighborhood. In developing the appraisal approaches used, data was collected from the Real Estate Consultants’ office files and courthouse records. The appraiser has applied the Market Data, Cost and Income Approaches in this appraisal.

Based upon my inspection of the subject property and the investigation and analysis carried out in this report, it is my considered opinion that the Market Value of the subject property as of February 15, 2018, and subject to the assumptions and limiting conditions set forth in the body of this report, is as follows:

SEVENTEEN THOUSAND DOLLARS
($17,000)

Respectfully submitted,

Mark A. Risk GAA
State Certified
General Appraiser # CG0202
# Table of Contents

**Section I – Executive Summary**
Salient Facts & Conclusions
Subject Location Map
Subject Pictures
Subject Pictures
Subject Pictures
Subject Pictures
Legal Description
Appraisal Inspection Comments

**Section II - Appraisal Premises**
Market Value Defined
Hypothetical Condition Defined
Extraordinary Assumption Defined
Purpose Of The Appraisal
Intended Use And User Of The Appraisal
Property Rights Appraised
Subject History
Subject Status
Assumptions and Limiting Conditions
Scope of the Appraisal
General Comments
Scope of the Appraisal – Appraisal Methods Used

**Section III – Data Presentation**
Neighborhood Description
Property Description
Subject Property Aerial Map
City Downtown Zoning Map
Subject Site Water and Utility Map

**Section IV – Subject Analysis & Valuation Approaches**
Highest And Best Use Analysis
The Four Tests of Highest & Best Use
Four Tests Of Highest & Best Use Continued
The Market Data Approach
Market Data Approach -- Comparable Land Sales Map
Analysis Of Comparables And Conclusion Of Land Value
Correlation, Analysis, and Conclusion

**Certificate of Appraiser**

**Section V - Addendum**
Zoning Information
Section I – Executive Summary

**Salient Facts & Conclusions**

**Property:** A part of Block seven of the original town subdivision

**County:** Washington

**Parcel #(#s):** 765-01745-001

**Fee Owner:** City of Fayetteville

**Subject Location:** N. Powerhouse Ave., south of Dickson St. - Fayetteville, AR  72701

**Estate Appraised:** Fee Simple

**Size:** Site – 1,689 sq. ft. or .039 ac.

**Effective Date:** February 15, 2018 - The Date of Inspection

**Utilities:** All Municipal Utilities Are Available

**Zoning:** Main Street/ Center

**Highest and Best Use:** Assemblage with adjoining property

**Value Indications:**

<table>
<thead>
<tr>
<th>Approach</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Data Approach</td>
<td>$17,000</td>
</tr>
<tr>
<td>Cost Approach</td>
<td>NA</td>
</tr>
<tr>
<td>Income Approach</td>
<td>NA</td>
</tr>
</tbody>
</table>

**Final Estimate of Market Value:** $17,000

**Note:**
This appraisal report has been prepared for the exclusive benefit of The City of Fayetteville. It may not be used or relied upon by any other party. Any party, who uses or relies upon any information in this report without the preparer’s written permission, does so at their own risk.
Subject Pictures

N. Powerhouse Ave. looking north

N. Powerhouse Ave. looking south
Subject Pictures

Mobile storage building on the NW Corner of subject

Easter border of subject looking south
Subject Pictures

Subject Site Looking southwest from NE Corner

Subject Site Looking Northeast from the Southwest
Subject Pictures

Subject Site looking North near the SE corner of the subject

Railway tracks east of the subject looking north
**Property Identification**

The property under appraisement is a small vacant tract of land south of Dickson St. on N. Powerhouse Ave., in Downtown Fayetteville, Washington County, Arkansas. The property is owned by the City of Fayetteville.

**Legal Description**

A part of the Block Seven (7) of the original town subdivision of the City of Fayetteville, Washington County, Arkansas, Being more particularly described as follows: Beginning at a point that is South 03°01’17”West 280.50 feet from the Northwest corner of said Block Seven (7), said point being on the west line of said Block; thence leaving said west line of said Block South 87°03’28”East 43.96 feet; thence South 24°04’26”West 54.68 feet; thence North 77°00’51” West 24.69 feet to the West line North 03°01’17”East 46.70 feet to the POINT OF BEGINNING, containing 1,689 square feet, more or less.

**Appraisal Inspection Comments**

**Date:** February 15, 2018

**Inspection Notes:** Mark Risk visually inspected the subject land on the above date. The inspection consisted of a walking tour of the property.

**Owner Contact:** *Ms. Holly Jones*
Section II - Appraisal Premises

Market Value Defined

The Appraisal Foundation defines market value as follows:

“The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and each acting in what he considers his own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto.
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.”

Hypothetical Condition Defined

Hypothetical Condition – A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Uniform Standards of Professional Appraisal Practice

Extraordinary Assumption Defined

Extraordinary Assumption – An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinion or conclusions. Uniform Standards of Professional Appraisal Practice
**Purpose Of The Appraisal**

The purpose of this report is to estimate the Market Value of the subject property.

**Intended Use And User Of The Appraisal**

The intended use of the appraisal is for potential sale evaluation purposes of the client. The intended user is the client, The City of Fayetteville - Engineering Division.

**Property Rights Appraised**

The property is appraised as though owned in fee simple and unencumbered. A fee simple title is the fullest type of private ownership possible, subject to all public limitations including zoning, taxation, and eminent domain; and subject to private limitations, which may exist, such as easements and restrictions of record.

**Subject History**

According to Washington County records, the City of Fayetteville has held the subject property since 1990. The most recent ownership change occurred on September 28, 1990 per Deed 1387 page 141 of the Washington County Courthouse Records. In this transaction the property was deeded to the City of Fayetteville from the Dickson Street Central Business District #1. This sale included additional land on the east side of the railroad tracks. No revenue stamps were placed on the deed. However, the appraiser was able to obtain a copy of the City of Fayetteville’s Resolution No. 145-90 which indicated the City paid a total of $58,371 for the two parcels. Furthermore, the public records indicate that the Dickson Street Central Business District #1 acquired the original property on August 7, 1989 from the Burlington Northern Railroad Company for a reported $82,000. This purchase may have included additional lands. Due to the lapse of time the appraiser was unable to verify this transaction. No other arm’s length transactions were discovered involving the subject property within the past five years. The City of Fayetteville has recently split the original property into a Parcel A and a Parcel B. Parcel B is the subject of this appraisal assignment.

**Subject Status**

The subject property is currently being offered for sale to the public by the City of Fayetteville through a sealed bid method. There is no list price or asking price for the property.
Assumptions and Limiting Conditions

ACCEPTANCE OF AND/OR USE OF THIS APPRAISAL REPORT BY THE CLIENT OR ANY THIRD PARTY CONSTITUTES ACCEPTANCE OF THE FOLLOWING ASSUMPTIONS AND LIMITING CONDITIONS:

Limit of Liability
The liability of TREC, Inc., The Real Estate Consultants, Mark E. Risk GAA, and associates and employees is limited to the client only and to the fee actually received. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignments. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property - physically, financially, and/or legally. In the case of limited partnerships, client agrees that if any lawsuit brought by a lender, partner, part owner, tenant, or other party, results in any award or settlements of any type in such suit regardless of outcome, that the client, who is the intended sole recipient of this report, will hold the appraiser completely harmless in any such action.

Copies, Publication, Distribution, and Use of the Report
Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for any purpose other than its intended use. The signee of this report is a candidate for membership in the National Association of Independent Fee Appraisers, and a member of the National Association of Realtors and its Appraisal Section. The Bylaws and Regulations of these organizations require their members to control the use and distribution of each report signed by such member.

Therefore, except as hereinafter provided, only the party for whom this report was prepared may distribute copies of this report, and only in its entirety, to such third parties as may be selected, but not without prior written consent and approval of the signee of this report. The physical report remains the property of the appraiser for the use of the client.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the National Association of Independent Fee Appraisers, the National Association of Realtors or any designations shall be disseminated to the public through the advertising media, public relations media, news media or any public means of communication without prior written consent and approval of the signee of this report. The authentic copies of this report are sealed with my Seal. Any copy that is not so sealed is unauthorized and may have been altered.

Confidentiality and Trade Secrets:
This appraisal consists of trade secrets and commercial or financial information which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b) (4). The appraiser may not divulge the material contents of this report, the analytical findings and conclusions, or give a copy of this report to anyone other than the client or his designee as specified in writing - except as may be required by the National Association of Independent Fee Appraisers, the National Association of Realtors, or other organizations as they may request in confidence for ethics enforcement, or by a
court of law of body with the power of subpoena. This appraisal is to be used only in its entirety and no part is to be used without the whole report.

No change of any item in the report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility if any such unauthorized change is made. The client shall notify the appraiser signing the report of any request to reproduce this appraisal in whole or part.

**Testimony, Consultation, and Completion of Appraisal Services**
The contract for appraisal, consultation, or analytical services is fulfilled and the total fee payable upon completion of this report. The appraiser or those assisting in preparation of this report will not be asked or required to give testimony or be subpoenaed in court of any public or private hearing because of having made this appraisal, in full or in part, nor engage in post appraisal consultation with the client or third parties except under separate and special arrangement and at additional fee. A MINIMUM TWENTY DAYS NOTICE MUST BE GIVEN BEFORE COURT APPEARANCE FOR PURPOSES OF REVIEW AND STUDY. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of the issuing party.

**Information Used**
No responsibility is assumed for the accuracy of information as to description (legal, physical, etc.) of the premises, restrictions, improvements, and income features of the property furnished by others, the client, his designee, or public records. All information furnished by others is assumed to be true, correct, and reliable and a reasonable effort has been made to verify such information. An impractical amount of time and money would be necessary to furnish unimpeachable verification in all instances. It is suggested that the client consider independent verification if so desired before making a significant commitment regarding the subject property. No responsibility for the accuracy of data and information obtained or the work of possible subcontractors is assumed by the appraiser.
**Purchasing Power, Value Change, and Market Influences**

The estimated market value and the costs used relate only to the effective date of the appraisal. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

Market value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering and subject to economic changes in the marketplace over time. In appraisals involving the capitalization of future income benefits, the estimate of market value reflects the appraiser's interpretation of income, yields, and other factors derived from general and specific market information. Such estimates are as of the date of appraisal and subject to dynamic changes in the financial markets that may occur.

**Legality of Use and Related Studies**

This report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the report. It is assumed that all applicable zoning, building codes, and use regulations and restrictions of all types have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report. It is assumed that all required licenses, consents, permits, or other legislative or administrative authority from any local, state, or federal government and/or private entity or organization have been or can be obtained or renewed for any use on which the value estimate in this report is based.

No environmental or impact studies, special market study of analysis, highest and best use analysis study, or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise, or rescind any of the statements, findings, opinions, values, estimates, or conclusions based upon any subsequent study or analysis, or any previous study or analysis pertinent to the assignment that becomes known to him after the report is finished.

**Legal and Financial Assumptions**

No responsibility is assumed for matters of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable. The property is appraised in gross as free and clear of all mortgages, liens, encumbrances, leases, and servitudes unless so specified within the report.

If this appraisal is used for mortgage loan purposes, it should be noted that specific loan ratios, term amortization, and equity requirements have not been suggested. This appraisal report and value estimate is subject to change if the physical or legal entity or financing is different than that envisioned in this report.

**Architectural, Structural, Mechanical, and Engineering Assumptions**

No responsibility is assumed for matters of survey, architectural, structural, mechanical, or engineering nature. The legal description used in this report is assumed to be correct as furnished by the client, his designee, or as derived by the appraiser. 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 to trespass unless noted within this report.

The appraiser has inspected, as far as possible, by observation the land and the improvements thereon. However, it was not possible to personally observe conditions beneath the soil, hidden
structural components, or any mechanical components within the improvements and no representations are made as to these matters unless specifically stated and considered in this report. This appraisal is based on there being no hidden, unapparent or apparent conditions of the property site, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering needed to discover such factors. The appraiser does not warrant against the occurrence of problems arising from the soil conditions.

All mechanical components are assumed to be in operable condition and states standard for properties of the subject's type. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment is considered to be commensurate with the conditions of the balance of the improvements unless otherwise stated. No judgment is made as to the adequacy of insulation or energy efficiency of the improvements or equipment. The lender, owner, or buyer should inspect the property before purchase or any disbursement of funds. Any of those parties may wish to require mechanical or structural inspection by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The appraiser has not been requested to make an investigation of the possible existence of any potentially hazardous insulation or material used in the construction or maintenance of the building, or the possible existence of toxic waste which may or may not have been stored on the property or the possible existence of radon gas on the property.

The appraiser represents that he is not qualified to test for the presence or absence of such items and has not considered, and assumes no responsibility for, such products which might render the property more or less valuable. The client is advised to retain an expert in this field if this information is presumed appropriate and necessary.

This appraisal has not considered conditions relating to surface or subsurface waters; including, but not limited to water table, flood plain, flood hazard, or rights, if any, claimed nor or in the future in riparian lands and drainage - unless otherwise noted in this report. The appraiser assumes no responsibility for any costs or consequences arising from the need for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

Management of Property
It is assumed that the property being appraised will be operated under prudent, responsible, and competent ownership and management - being neither inefficient nor super-efficient.

Exhibits
The sketches and maps in this report are included only to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose and are not intended to represent the property in other than actual status as of the date of the photos. Site plans are not surveys unless shown from a separate surveyor.
**Component Values**
The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. Neither the analysis and conclusions herein nor the allocations of value for land and improvements may be used in conjunction with any other appraisal and are invalid if so used.

**Personal Property**
Furnishings, fixtures, or equipment of the business operation except as specifically indicated and typically considered as a part of the real estate have been disregarded unless otherwise stated. For some property types, business and real estate interests and values are combined.

**Federal After Tax Analysis**
Any after tax income and investment analysis or measures of return on investment are intended only to reflect possible and general market considerations at an assumed value of price paid. The appraiser does not claim expertise in tax matters and advises the client and any other person using this appraisal to seek competent tax advice. The appraiser is in no way to be considered a tax or investment advisor.

**Hypothetical Condition**
There are no hypothetical conditions regarding the appraisal of the subject property.

**Extraordinary Assumptions**
It is assumed by the appraiser that there are no utility easements or other easements aside from the proposed drainage easement affecting the subject site. It is further assumed that a small building can be constructed on the site per the Main Street/Center zoning classification.

*If this assumption is found to be false, it could alter the appraiser’s opinion or conclusions.*
Scope of the Appraisal

Introduction
“The term scope of the appraisal refers to the extent of the process of collecting, confirming, and reporting data.”¹

The appraiser determines a report’s scope (extent of data collection & depth of reporting) according to the following primary factors:

1) Satisfaction of standards as set forth by USPAP
2) Satisfaction of any additional standards/specific requirements as defined by client request &/or organization(s) for which an appraiser has professional membership
3) Perceived needs of the intended user(s) as related to a report’s intended use.

The scope of this appraisal encompasses the necessary research and analysis to prepare a report in accordance with its’ intended use, the Code of Professional Ethics & Standards of Professional practice of the National Association of Realtors, and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

The appraiser has determined an “appraisal report” conforming to USPAP Standard 2-2(b) would satisfy the needs of the intended user(s). A Summary report offers basic statements of fact &/or brief summary comments when describing data, reasoning, and analysis used in the appraisal process to develop an opinion of value. As such, some documentation supporting the data, reasoning, and analysis was kept in the appraiser’s files.

General Comments
Basic information pertaining to this assignment is based upon information gathered by the appraiser from inspection of the subject property and neighborhood, public records, and other identified sources. Data believed to be unreliable was not included in this report nor used as a basis for the value conclusion.

Region, county, city, and neighborhood data were based on information in the Real Estate Consultants library and files, physical inspection of the immediate neighborhood, and data from the City of Fayetteville and Washington County.

The appraiser physically inspected the subject on February 15, 2018, with subject photographs taken on February 15, 2018. Subject property data was based upon information gathered from physical inspection of the subject property and immediate neighborhood, documentation provided by the City of Fayetteville, public records, and other identified sources.

In evaluating the highest and best use for the subject property, an analysis was made of data compiled in the steps noted above. The appraiser’s opinion of subject’s highest and best use is based on important factors such as physical location, physical characteristics, zoning requirements, and use history/potential. In addition, a study of the downtown land development market in the subject area has been made to help determine the economic feasibility of the subject property.

Scope of the Appraisal – Appraisal Methods Used

Market Data (Sales Comparison) Approach --
Underlying land value based upon analysis of available market data for land comparables, either vacant or with improvements extracted, in the central downtown area. Comparables were gathered from the appraiser’s files, Realtors ® multi-list service, Courthouse records, and interviews with knowledgeable market participants. The most important individual examples are discussed in digest format, and then reconciled on a price per square foot basis to the subject after discussion. Applied appreciation over time, if any, is based on accumulated data in the appraiser’s files and the appraiser knowledge of the local market.

Income Approach --
The income approach was developed using a basic capitalization technique. To begin this process, data for existing market lease rates of downtown parking spaces was gathered from the appraiser’s files, Realtors ® multi-list service, and persons/data reporting services knowledgeable of the subject’s market niche. The most important examples were reported in a brief summary format, and then reconciled on a price per space per month basis to the subject.

The appraiser then developed an estimate of Net Operating Income using the above-determined potential annual lease income less expenses, reported in a summary grid format.

Applicable capitalization rates and related economic factors were based on accumulated data retained in the appraiser’s files, prevailing mortgage rates as of the effective date of the report, and discussions with persons knowledgeable of the subject’s market niche. Reporting of these factors and subsequent development of a final estimate of value via the Income Approach was reported in a brief summary format.

Cost Approach --
Cost estimates for improvements are based on ‘replacement cost’ defined as follows:

“‘The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.” 2

Improvements construction cost is based on independent publications referenced interviews with local market participants, and data provided by the Marshall & Swift valuation service. Aggregate costs are represented in a price per space format.

Section III – Data Presentation

Neighborhood Description

For appraisal purposes, a neighborhood is considered to be a portion of a larger community in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Neighborhood inhabitants usually have a more casual community of interest and similarity of economic level and cultural background.

Neighborhood boundaries may consist of well-defined natural or man-made barriers, or they may be more or less well defined by a distinct change in land use, or in the character of the inhabitants. The immediate area is commonly known as Fayetteville’s Dickson Street Entertainment District, with neighborhood boundaries defined as such: N- Maple, S- Center St., E- College Ave., and W- U of A Campus.

The central downtown encompasses the City’s financial and entertainment centers and continues to undergo revitalization as it adapts to current market demands and trends. The neighborhood is viewed by the market as one of the most desirable for commercial use, especially within the entertainment niche, both within the city and throughout the NW Arkansas region. College Avenue (Highway 71B) is the most important N-S open-access business route in the region. Close proximity to the University of Arkansas.
Property Description

Site
Based upon the survey provided by the client, the subject size is approximately 46.70’ x 43.96’ x 54.68’ x 24.69 ft. This is a very small tract of land totaling 1,689 sq. ft. or .039 ac.

It is an irregular shaped urban lot, with a moderate slope down from N. Powerhouse Ave. to its east boundary. The City has a drainage swale along the east boundary of the subject between the site and the railroad right of way. The site is mostly cleared but there are several trees on the land. The tract offers 46.70+ feet of frontage along Powerhouse Ave. Powerhouse Ave. has two lanes and is paved with asphalt. It is not a through street, essential ending at the Seafood Powerhouse and electrical substation. The land appears to lie outside any FEMA identified flood zone area. It appears that the site has had some fill put along the northern boundary with George’s Majestic Lounge. The site has access to all municipal utilities.

No adverse easements, encroachments, or other conditions were noted upon inspection. There does not appear to be utility easements affecting the subject. The city of Fayetteville’s water and sewer maps indicate a 6” PVC water line along Powerhouse Ave. and an 8” sewer line also along Powerhouse Ave. City staff has informed the appraiser that there are no water or sewer easements encumbering the subject property. However, the City’s survey provided the appraiser shows a 10’ wide proposed drainage easement along the south and east boundaries of the subject. It is not known at the time of the appraisal if Black Hill Energy has a gas line easement that would affect the subject property.

Per the City’s Downtown Master Plan zoning code, zoning is Main Street/Center. This is a broad classification, primarily designed to allow high-density development. See zoning information in the addendum to this report.

Improvements
There are no permanent improvements on the subject site. There is an old metal storage building at the northwest corner of the tract on slats and is considered to be personal property not real estate. No value has been given to this building.

Environmental Analysis
My routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions that would affect the subject property negatively. The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. However, the appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. It is unlikely but possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.
Subject Property Aerial Map

Source: City of Fayetteville GIS Mapping System

City Downtown Zoning Map

Source: City of Fayetteville GIS Mapping System
Subject Site Water and Utility Map

Source: City of Fayetteville GIS Mapping System
Subject Site Survey
Buildable Area of Subject Site
Section IV – Subject Analysis & Valuation Approaches

Highest And Best Use Analysis

The Appraisal Institute defines highest and best use as follows:

"The reasonably probable and legal use of vacant land or 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."

The following tests must be met in estimating the highest and best use of the subject:

1. It must be physically possible based on subject site characteristics.
2. It must be a legal use under current or likely zoning regulations.
3. It must be probable and not based upon conjecture or speculation.
4. There must be a profitable demand for such use and it must return to the land the highest net return for the longest period of time.

I applied these tests to the subject. The Highest and Best use of a property is based on current trends and necessities in its neighborhood with respect to overall supply and demand factors, and required rates of return for specific investment types. An appraiser’s interpretation of highest and best use is essentially an economic study of market forces as they affect a specific property.

Appraisal theory and USPAP generally require development of two Highest and Best use opinions—‘as though vacant’ and ‘as improved’. ‘As though vacant’ is essential to determining underlying land value and intimately connected to the Cost Approach. The ‘as improved’ conclusion considers potential economic contribution (if any) of existing improvements and assists in determining how a prudent investor would utilize such improvements (renovation, expansion, demolition, et cetera). ‘The Appraisal of Real Estate- 10th Addition’ (Appraisal Institute, Chicago, 1992) offers this statement: “The use that maximizes an investment property’s value, consistent with the long-term rate of return and associated risk, is its highest and best use as improved.”

Any determination of highest and best use includes identifying the motivations of probable purchasers. The benefits of an investment property like the subject relates to net income potential and eventual resale or refinancing. Thus, the highest and best use will be that use which maximizes the net operating income on a long-term basis. This use must meet the four criteria previously mentioned. The subject property is currently unimproved without any significant structure. Hence, the Highest and Best Use as though vacant is applicable only to the subject site.

‘As though vacant’- It is my opinion the land’s highest and best use as though vacant is for a small commercial building.

A summary discussion on the four tests of highest and best use is offered on the following pages.
The Four Tests of Highest & Best Use

General comments
The subject land is well located in central Fayetteville entertainment district, with the immediate neighborhood established for commercial and residential uses. Its’ current zoning allows for very dense development. The subject’s shape and size is likely too small to construct a significant structure. However, city staff has informed the appraiser that a small building can be erected on the site.

Physically Possible:
Basic factors affecting the potential for physically constructing improvements on a specific site include tract size, shape, topography, and soils. Further utility depends on utilities availability, roadway frontage, and tract depth in relation to width. Irregularly shaped parcels may cost more to develop and usually have less overall utility than a rectangular parcel. The sites terrain has a moderate slope to it which would also increase construction costs.

The site offers inadequate size to comply with current design standards for most commercial buildings. Residential use of the site is considered doubtful due to the proximity to the railroad tracks and bars and restaurants, although, there is demand for housing in the neighborhood. I am unaware of any adverse soil conditions that might hinder full use of the lot. Considering these factors, prospective developers would not likely purchase this site for development. However, there is possibility a small scale project could be constructed on the property.

Legally Permissible:
Land use options are further restricted by legal considerations, primarily determined by civil authorities, but also possible via private contract. The most obvious example is zoning. Other important factors include building codes and environmental regulations. Private, non-governmental examples include deed restrictions, subdivision covenants, easements, and long-term land leases. These legal factors limit current use &/or development options in the absence of ‘grand fathering’, allowed ‘non-conforming use’, or other usually rare privileges.

The subject lies within Fayetteville city limits and zoned Main Street/Center. This zoning designation is planned for high-density use. Many options are therefore available according to the legality test, including development into commercial and residential uses.

After discussions with the City’s planning office it was determined that a small building could be constructed on the site under the Main Street/Center zoning classifications. It would be difficult but not impossible to place a building on the site under current zoning requirements for setbacks. The zoning code requires a setback from the street of 0’ to 25’ and 5’ from the rear. There are also proposed drainage easements along the east and south boundary that will further decrease the building area of the site. The City’s planning office provided the appraiser a drawing (See Attached) which indicates a building area of approximately 1,216 sq. ft. This number was updated to 1,232 sq. ft. by city staff. The subject’s depth is 24.69’ along its south boundary and 43.96’ along its northern boundary. There is also ample street frontage under the subject’s zoning classification. Hence, allowing a small area to construct a building. Furthermore, there are not any off street parking requirements for commercial use of the site.
Four Tests Of Highest & Best Use Continued

Financially Feasible:
After limiting the array of uses by tests of physical possibility and legal permissibility, the appraiser then judges remaining possibilities according to financial considerations. A potential use is deemed financially feasible if that use promises a positive return on investment all things considered. Positive return is contingent upon potential net operating income matched with appropriate required rates of return for a particular use. Important factors affecting such return include operating expenses, debt satisfaction, and capital amortization. In my opinion, the subject’s best financial return will be realized by a small commercial building.

Maximally Productive:
‘The Appraisal of Real Estate Tenth addition’ (Appraisal Institute, Chicago) defines this concept as such: “Of the financially feasible uses, the use that produces the highest residual land value consistent with the rate of return warranted by the market for that use is the highest and best use.”

Among all potential uses remaining after consideration of the first three tests, a single specific use that results in the highest estimated residual land value is then determined. Most often, due to the durability of most real estate related improvements, prospective uses are narrowed according to a long-term scenario. Thus, the highest and best use will be that use which maximizes the net operating income on a long-term basis. Per Tenth addition: “The stream of benefits, or income, produced by the buildings reflects a carefully considered, and usually very specific, land use program.” I believe the subject’s best use is to develop the site with a small commercial building.
The Market Data Approach

The Market Data Approach or Sales Comparison Approach is an attempt to measure the reactions of typical buyers and sellers in the market. In this approach a direct comparison is made between the property being appraised and comparable properties that have either sold recently, have received bonafide offers by prospective buyers, or are currently offered for sale.

The value of the property being appraised is inferred from the selling prices, offers, and asking prices of the comparable properties. To be “comparable” a property need not be identical to the subject. The word “comparable” is used in its ordinary sense meaning something that is capable of being compared with or worthy of comparison.

The appraiser assumes that a typical buyer in the market will not pay more for the subject property than it would cost to buy a comparable substitute property. The price a typical buyer is willing to pay is generally the result of an extensive searching process in which he is constantly comparing alternative properties. In the meantime, the typical seller is usually trying to obtain the highest possible price for his property based upon his knowledge of the market place.

In applying the Market Data Approach, the appraiser takes the following steps:

1. Researches the market for available comparable properties in which actual sales, listings, or offerings has occurred.
2. Confirms the prices and bonafide nature of the data and qualifies the terms and motivating forces.
3. Compares the property being appraised with each of the comparable properties, under the general division of location, time, physical characteristics, and other economic factors.
4. Formulates an opinion of the market value of the property being appraised based upon the price of each comparable property.

Pursuant to the appraisal of the subject property, I researched courthouse records, reviewed company files, accessed the Realtor's ® multi-list database, and interviewed knowledgeable market participants to locate recent market activity involving properties comparable or similar to the subject. Land sales selected for comparison with the subject property are included on the following pages.
Market Data Approach – Comparable Land Sales Map
The Market Data Approach – Comparable Sales Data

**Land Sale #1**

| **Grantor:** | World Domination, LLC |
| **Grantee:** | PrairieMonkeys, LLC |
| **Date of Sale:** | 04/21/2017 |
| **Property Location:** | 495 W Prairie St, Fayetteville, AR |
| **Legal Description:** | A part of Lot 22 of Block 14 in Ferguson’s Addition in Fayetteville, AR |
| **Zoning Category:** | MSC (Main Street/Central) |
| **Size:** | .21 acres or 9,148 sq. ft. |
| **Improvements:** | None of Contributory Value |
| **Reported Price:** | $157,529 |
| **Data Source:** | Washington County Records- Parcel #765-05508-000, Deed 2017-11826 |
| **Remarks:** | Small, irregular shaped lot on W. Prairie St. one half block west of S. School Ave.. Very shallow lot. Recent sale. Multi-Family residential units are under construction at the time of this appraisal. |
| **Indicated Price:** | $17.22/Square Foot |
Land Sale #2

Grantor: David L. & Ronda L. Chuoke
Grantee: Jane Hunt Meade
Date of Sale: 05/19/2017
Property Location: 322 W. Meadow, Fayetteville, AR
Legal Description: A part of Block 10 as designated on the original plat of the Town (now City) of Fayetteville, Washington County, AR
Zoning Category: DG (Downtown General)
Size: .13 acres or 5,500 sq. ft.
Improvements: None of Contributory Value
Reported Price: $225,000
Data Source: Washington County Records- Parcel #765-01770-000, Deed Book 2017-15559, MLS#1047994
Remarks: Small lot on W. Meadow between N. School and N. Locust. Also has frontage on Shipley Alley. Recent sale in downtown Fayetteville.
Indicated Price: $40.90/Square Foot
**Land Sale #3**

**Grantor:** Cravens & Company, Inc.  
**Grantee:** JMSH, LLC  
**Date of Sale:** 09/14/2016  
**Property Location:** W. Spring St., Fayetteville, AR  
**Legal Description:** Part of Lot #7 Block 3, of Fayetteville Original  
**Zoning Category:** MSC (Main Street/ Center)  
**Size:** .35 acres or 15,386 sq. ft.  
**Improvements:** None of contributory value  
**Reported Price:** $325,000  
**Data Source:** Washington County Records - Parcel # 765-01677-000 & 765-01678-000, Deed Book 2016-26894, & MLS# 1021953  
**Remarks:** Average size tract for downtown area. The tract is located on the north side of Spring St. between N. Church and N. Block Ave. in downtown Fayetteville. New townhouse style condominiums have been recently built on this property.  
**Indicated Price:** $21.12/Square Foot
Grantor: Home Traders, LLC
Grantee: RPH, LLC
Date of Sale: 08/19/2014
Property Location: E. Spring Street, Fayetteville, AR
Legal Description: Lot 001 of Fayetteville Original
Zoning Category: MSC (Main Street Center)
Site Qualities: .13 A or 5,500 sq. ft.
Improvements: None of contributory value
Reported Price: $100,000
Data Source: Washington County Records Parcel #765-01641-000, Deed 2014-21275
Remarks: This lot is located on the north side of Spring St. and approximately one half block to the west of N.College Ave. The shape is rectangular and the topography is level and ideal for construction. A new office building has been built on the site.
Indicated Price: $18.18/Square Foot
Land Sale #5

Grantor: Adam Russell
Grantee: Triangle Builders Supply, Inc.
Date of Sale: 09/19/2016
Property Location: North Street and Frisco Ave., Fayetteville, AR
Legal Description: Part of the E ½ of the SW ¼ of Section 9, T-16N, R-30W, Washington County, AR
Zoning Category: RMF-24(Residential Multi-family)
Size: 2.152 acres or 93,741.12 sq. ft.
Improvements: None
Reported Price: $150,000
Data Source: Washington County Records, Parcel #765-14007-005, Deed 2016-29489, and MLS# 1000176
Remarks: Sale of vacant land along the railroad right of way north of the subject between Prospect St. and North St.. This tract had previously been part of the BNSF Railway Company R-O-W.
Indicated Price: $1.60/Square Foot
### Land Sale #6

**Grantor:** BNSF Railway Company  
**Grantee:** City of Fayetteville  
**Date of Sale:** 07/23/2008  
**Property Location:** Frisco Trail and N. Gregg Ave., between W. Lafayette St. and W. Maple St.  
**Legal Description:** A part of the E ½, SW ¼ of Sec. 9, and pt. of the NW ¼, NE ¼, and the NE ¼ of the NW ¼ of Section 16, all in Township 16 north, Range 30 West.  
**Zoning Category:** DG (Downtown General)  
**Size:** 6 acres or 261,360 sq. ft.  
**Improvements:** None of Contributory Value  
**Reported Price:** $73,180  
**Data Source:** Washington County Records- Parcel #765-12875-020, Deed 2008-27512  
**Remarks:** this Sale involved the purchase of railroad right of way along both sides of the railroad tracks between W. Lafayette St. and W. Maple St.. Older sale. The City acquired the land for the Scull Creek Trail.  
**Indicated Price:** $0.28/Square Foot
**Land Sale #7**

**Grantor:** Billy Wayne Batson  
**Grantee:** Trailside Townhomes, LLC  
**Date of Sale:** 08/29/17  
**Property Location:** 15 S. West Ave, Fayetteville, AR  
**Legal Description:** A part of Lot 2 of Block 22 in the Original Plat of the Town of Fayetteville, Washington County, AR  
**Zoning Category:** MSC (Main Street/Central)  
**Size:** .37 acres or 16,224 sq. ft.  
**Improvements:** None of Contributory Value  
**Reported Price:** $250,000  
**Data Source:** Washington County Records- Parcel #765-01891-000, Deed 2017-26781, and MLS# 1019080  
**Remarks:** Recent sale of similarly zoned property. Structure on property was razed by buyer. A new multi-family project is underway on the site.  
**Indicated Price:** $15.41/Square Foot
Land Sale #8

Grantor: Arkansas Missouri Railroad Company
Grantee: William & Betty Harrison
Date of Sale: 10/10/02
Property Location: Dickson St, Fayetteville, AR
Legal Description: A part of Lot 7 as designated upon the Original Plat of the Town of Fayetteville, Washington County, AR
Zoning Category: MSC (Main Street/Central)
Size: .0775 acres or 3,378 sq. ft.
Improvements: None of Contributory Value
Reported Price: $24,000
Data Source: Washington County Records, Deed 2002-154073
Remarks: Old sale of similarly zoned property. This was railroad right of way adjacent to George’s Majestic Lounge acquired by the then owners. It has since been improved with an outdoor patio area.
Indicated Price: $7.10/Square Foot
**Analysis Of Comparables And Conclusion Of Land Value**

In my opinion, there are an adequate number of comparables available to render a reliable opinion of the subject’s underlying land value according to its’ highest and best use. I offer a variety of verified transactions considered representative of recent market activity, while retaining additional examples in my files. The comparables are summarized as follows:

<table>
<thead>
<tr>
<th>Sale</th>
<th>Date</th>
<th>Tract Size</th>
<th>Land Price</th>
<th>$/SF</th>
<th>Comparability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>04/21/17</td>
<td>9,148 SF</td>
<td>$157,529</td>
<td>$17.22</td>
<td>Superior</td>
</tr>
<tr>
<td>2</td>
<td>05/19/17</td>
<td>5,500 SF</td>
<td>$225,000</td>
<td>$40.90</td>
<td>Superior</td>
</tr>
<tr>
<td>3</td>
<td>09/14/16</td>
<td>15,386 SF</td>
<td>$325,000</td>
<td>$21.12</td>
<td>Superior</td>
</tr>
<tr>
<td>4</td>
<td>08/19/14</td>
<td>5,500 SF</td>
<td>$100,000</td>
<td>$18.18</td>
<td>Superior</td>
</tr>
<tr>
<td>5</td>
<td>09/19/16</td>
<td>93,741 SF</td>
<td>$150,000</td>
<td>$1.60</td>
<td>Larger/Similar</td>
</tr>
<tr>
<td>6</td>
<td>07/23/08</td>
<td>261,360 SF</td>
<td>$73,180</td>
<td>$.28</td>
<td>Larger/Similar</td>
</tr>
<tr>
<td>7</td>
<td>08/29/17</td>
<td>16,224 SF</td>
<td>$250,000</td>
<td>$15.41</td>
<td>Superior</td>
</tr>
<tr>
<td>8</td>
<td>10/10/02</td>
<td>3,378 SF</td>
<td>$24,000</td>
<td>$7.10</td>
<td>Similar</td>
</tr>
</tbody>
</table>

All comparables are located in close proximity, with most considered having similar immediate Downtown neighborhood influence.

Appreciation over time within the subject’s land market niche is still prevalent. But, there are fewer top-end prices paid compared to the more speculative time of 2004-2007. However, some recent sales are approaching the prices paid in that era.

The researched sales indicate an *unadjusted* price range of $.28 - $40.90. This is a wide range in which to comfortably place the subject. Primary differences are attributable to location relative to the Downtown grid, total size, buildability of the tract, date of sale, and overall potential. The upper end of the value range are of good buildable sites, many of which have been developed into multi-story residential townhomes. The lower end of the range are of tracts which were formally railroad right of way along the railroad tracks. These tracts are irregular shaped and narrow in width, similar to the subject.

Generally speaking, per square foot values decline as the size of the tract increases. This rule of thumb does not always hold true, though, especially when considering the unique requirements of urbanized areas. Some tracts suffer discounts if they are too small to satisfy zoning ordinances (e.g. parking). In addition, owing to the current trend of condominium/mixed-use projects prevalent downtown, tracts too small for development into multi-story structures do not have nearly the same desirability as the City grows upward.
The appraiser has prepared a sales adjustment grid on the following pages. This grid shows the adjustment process in detail and is used to render a value estimate of the subject property.

It is my opinion the subject's land would fall near the mid to lower area of the stated range. Therefore, based upon the above recited sales and analysis thereof, and after adjustments are made for differences in time, size, location, visibility, land qualities, and other economic factors, it is my considered opinion the subject’s land value, as of February 15, 2018, is as follows:

\[ 1,689\text{SF} @ \$10.00/\text{SF} = \$16,890 \]

Say $17,000
### COMPARABLE LAND SALES ADJUSTMENT GRID

**Powerhouse Ave. Lot**

Fayetteville, AR

Appx. 1,689 sq.ft.

<table>
<thead>
<tr>
<th>SUBJECT</th>
<th>COMP #1</th>
<th>COMP #2</th>
<th>COMP #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.Powerhouse Ave Fayetteville</td>
<td>W. Prairie St. Fayetteville</td>
<td>W.Meadow St. Fayetteville</td>
<td>W. Spring St. Fayetteville</td>
</tr>
</tbody>
</table>

**PRICE DATA**

- **PURCHASE PRICE**:
  - NA: $157,529
  - COMP #1: $225,000
  - COMP #2: $325,000

- **CONCESSIONS/TERMS**:
  - Adjustment to Seller

  - Cash
  - Cash/None
  - Cash/None

- **PRICE PER Square Foot**:
  - Mar-18: $17.22
  - Apr-17: $22.28
  - May-17: $21.12

- **DATE OF SALE**:
  - Mar-18
  - Apr-17
  - May-17
  - Sep-16

- **ADJUSTED PRICE**:
  - NA: $18.08
  - COMP #1: $42.95
  - COMP #2: $22.71

**LOCATION**

- Downtown Fay.
- Inferior
- Similar
- Superior

**SIZE (sq.ft.)**

- 1,689
- 9,148
- 5,500
- 15,386

**TOPO/SHAPE**

- GentlySlope/Irreg.
- Level/Irregular
- GentleSlope/Rect.
- Level/Rectangular

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>GentlySlope/Irreg.</th>
<th>Level/Irregular</th>
<th>GentleSlope/Rect.</th>
<th>Level/Rectangular</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,689</td>
<td>($6.89)</td>
<td>($20.45)</td>
<td>($10.56)</td>
<td></td>
</tr>
</tbody>
</table>

**UTILITIES**

- Average
- Similar
- Similar

**IMPROVEMENTS**

- NA
- None
- None

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>NA</th>
<th>None</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$0.00</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**ZONING**

- MSC
- DG
- MSC

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>MSC</th>
<th>DG</th>
<th>MSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>-</td>
<td>$</td>
</tr>
</tbody>
</table>

**FLOOD HAZARD**

- None
- None
- None

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>None</th>
<th>None</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>-</td>
<td>$</td>
</tr>
</tbody>
</table>

**VISIBILITY/ACCESS**

- Fair/Avg.
- Avg./Avg.
- Avg./Avg.
- Avg./Avg.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>(1.72)</td>
<td>(4.09)</td>
<td>(2.11)</td>
<td></td>
</tr>
</tbody>
</table>

**NET ADJUSTMENT**

- $10.38
- $16.26
- $8.90

Mean $8.99

Weighted Average $10.03

Say $10.00 /sq.ft.

Indicated Value $16,890

Say $17,000
<table>
<thead>
<tr>
<th>COMP #4</th>
<th>COMP #5</th>
<th>COMP #6</th>
<th>COMP #7</th>
<th>COMP #8</th>
</tr>
</thead>
<tbody>
<tr>
<td>E.Sping St.</td>
<td>North St. &amp; Frisco Av</td>
<td>N.Gregg Ave.</td>
<td>S.West Ave.</td>
<td>Dickson St.</td>
</tr>
<tr>
<td>Fayetteville</td>
<td>Fayetteville</td>
<td>Fayetteville</td>
<td>Fayetteville</td>
<td>Fayetteville</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>$150,000</td>
<td>$73,180</td>
<td>$250,000</td>
<td>$24,000</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash/None</td>
<td>Cash/None</td>
<td>Cash/None</td>
<td>Cash/None</td>
<td>Owner Finance/None</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$18.18</td>
<td>$1.60</td>
<td>$0.28</td>
<td>$15.41</td>
<td>$7.10</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug-14</td>
<td>Mar-16</td>
<td>Jul-08</td>
<td>Aug-17</td>
<td>Oct-02</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.73</td>
<td>$0.16</td>
<td>$0.08</td>
<td>$0.77</td>
<td>$3.55</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$20.91</td>
<td>$1.76</td>
<td>$0.36</td>
<td>$16.18</td>
<td>$10.66</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,500</td>
<td>93,741</td>
<td>261,360</td>
<td>16,224</td>
<td>3,378</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Level/Rectangular</td>
<td>Gentle Slope/Irregular</td>
<td>Steep/Irregular</td>
<td>Gentle Slope/Rectangular</td>
<td>Level/Irregular</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>($9.09)</td>
<td>$0.00</td>
<td>$0.21</td>
<td>($1.54)</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
<td>Similar</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Razed</td>
<td>None</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MSC</td>
<td>RMF -24</td>
<td>DG</td>
<td>MSC</td>
<td>MSC</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (0.91)</td>
<td>$ 0.08</td>
<td>$ 0.01</td>
<td>$ (1.54)</td>
<td>$ (0.71)</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (11.05)</td>
<td>$ 0.82</td>
<td>$ 1.32</td>
<td>$ (3.89)</td>
<td>$ (0.71)</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 9.86</td>
<td>$ 2.58</td>
<td>$ 1.68</td>
<td>$ 12.29</td>
<td>$ 9.95</td>
</tr>
</tbody>
</table>
Correlation, Analysis, and Conclusion

The Market Data Approach exclusively was used to estimate the value of the subject land. The Cost & Income Approaches were not considered to be applicable under the scope of this appraisal. The Market Data Approach resulted in the following indicated value:

The Market Data Approach $17,000

It is the appraiser's opinion that an adequate amount of Market Data was available to obtain a reliable value estimate for the subject land as if vacant. A sufficient amount of sales activity has occurred in the general vicinity of the subject property. The sales analyzed and included in this report are considered reliable and do indicate the prices being paid for commercial/residential land in the Downtown Fayetteville area.

Due to the small size of the subject it was difficult to find truly comparable sales. The appraiser has analyzed recent sales of similar zoned land in the subject area which are suitable for development of multi-story residential/commercial buildings. These are sales are considered superior to the subject property. Furthermore, the appraiser has analyzed sales of land along the railroad right of way which reflect a much lower value than the aforementioned sales. It is the appraiser’s opinion that the subject’s value should fall somewhere in between the stated value range.

The appraiser has assumed that a small building can be built on the subject property.

Therefore, based upon the data collected and analyzed within this report and the preceding discussion, it is the considered opinion of this appraiser that the Fair Market Value of the subject property as of February 15, 2018 is as follows.

$17,000
I hereby certify, that to the best of my knowledge and belief, that the statements of fact contained in this report are true and correct; that the reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions; that I have no present or prospective interest in the property that is the subject of this report, and I have no interest or bias with respect to the property that is the subject of this report or to the parties involved with this assignment; that my engagement in this assignment was not contingent upon developing or reporting predetermined results; that 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.

I hereby certify, that my analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with requirements of the code of Professional Ethics and the Standards of Professional practice of the National Association of Realtors; that the use of this report is subject to the requirements of the National Association of Realtors relating to review by its duly authorized representatives; that all signatories of this report have physically inspected the subject property and are familiar with the comparables stated within.

The appraiser further certifies that the analyses, opinions and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (“USPAP”), except that the Departure Provision of the USPAP does not apply.

In the previous sections of this report, the appraiser has analyzed the relevant facts and applied the appropriate appraisal processes to the subject property. It is the considered opinion of this appraiser that the Market Value of the subject property as of the effective date of February 15, 2018 is:

SEVENTEEN THOUSAND DOLLARS
($17,000)

Respectfully Submitted,

Mark E. Risk, GAA
State Certified General Appraiser #0202
Section V - Addendum
Zoning Information

Fayetteville, AR Code of Ordinances

161.27 - Main Street/Center

(A) Purpose. A greater range of uses is expected and encouraged in the Main Street/Center. The Center is more spatially compact and is more likely to have some attached buildings than Downtown General or Neighborhood Conservation. Multi-story buildings in the Center are well-suited to accommodate a mix of uses, such as apartments or offices above shops. Lofts, live/work units, and buildings designed for changing uses over time are appropriate for the Main Street/Center. The Center is within walking distance of the surrounding, primarily residential areas. For the purposes of Chapter 96: Noise Control, the Main Street/Center district is a commercial zone.

(B) Uses.

(1) Permitted uses.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>City-wide uses by right</td>
</tr>
<tr>
<td>4</td>
<td>Cultural and recreational facilities</td>
</tr>
<tr>
<td>5</td>
<td>Government facilities</td>
</tr>
<tr>
<td>8</td>
<td>Single-family dwellings</td>
</tr>
<tr>
<td>9</td>
<td>Two-family dwellings</td>
</tr>
<tr>
<td>10</td>
<td>Three (3) and four (4) family dwellings</td>
</tr>
<tr>
<td>13</td>
<td>Eating places</td>
</tr>
<tr>
<td>14</td>
<td>Hotel, motel, and amusement facilities</td>
</tr>
<tr>
<td>16</td>
<td>Shopping goods</td>
</tr>
<tr>
<td>17</td>
<td>Transportation trades and services</td>
</tr>
<tr>
<td>19</td>
<td>Commercial recreation, small sites</td>
</tr>
<tr>
<td>24</td>
<td>Home occupations</td>
</tr>
</tbody>
</table>

2/15/2018
### Unit 25
- Offices, studios, and related services

### Unit 26
- Multi-family dwellings

### Unit 34
- Liquor stores

### Unit 41
- Accessory dwellings

### Unit 44
- Cluster Housing Development

### Unit 45
- Small scale production

---

Note: Any combination of above uses is permitted upon any lot within this zone. Conditional uses shall need approval when combined with pre-approved uses.

(2) **Conditional Uses.**

<table>
<thead>
<tr>
<th>Unit 2</th>
<th>City-wide uses by conditional use permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit 3</td>
<td>Public protection and utility facilities</td>
</tr>
<tr>
<td>Unit 18</td>
<td>Gasoline service stations and drive-in/drive through restaurants</td>
</tr>
<tr>
<td>Unit 28</td>
<td>Center for collecting recyclable materials</td>
</tr>
<tr>
<td>Unit 29</td>
<td>Dance halls</td>
</tr>
<tr>
<td>Unit 35</td>
<td>Outdoor music establishments</td>
</tr>
<tr>
<td>Unit 36</td>
<td>Wireless communication facilities</td>
</tr>
<tr>
<td>Unit 40</td>
<td>Sidewalk Cafes</td>
</tr>
<tr>
<td>Unit 42</td>
<td>Clean technologies</td>
</tr>
</tbody>
</table>

about:blank

2/15/2018
(C) **Density.** None.

(D) **Bulk and Area Regulations.**

(1) **Lot Width Minimum.**

<table>
<thead>
<tr>
<th>Dwelling (all unit types)</th>
<th>18 feet</th>
</tr>
</thead>
</table>

(2) **Lot Area Minimum.** None.

(E) **Setback Regulations.**

<table>
<thead>
<tr>
<th>Front</th>
<th>A build-to zone that is located between the front property line and a line 25 feet from the front property line.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Side</td>
<td>None</td>
</tr>
<tr>
<td>Rear</td>
<td>5 feet</td>
</tr>
<tr>
<td>Rear, from center line of an alley</td>
<td>12 feet</td>
</tr>
</tbody>
</table>

(F) **Minimum Buildable Street Frontage.** 75% of lot width.

(G) **Building Height Regulations.**

<table>
<thead>
<tr>
<th>Building Height Maximum</th>
<th>5 stories/7 stories*</th>
</tr>
</thead>
</table>
* A building or a portion of a building that is located between 0 and 15 feet from the front property line or any master street plan right-of-way line shall have a maximum height of five (5) stories. A building or a portion of a building that is located greater than 15 feet from the master street plan right-of-way line shall have a maximum height of seven (7) stories.

(Ord. No. 5028, 6-19-07; Ord. No. 5029, 6-19-07; Ord. No. 5042, 8-07-07; Ord. No. 5195, 11-6-08; Ord. No. 5312, 4-20-10; Ord. No. 5339, 8-3-10; Ord. No. 5462, 12-6-11; Ord. No. 5592, 6-18-13; Ord. No. 5664, 2-18-14; Ord. No. 5735, 1-20-15; Ord. No. 5800, § 1(Exh. A), 10-6-15; Ord. No. 5921, §1, 11-1-16; Ord. No. 5945, §§ 5, 7—9, 1-17-17; Ord. No. 6015, §1(Exh. A), 11-21-17)
Mark E. Risk, GAA

POSITION
University of Arkansas – Adjunct Instructor – Real Estate

PRESIDENT
TREC, INC. dba The Real Estate Consultants
118 N East Ave. / P. O. Box 747
Fayetteville, Ar. 72702
(479) 442-0762

STATE CERTIFIED
State of Arkansas – #CG-0202

GENERAL APPRAISER
State of Arkansas- Principal Broker #00005933

LICENSED REAL ESTATE BROKER

EDUCATION
University of Arkansas, MBA 1979
University of Arkansas, BSBA 1977
Major: Real Estate and Finance
American Institute of Appraisers
Real Estate Appraisal Principles
Basic Valuation Procedures
Standards of Professional Practice
Capitalization Theory and Techniques (U of A)
Marshall & Swift Building Cost Seminar
Easement Valuation -- International Right of Way Assoc.
GRI Course 306 -- Arkansas Realtors Association
NAIFA Courses -- Standards of Professional Practice
-- Reviewing the URAR Form
-- The New URAR Report -- NAIFA, Springdale, Ar.

Sales Comparison Approach -- Arkansas Realtors Assoc.
Environmental Site Assessment -- Lincoln Graduate Center
HUD/FHA Appraiser Training Seminar -- Little Rock HUD Office
ASB Information Meeting (revisions to USPAP) -- Dallas, TX
National Association of Realtors USPAP Update Course
Instructors’ Training Institute (ITI) -- San Antonio, TX
Timberland Appraisal – Fayetteville, AR
Evaluating Residential Construction-Springdale, Ar.
Federal Regulation of Real Estate Appraisal-Springdale, Ar.
Recerts, Updates and You-Bentonville, Ar.
USPAP 2006 Update-Springdale, Ar.

PROFESSIONAL MEMBERSHIPS
National Association of Realtors (NAR) -- Appraisal Section
Arkansas Realtor’s Association
Metro Area Board of Realtors

PROFESSIONAL DESIGNATIONS
General Accredited Appraiser (GAA) - National Association of Realtors
STATE BOARDS


BOARD OF DIRECTORS

Served on Board of Directors of the UARK Federal Credit Union

NATIONAL COMMITTEES

National Association of Realtors Appraisal Section
Subcommittee 1995-1998
Chair - 1998
Appraisal Forum 1995
Appraisal Committee 1997-98; 2000-2006

EXPERIENCE

Real Estate Consultants 1981-present
Actively appraising real estate in Northwest Arkansas since 1979.
Associated with Tom Reed (Reed & Associates), 1981 to 1985.

TEACHING

Real Estate Instructor at the University of Arkansas (1981 to date)
Courses taught include: Real Estate Principles, Investments & Appraisal, and Finance
Continuing Education Seminars: Basic Steps to Residential Appraisal, Environmental Concerns, Property Management

PUBLICATIONS

Picked up for reprint by the International Association of Assessors

CLIENTS SERVED

*LENDING INSTITUTIONS

66 Federal Credit Union
American Airlines Credit Union
Arkansas National Bank
Arvest Bank
UARK Federal Credit Union
Bank of Arkansas
Bank of Salem
Bank of Eureka Springs
Bank of Oklahoma
Chambers Bank
First Security Bank of NW Arkansas
Community First Bank
First State Bank
Great Southern Bank
First Federal Bank
First Financial Bank
*LENDING INSTITUTIONS (Cont’d.)

Metropolitan National Bank
Simmons First Bank
Signature Bank
Liberty Bank of Arkansas
Legacy National Bank
Bank of Fayetteville
Regions Bank-Dallas
Telco Credit Union
Bank of America
First National Bank of St. Louis
Bank of Jackson Hole

*MORTGAGE COMPANIES

Ameriquest Mortgage
Arvest Mortgage Company
Broyles Mortgage Company
Federal National Mortgage Association (FANNIE MAE)
James River Mortgage Company
Lomas & Nettleton
Norwest Mortgage
PHH Home Mortgage
Pulaski Mortgage Company
Southern Mortgage
U.S. Mortgage
Lending Tree
Ditech.com

DEVELOPERS

Dream Structures
Copher Quality Homes
Larry Carter Development Corporation
Castle Development
East Avenue Development, LLC
Dr. J. B. Hays
Houses, Inc.
C & K Construction
Riggins Construction

RELOCATION COMPANIES

Corporate Relocation
Sirva Relocation
Cendant Mobility
Coldwell Banker Relocation
Commonwealth Relocation Services
Equitable Relocation Mgmt. Corporation
Executive Relocation
Forward Mobility
Home Equity Corporation
Prudential Relocation Management
Re/Max Relocation
Relocation Funding Corporation
Relocation Resources
Weichert Relocation
MISCELLANEOUS

Anheuser Busch
Ball Corporation
Bell International
Busch Skid Company
Cargill Corporation
Cannon Express
Cummulus Broadcasting
Central United Methodist Church
City Of Eureka Springs
City Of Fayetteville
City Of Springdale
City Of Rogers
City Of Johnson
City Of Bentonville
Arkansas Department of Parks & Recreation
Arkansas State Highway & Transportation Department
Nature Conservancy
SWEPCO
Bentonville Airport Commission
Colgate Palmolive
CTS Corporation
Deere Credit Services
Federal Deposit Insurance Corp. (FDIC)
Fulbright Enterprises
Gates Rubber Company
General Motors
Gerald Carr (Retired Astronaut)
Kraft, Inc.
Love Box Company
MGIC
Michelin Tire Company
Ozarks Electric Cooperative
Phizer, Inc.
Procter & Gamble
Record Data, Inc.
Resolution Trust Corporation
Roadway Express
Salvation Army
Sioux Transportation
Tyson Foods, Inc.
Many Other Attorneys, Doctors, And Individuals

COURT

Benton County Circuit Court
Carroll County Circuit Court
U.S. Federal Bankruptcy Court
Washington County Circuit Court
Crawford County Circuit Court

TESTIMONY

Northwest Arkansas

AREA SERVED

Washington, Benton, Carroll & Madison Counties
August 20, 2020

City of Fayetteville  
113 W. Mountain Street  
Fayetteville, AR 72701

Mayor Jordan and City Council,

I received notice the city of Fayetteville plans to sell 0.039 acres of municipally owned land (tract A of parcel 765-01/45-001). This same land was put up for sale in 2018 by the city under silent bid. I won the bid with an amount higher than the $17,000 now proposed. However, at the time, the City Council changed their mind and decided to table the issue. Resulting in the land not being sold.

Today, once again, the land is up for sale and I am still interested in the property. I would like to purchase the property and would preserve all the mature trees on the property.

Knowing that I won the previous bid and I am willing to pay more than the $17,000 proposed, I feel I should have the right to make an offer on the property. The silent bid process seems to be the fairest option.

Prior to the bid process, I feel the City should first confirm they indeed want to sell the property. I do not believe the interested parties should be required to go through this process if the City is not actually interested in selling the property.

Respectfully Submitted,

Craig & Laura Underwood  
611 West Dickson Street  
Fayetteville, AR 72701