

Today... and ...



Dennis Siebenmorgen

Director of Buildings and Grounds

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Fort Smith, Arkansas 72902-1948
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dsiebenm@fortsmithschools.org

TO: Dr. Brubaker

FROM: Dennis Siebenmorgen

DATE: April 10, 2017

SUBJECT: Proposed Property Purchase

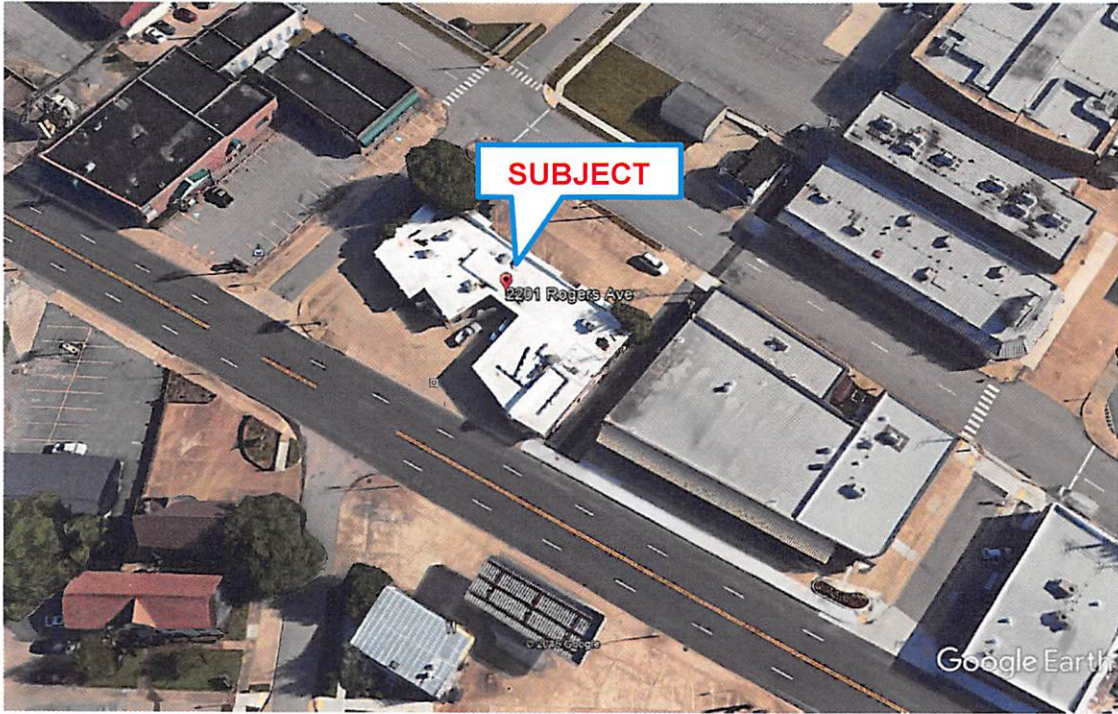
Property located at 2201 Rogers Ave. has been offered to us for purchase. This property is between Rogers Ave. and B Street and adjacent to the Northside High School campus. An attached map indicates the location.

This property, located due west of the B Street Annex, could someday be used for school expansion. In cases like this we have to make purchases in small increments as real estate comes available. The property in question has a structure on it. An attached map indicates the structure.

We secured an appraisal for the property. The appraisal was completed by Ken Colley and Associates and valued the property at \$260,000. We offered \$250,000 and our offer was accepted contingent upon approval by the School Board. A copy of the appraisal is enclosed.

If the board agrees, the motion would read: The properties committee recommends the purchase of the property located at 2201 Rogers Ave. for \$250,000.

AERIAL VIEW



Ken Colley & Associates, Inc

2409 S Waldron Rd, Fort Smith, AR 72903

Email - kencolleyinc@sbcglobal.net

Website - www.kencolleyinc.com

REAL ESTATE APPRAISAL REPORT FILE #8435

MULTI-UNIT OFFICE FACILITY

2201 ROGERS AVENUE
FORT SMITH, AR 72903

REQUESTED BY

DENNIS SIEBENMORGAN
2201 ROGERS AVENUE
FORT SMITH, AR 72903

INTENDED USER

DENNIS SIEBENMORGAN
2201 ROGERS AVENUE
FORT SMITH, AR 72903

INSPECTION/VALUE DATE

NOVEMBER 18, 2016

BY

KEN COLLEY – AR #CG0298

LISA K. DANIEL – AR #CR1214

Ken Colley & Associates, Inc.

Ken Colley, Owner
Real Estate Appraisers
Commercial & Residential

2409 S Waldron Rd
Fort Smith, AR 72903

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December 6, 2016

Dennis Siebenmorgan
Fort Smith Public Schools
3205 Jenny Lind Rd
Fort Smith, AR 72901

RE: Multi-Unit Office/Retail Facility
2201 Rogers Avenue
Fort Smith, AR 72901

Dear Mr. Siebenmorgan:

In accordance with your request, the above captioned property has been inspected for the purpose of estimating the market value of fee simple interest of surface land. This is an appraisal in accordance with USPAP guidelines. This appraisal is intended for the sole use of the client. No personal property or equipment has been included.

To the best of my knowledge, this report conforms to the current requirements prescribed by the Uniform Standards of Professional Appraisal Practice of the Appraisal Standards Board of the Appraisal Foundation (as required by the Financial Institutions Reform, Recovery and Enforcement Act "FIRREA").

An inspection of the subject property was made by Ken Colley & Lisa Daniel. A description of the subject property's site and improvements is included in the appraisal report. Data pertinent to the subject property was analyzed, selected data is included in the appraisal, and an opinion of value was determined. It is our opinion that the estimated market value for the subject property in "As Is" condition, as of November 18, 2016, is estimated to be:

\$260,000

The person(s) signing this report has the knowledge and experience to complete the assignment competently. The reader should review the limiting conditions and certification included in this report. Should you need further information or have any questions, please call.

Sincerely,



Ken Colley, IFA
AR #CG0298; OK #CG10860



Lisa K. Daniel
AR #CR1214

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FACTUAL OVERVIEW & PROPERTY DESCRIPTION – FILE #8435

INSPECTION/VALUE DATE: November 18, 2016

TYPE OF PROPERTY: Multi-unit Office Facility

PROPERTY ADDRESS: 2201 Rogers Ave
Fort Smith, AR 72903

LEGAL: Lots 4-6, Blk QQ, Fitzgerald Addition, City of Fort Smith, Sebastian County, AR
Legal description was taken from on-line tax records. A survey copy was not provided.

PARCEL: 12763-0005-00317-00 \$2,412.90 (2015)

ASSESSMENT: Land \$ 22,970
Improvements \$ 22,990
Total \$ 45,960
Assessment is 20% of Assessor's appraised value.
Millage rate is \$52.50 per thousand.

OWNERSHIP: The subject is in the name of Widmer Place, LLC since 03/01/2007. The subject is not currently listed for and there were no signs on the property at the time of inspection.

PURPOSE OF APPRAISAL: Estimation of Market Value

FUNCTION OF APPRAISAL: Potential Purchase

INTENDED USER: Client – Fort Smith Public Schools

CENSUS TRACT: 8.00; Tract Population – 4091
Tract Income Level – Moderate
2016 FFIEC Median Family Income - \$48,100
2016 Est. Tract Median Family Income - \$32,862

REGIONAL DATA: The Fort Smith MSA area includes a five county area – Sebastian, Crawford & Franklin Counties in Arkansas and LeFlore & Sequoyah Counties in Oklahoma. The Fort Smith MSA Area has a total population of 298,593.

CITY DATA: The City of Fort Smith was established as a military outpost in 1817 and incorporated 12/24/1842. According to the 2010 Census, Fort Smith has a population 86,209 which is a 7.4% increase of the 2000 population of 80,268. The 2013 Unemployment Rate was 7.5%. Government consists of a mayoral form with the Mayor and (7) City Directors all being elected positions.

NEIGHBORHOOD DESCRIPTION: The subject is located in the city limits of Fort Smith in the 2200 block of Rogers Avenue on the north side and is just southwest of Northside High School. The subject's neighborhood is of a mix of commercial, multi-family, and residential. This area has good access to area amenities. The neighborhood boundaries run north of Fresno Street, south of Kelly Hwy, east of the Arkansas River & west of Waldron Road.

SITE DESCRIPTION:

- Land Size - 142.0 x 148.5 x 14.0 x 125 = 19,145+/- sq.ft.
- Topography - Rectangular, level, corner lot
- Frontage - 142'+/- along Rogers Avenue
148.5'+/- along N 22nd St
140.0'+/- along N "B" St
- Alley Way - Yes
- Land Use - C-2, Commercial Light
- Utilities - (Public) Elec., Gas, Water, Sewer
- Easements - Typical utility easements assumed
- Food Map # - #05131C0020E; A copy of the flood map is included in this appraisal.
- Flood Zone - Zone X (Not in flood zone)
- Map Date - 05/20/2010
- Parking - Concrete paving

ENVIRONMENTAL HAZARDS: No adverse environmental conditions were noted. However, this appraiser is not an environmental expert. Only a qualified environmentalist could accurately determine by an environmental study if there are any adverse environmental conditions on the site on in the immediate area.

BUILDING DESCRIPTION:

- Bldg Type - Multi-unit Office/Retal Facility
- Gross Area - 7,130+/- sq.ft.
- Foundation - Concrete Slab
- Exterior - Brick
- Roof - Built-up
- Guttering - Metal
- Sidewalls - 16'+/-
- Stories - 1.0
- Porches - 1,016+/- sq.ft.
- Condition - Average
- Quality - Average/Low
- Age - Actual 1970~; Effective 20 years
- Windows - Insulated glass in metal frames
- Fire Sprinkler- No
- Heat/Air - HVAC per unit, roof mounted
- Ceiling - Lay-in acoustic tiles
- Walls - Brick, Gypsum board-painted
- Flooring - Carpet, Vinyl Tile, Laminate, Sheet vinyl

Suite A - 984+/- sq.ft. – (interior not inspected)
Suite B - 553+/- sq.ft. – (Hair Salon) Open
Area, (1) Rest Room
Suite C - 2,259+/- sq. ft. – (interior not inspected)
Suite D - 712+/- sq.ft. – (interior not inspected)
Suite E - 1,084+/- sq.ft. – (interior not inspected)
Suite F - 1,539+/- sq.ft. – (interior not inspected)

MARKETING TIME: 3-12 months

EXPOSURE TIME: 3-12 months

RIGHTS APPRAISED: Fee Simple of surface land

HIGHEST & BEST USE: Multi-unit Office/Retail Facility

VALUE BY EACH APPROACH:

COST: N/A COMPARISON: \$285,000 INCOME: \$237,000

FINAL ESTIMATE OF VALUE:

LAND: \$172,000 IMPROVEMENTS: \$88,000

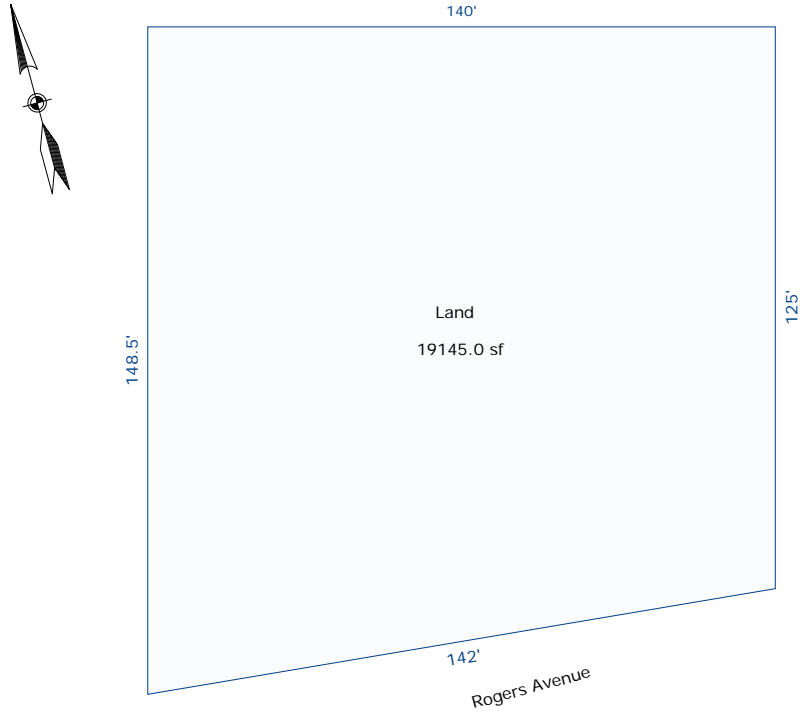
INDICATED MARKET VALUE

\$260,000

AERIAL VIEW



LAND SKETCH



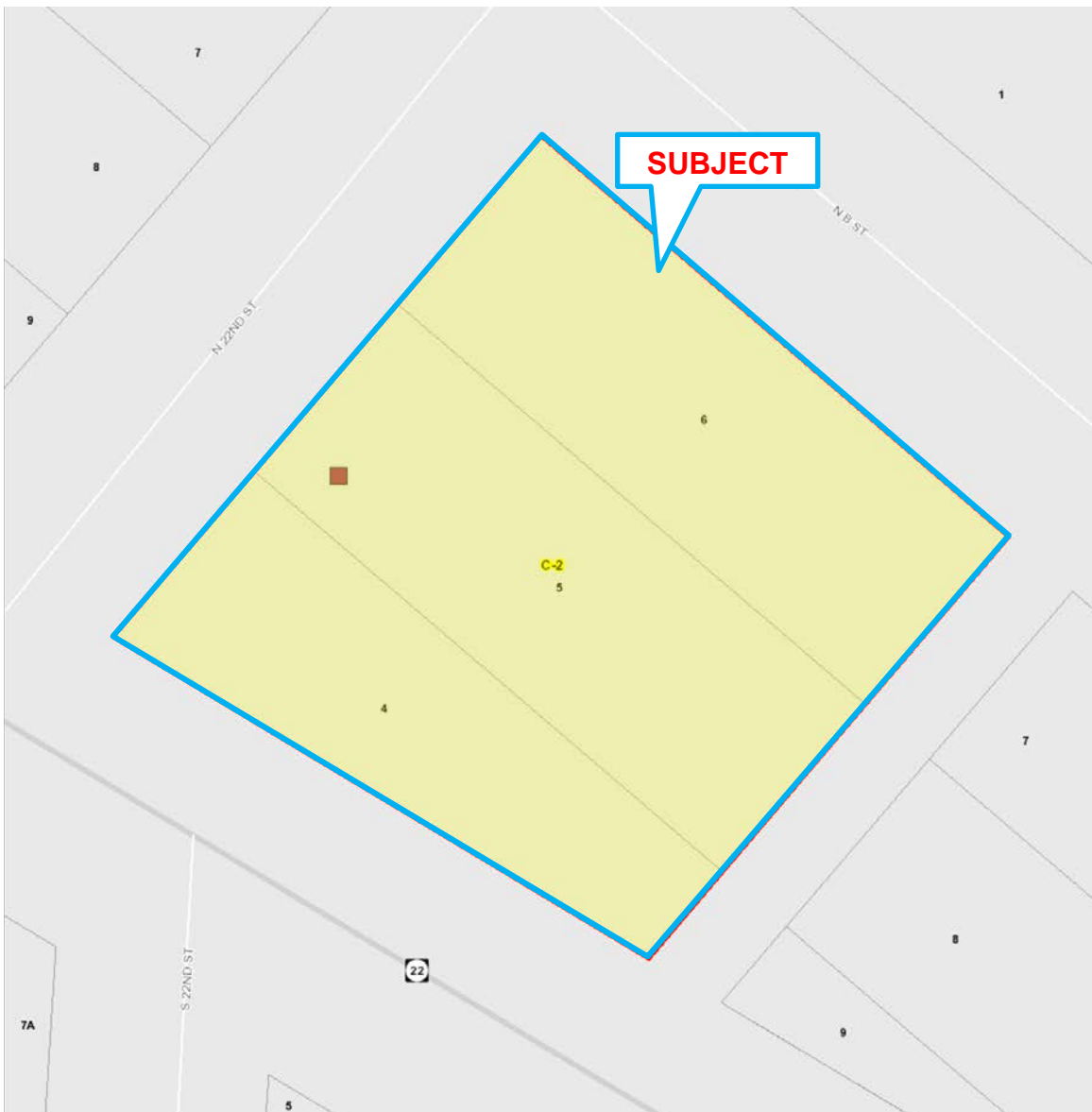
Sketch by Apex Sketch v6 Standard™

Comments:

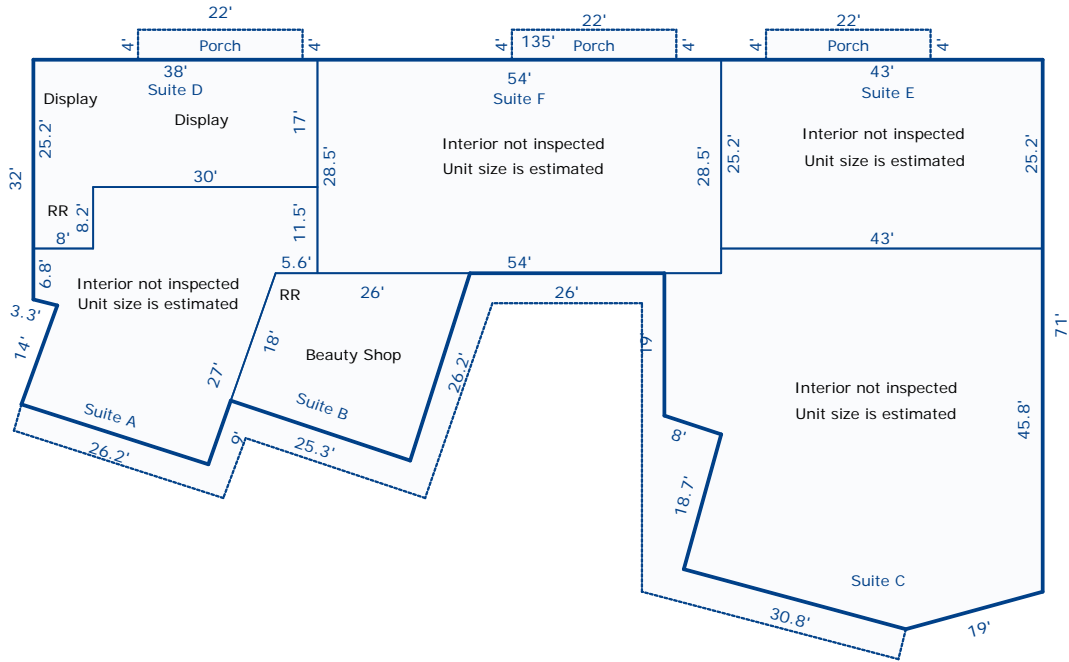
AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
LAND	Land	19145.00	19145.00

AREA BREAKDOWN	
Breakdown	Subtotals

ZONING MAP



IMPROVEMENT SKETCH



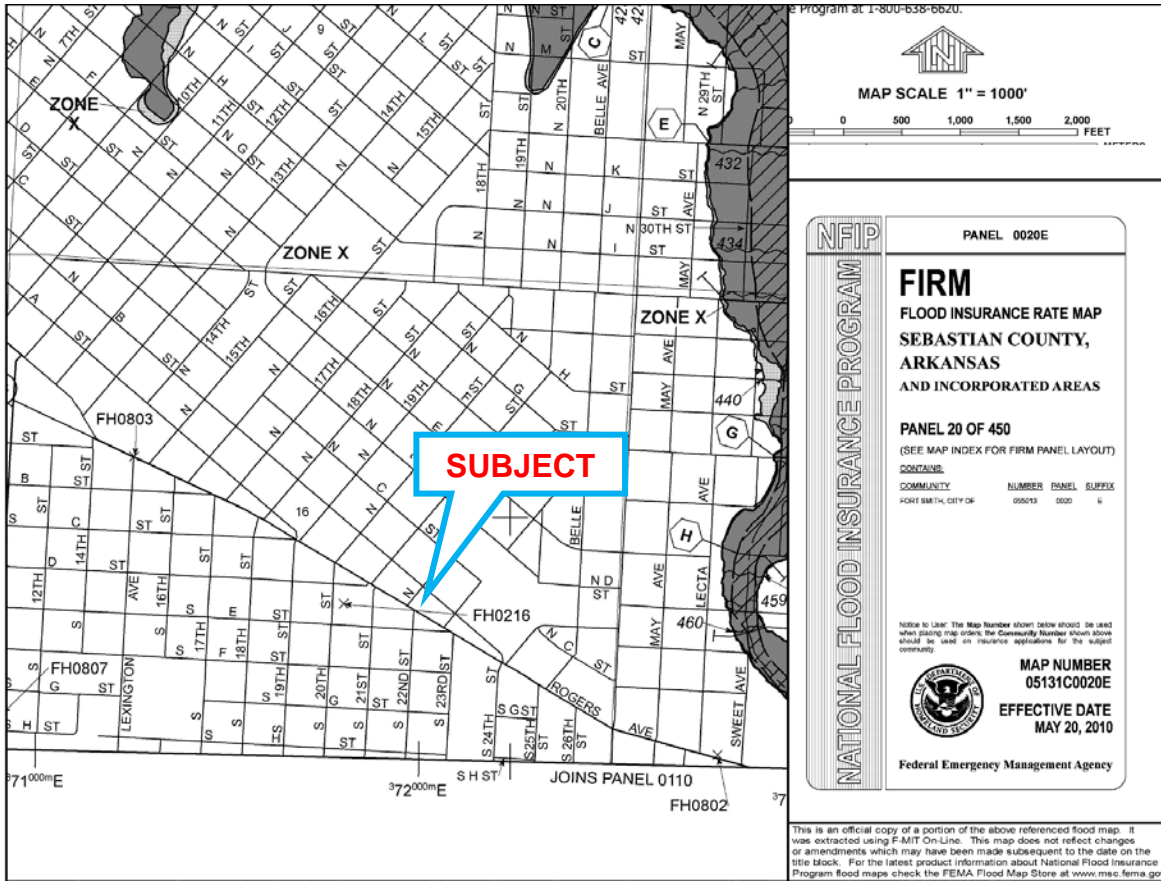
Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GBA1	First Floor	7129.76	7129.76
P/P	Porch	792.75	
	Porch	88.00	
	Porch	88.00	
	Porch	88.00	
	Porch	88.00	1056.75
OTH	Suite D	711.60	
	Suite B	553.00	
	Suite E	1083.60	
	Suite F	1539.00	
	Suite C	2258.75	
	Suite A	983.81	7129.76
Net BUILDING Area		(rounded)	7130

BUILDING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
0.5 x	0.8 x	3.2	1.28
	3.5 x	57.3	200.48
0.5 x	2.6 x	8.0	10.24
0.5 x	0.2 x	0.5	0.04
0.5 x	4.1 x	12.7	25.81
0.5 x	0.3 x	0.8	0.10
	53.8 x	0.8	43.06
0.5 x	18.3 x	5.0	45.75
	3.0 x	36.9	110.59
	20.5 x	43.0	881.50
	19.0 x	50.6	961.40
	28.5 x	135.0	3847.50
0.5 x	1.1 x	3.5	1.96
0.5 x	8.0 x	24.0	96.00
0.5 x	2.8 x	8.0	11.29
	27.6 x	0.5	13.82
	49.8 x	12.7	631.95
0.5 x	5.0 x	18.6	46.41
0.5 x	3.0 x	11.1	16.71
0.5 x	5.0 x	18.0	45.00
0.5 x	2.5 x	7.6	9.50
0.5 x	8.0 x	25.0	100.00
0.5 x	0.2 x	0.5	0.05
0.5 x	4.6 x	12.7	29.33
24 Items		(rounded)	7130

FLOOD MAP



SUBJECT PHOTOS



2201 Rogers Ave
Fort Smith, AR

FRONT VIEW



REAR VIEW



REAR VIEW #2



**2201 Rogers Ave
Fort Smith, AR**

**STREET SCENE
ROGERS AVE
LOOKING WEST**



**STREET SCENE
N "B" STREET
LOOKING EAST**



**STREET SCENE
N 22ND STREET
LOOKING SOUTH**



**2201 Rogers Ave
Fort Smith, AR**

SIDE VIEW



**SUITE B
INTERIOR VIEW**



**SUITE D
DISPLAY AREA**



**2201 Rogers Ave
Fort Smith, AR**

**SUITE D
REST ROM**

HIGHEST AND BEST USE

One of the most important considerations in appraising is considering the Highest and Best Use. Real estate is appraised in terms of its highest and best use, which may or may not be its present use.

HIGHEST AND BEST USE IS DEFINED AS FOLLOWS:

The legal use of the land at the time of the appraisal will yield the highest net return in the reasonably foreseeable future.¹

The theory is based on the assumption that the owner, purchaser, or user of the property will put it to its highest and best use.

It is that use of the land, which may reasonably be expected to produce the greatest competitive net return to land over a given period of time. It is also that legal use, which will yield to the land the highest present value, sometimes called optimum use.

The following criteria must be considered in determining highest and best use.

1. Feasible Use – As Improved
This report supports the financial feasibility of the site as a Multi-unit Office Facility. The subject contains a gross building size of 7,028+/- square feet. The improvements are considered to contribute value to the site. The subject, as it is presently improved, is feasible.
2. Feasible Use – As If Vacant
The subject property is located in the city limits of Fort Smith. The neighborhood consists of offices, medical offices, dental offices, shopping center, library, city park, restaurants, bank branches, churches, residences, multi-family, etc. Based upon other properties in the area, the anticipated use for the subject property, as if vacant, is to be utilized for Medical Office, General Office or Retail facility.
3. Legal - zoning, building codes, environmental regulations
The subject property is located in the city limits of Fort Smith in the central portion. The subject is presently zoned C-4, Commercial Regional. The subject's existing use is a conforming use for the area. It is unlikely that the present zoning would change.
4. Appropriately supported in Marketplace-Demand
The subject is appropriately supported in the market place. The subject is located in the 3400 block of Rogers which is 1 block east of Old Greenwood Road. The subject has good exposure and good access to area amenities. The area supports the use of the subject as it is presently improved.
5. Physically Probable
The site is adequate for the existing use. There are no apparent detrimental characteristics that would hinder the subject as it is presently improved. The existing improvements are physically probable.
6. Reasonably Probable
The neighborhood data shows a mix of commercial, industrial and residential with good access. The existing improvements are reasonably probable.

Based upon this appraiser's analysis of the Highest and Best Use for the subject property, this appraiser has concluded that the Highest and Best Use for the subject property is:

(As Improved) – Multi-unit Office Facility
(As If Vacant) – Medical Office, General Office or Retail Facility

¹ Definition of Highest and Best Use is from "Principles of Residential Real Estate Appraising" by the National Association of Independent Fee Appraisers, page 29.

THE APPRAISAL PROCESS

The appraisal process may be applied to any specific property or property types, and should emulate the thinking of the most probable class of purchaser or investor. The appraisal profession recognizes three classic approaches in which indications of property value are developed. These three approaches are generally known as the Cost Approach, Sales Comparison Approach, and Income Approach.

Each of these approaches utilizes various principles of the market place, the most universal of which is the principle of substitution. This principle affirms that a prudent purchaser has three alternate courses of action available; specifically, to buy a vacant site and build a near identical or similar property without undue delay (Cost Approach), to acquire an equally desirable existing property offering comparable utility (Sales Comparison Approach), or to acquire a substitute income stream of comparable quality, quantity, and durability (Income Approach). In addition to the principles to consider such as supply and demand, opportunity, cost, balance, conformity, contribution, surplus productivity, and externalities. Anticipation and change in the marketplace further impact each of these principles.

After defining the specific appraisal problem market data is collected and analyzed as it may impact the subject property. This includes area and neighborhood analysis, site and application of the three approaches referred to above, and more fully described as follows.

THE COST APPROACH

The Cost Approach involves the estimation of the current replacement or reproduction cost of the improvements, from which all accrued depreciation is deducted to arrive at a current depreciated value for the improvements. An estimate of the land value as if vacant is added to the estimated depreciated value of the improvements, thereby indicating the value of the whole property. Generally, the land value is obtained through direct comparison of market sales. This approach is most reliable when the improvements are proposed or newly constructed and represent the highest and best use of the site. The Marshall and Swift Cost Manual was used in determining a cost per square foot, which appears to be in line with local building costs.

THE SALES COMPARISON APPROACH

The Sales Comparison Approach is market derived, in that recent transactions involving similar and competitive properties are compared. After analyzing the nature and condition of each sale, logical adjustments are made for dissimilar characteristics and a common denominator for comparison is found and applied to the subject property. For land value, this is usually a price per square foot or a price per acre and common denominator may be price per square foot of building area, price per unit, a gross income multiplier or an overall capitalization rate. These common denominators are appropriately applied to the subject property or the subject property's income characteristics to arrive at an overall value.

COMPARABLE LAND SALES & ADJUSTMENTS

	SUBJECT	COMP #1		COMP #2		COMP #3	
Address	2201 Rogers Fort Smith, AR	1700 Rogers Ave Fort Smith		424 N B St Fort Smith		4700 Towson Ave Fort Smith	
Source		Sebastian Co Tax Records 12763-0004-00226-00		Sebastian Co Tax Records 11317-0008-00018-00		Sebastian Co Tax Records 15254-0031-00002-00	
Sales Price			\$275,000		\$127,000		\$325,000
Unit Price			\$13.08/sf		\$8.99/sf		\$7.00/sf
Sale Date		10/4/2010		4/3/2014		7/10/2013	
Mkt Cond/Time	Nov-16	Oct-10	8%	Apr-14		Jul-13	2%
Location	Good	Good		Avg/Good	10%	Good	
Size	19,145 sf	21,025 sf		14,123 sf	-5%	46,450 sf	15%
Access	Good/3 streets	Good/corner		Good/corner		Good/corner	
Zoning/Use	C-2	C-6		C-6		C-5	
Flood Zone	No	No		No		None	
Total Adjustments			3%		5%		17%
Adjusted Value			\$13.47/sf		\$9.44/sf		\$8.19/sf
History/Transfer of Title		Canterbury 5/12/03 Amin no SP 1/22/98 Amin \$225,000		Riverfront Exploration LLC 11/12 Griffin Trust 3/9/99 R Yoes		West Holdings 4/4/12 C Gay 7/27/93 R Pharis	

The subject is located in an area that is virtually built up and land sales are very limited. Due to limited land sales in the subject's neighborhood, sales over 2 years and similar areas were considered. Land sales were researched through the Fort Smith MLS and the Sebastian County Assessor through www.arcountydata.com. None of the comparable land sales had sufficient information to develop a market

change rate. Additional sales were researched and a market change rate of 2% per year can be supported. This appraiser considers sales within a 2 year period do not warrant an adjustment for market change rate. A positive adjustment of 8% was applied to Land Sale #1. Land Sale #2 is just over 2 years, but no adjustment of was applied. Land Sale #3 is just over 3 years – a positive adjustment of 2% was applied.

The subject is located on a major thoroughfare having frontage on 3 streets and is considered to be good in location. Sales #1 and #3 are located along main thoroughfares and are considered to good in location – no adjustment was applied. Sale #2 is located on a collector street and is considered to be average to good in location – a positive adjustment of 10% was applied.

The subject has a land size of 19,145+/- square feet. Land Sale #1 is similar in size to the subject – no adjustment was applied. Land Sale #2 is smaller in size to the subject. Land Sale #3 is larger in size. Due to economies of scale based on an inverse relationship in size, a negative adjustment of 5% was applied to Land Sale #2 and a positive adjustment of 15% was applied to Land Sale #3.

The subject is a corner lot with frontage on 3 streets and is considered to have good access. All sales are corner lots and are considered to have good access – no adjustment was applied.

All sales were considered. Sales in order of their weighted value are #1, #2 and #3. The comparable land sales with their adjusted values range from \$8.19 to \$13.47 per square foot and the average is \$10.37 per square foot. In considering the above sales with their adjusted values, the subject is estimated to have a land value of \$9.00 per square foot.

LAND VALUE BY SALES COMPARISON APPROACH

19,145 SF X \$9.00/SF =	\$ 172,305
ROUNDED TO:	\$ 172,000

LAND SALES LOCATION MAP



COMPARABLE IMPROVED SALES

	SUBJECT	COMP #1		COMP #2		COMP #3	
Address	2201 Rogers Ave Fort Smith, AR	3901 N "O" St Fort Smith, AR		3610 Towson Ave Fort Smith, AR		917 N "A" St Fort Smith, AR	
Source		Sebastian Co Tax Records 17706-0005-00002-00		Fawcett Reatly ML #730322		Sagely & Edwards ML #687896	
Sales Price			\$500,000		\$600,000		\$215,000
Unit Price			\$22.75/sf		\$36.41/sf		\$49.06/sf
Sale Date		1/31/2014		3/31/2015		4/22/2016	
Mkt Cond/Time	Nov-16	Jan-14		2% Mar-15		Apr-16	
Location	Good	Avg/Good	10%	Good		Avg/Good	10%
Lot Size/Value	19,145 sf	35,145 sf		57,064 sf		4,800 sf	
Land to Bldg Ratio	2.69 : 1	1.74 : 1	5%	3.46 : 1		1.10 : 1	5%
Stories	1-story	1-story		1-story		2-story	
Exterior	Brick	Brick/Block		Conc Block		Brick	
Age	A1970/E20	A1960/E20		A1980~/E18		-4% A1940!/E18	-4%
Gross Bldg Area	7,130 sf	20,242 sf	20%	16,477 sf	15%	4,382 sf	-5%
Condition	Average	Average		Average		Average	
Quality	Average	Low	10%	Average		Average	
SW Height	12'+/-	10'+/-	2%	12'+/-		9'+/- per floor	3%
Porches/Canopies	1,057 sf	912 sf		1,332 sf		Small awnings	
Total Adjustments			49%		11%		9%
Adjusted Value			\$33.90/sf		\$40.42/sf		\$53.48/sf
Sales History		Y Buyn 1/97 Preecha \$315,000		W Leonard Griffin Prop - no 3 yr transfer		Cuzco & Roberts Enterprise BSW LLC - no 3yr transfer	

The subject is a 6-unit facility with a mix of office and retail space. Sales similar to the subject are limited. Therefore, similar area and one sale over 2 years were considered. This appraiser considers sales within a 2-year period do not warrant an adjustment for marketing time/conditions. The comparable sales did not have sufficient data to develop a market change rate. Additional sales were researched and a market change rate of 2% per annum can be supported. Sale #1 is almost 3 years old – a positive adjustment of 2% was applied. Sales #2 and #3 are less than years – no adjustment was applied.

The subject is located along Rogers Avenue near Northside High School and is considered to be good in location. Sales #1 and #3 are considered to be inferior in location – a positive adjustment of 10% was applied to each. Sale #2 is considered to be good in location – adjustment was applied.

The subject has a land size of 19,145+/- square feet with a land to building ratio of 2.69 to 1. Sales #1 and #3 have a lesser land to building ration – a positive adjustment of 5% was applied to each. Sale #2 is considered to have a similar land to building ratio – no adjustment was applied.

The subject appears to be maintained in a normal manner. This appraiser was only able to gain access to two of the units. This appraisal is based on the assumption that all units are similar condition to the two units inspected. The subject is estimated to have an effective age of 20 years. Age/Life Method was considered for adjustments on age using a total economic life of 50 years. Comp #1 is estimated to have an effective age of 20 years. Comp #2 is estimated to have an effective age of 18 years. Comp #3 is estimated to have an effective age of 18 years. The difference in age and adjustments applied to each sale is as follows: Comp #1 EA0/EL 50 = 0%; Comp #2 EA2/EL50 = -04%; Comp #3 EA2/EL50 = -04%.

The subject has a gross building area of 7,130+/- square feet. Sales #1 and #2 are larger in size. Sale #3 is smaller in size. Due to economies of scale based on an inverse relationship in size, a positive adjustment of 20% was applied to Sale #1, a positive adjustment of 15% was applied to Sale #2, and a negative adjustment of 5% was applied.

This subject is a mix of office space and retail office space and is considered to be average condition. All sales are considered to be similar in condition – no adjustment was applied.

The subject's quality of construction is considered to be average. Sale #1 is considered to be low quality of construction – a positive adjustment of 10% was applied. Sales #2 and #3 are considered to have similar quality – no adjustment was applied.

The subject has a sidewall height of 12+/- feet – a positive adjustment of 1% per foot was applied to Sale #1 and Sale #3

All sales were considered in the final estimate value. Comparable sales in order of their weighted value are #2, #3, and #1. The adjusted values for the comparable sales range from \$33.90 to \$53.48 per square foot. In considering the above sales, the subject is estimated to have a market value \$40.00 per square foot.

VALUE BY SALES COMPARISON APPROACH

7,130 SF X \$40.00/SF =	\$ 285,200
ROUNDED TO:	\$ 285,000

COMPARABLE SALES PHOTOS



**COMP #1
3901 N "O" St
Fort Smith, AR**

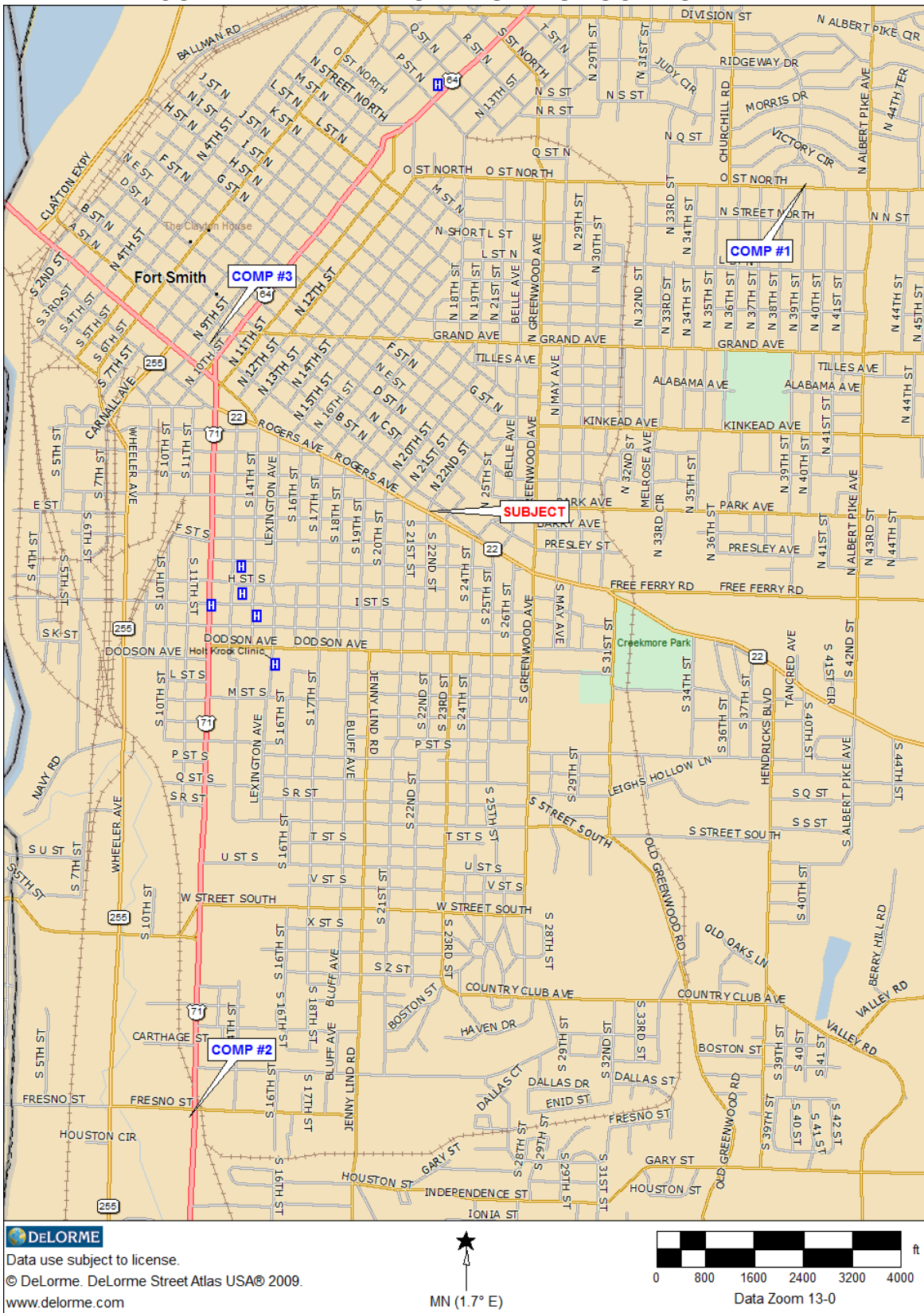



**COMP #2
3610 Towson Ave
Fort Smith, AR**



**COMP #3
917 N "A" St
Fort Smit, AR**

COMPARABLE IMPROVED SALES LOCATION MAP






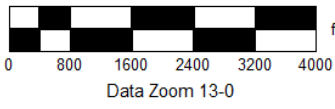
 Data use subject to license.

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www.delorme.com



 MN (1.7° E)



THE INCOME APPROACH

The Income Approach evaluates the income-producing capabilities of the subject property and applies any of a number of techniques to indicate an overall property value based upon the expectation of benefits to be derived through ownership. Although there are various valuation techniques, it is generally believed that the most appropriate valuation technique is the one which best emulates the marketplace and investor logic at the time of the appraisal.

SUBJECT'S RENT

	ADDRESS	LEASE SPACE	ANNUAL RENT	\$/SF	BLDG TYPE	LEASE TYPE	Lease Date Term
Subject	2201 Rogers Ave, FS	7,130 sf					
	Suite A	984 sf	Vacant		Off/Retail		
	Suite B	553 sf	\$5,520.00	\$9.98/sf	Beauty Shop	Unk	Unk; Unk
	2207 Rogers	2,259 sf	\$9,420	\$4.17/sf	Tattoo	Unk	Unk; Unk
	Suite D	712 sf	\$4,620	\$6.49/sf	Retail	Unk	Unk; Unk
	Suite E	1,084 sf	\$5,280	\$4.87/sf	Retail	Unk	Unk; Unk
	Suite F	1,539 sf	Vacant		Off/Retail		

RENT COMPARABLES

	ADDRESS	LEASE SPACE	ANNUAL RENT	RENT/SF	LEASE SPACE TYPE	LEASE TYPE	Lease Term Start Date
#1	9 N 9th St, Fort Smith	3,038 sf	\$30,000	\$9.87/sf	Office	Unknown	5yr; 6/13
#2	4600 Towson Ave Ste 19, FS	3,053 sf	\$21,000	\$6.89/sf	Office/Retail	Mod Gross	3yr; 8/2012
#3	924 Adelaide, Ft Smith	5,860 sf	\$26,400	\$4.51/sf	Office	Gross	Unk; 5/13
#4	708 Garrison Ave, Ft Smith	2,658 sf	\$13,800	\$5.19/sf	Retail	Unknown	Unk; Unk
#5	820 Garrison Ave, Ft Smith	2,392 sf	\$15,000	\$6.27/sf	Office	Unknown	Unk; Unk
#6	302-324 N Greenwood, FS	14,070 sf	\$110,400	\$7.58/sf	Office/Retail	Unknown	Unk; Unk

RENT COMPARABLE PHOTOS

	
<p>Rent Comp #1 – 9 N 9th St, Fort Smith</p>	<p>Rent Comp #2 – 4600 Towson Ave, FS</p>
	
<p>Rent Comp #3 – 924 Adelaide, Fort Smith</p>	<p>Rent Comp #4 – 708 Garrison Ave, Fort Smith</p>
	
<p>Rent Comp #5 – 820 Garrison Ave, Fort Smith</p>	<p>Rent Comp #6 – 300-324 N Greenwood, Fort Smith</p>

Detailed information on the particulars of the comparable leases is difficult to obtain or the owners do not want details released. Therefore, limited information is included in the Income Approach.

The subject is a multi-unit facility with a mix of office and retail space that is in average condition. The rent comparables range from \$4.51 to \$9.87 per square foot. The subject rents are in line with market rents and the actual rents will be used in the Operating Income Statement. Suites A & F were vacant at the time of inspection. Suite A faces Rogers Avenue and is estimate to rent for \$500 per month or \$6.10 per square foot. Suite F faces N “B” Street and is estimated to rent for \$600 per month or \$4.68 per square foot. The actual rents on the remaining units will be used in the Operating Income Statement.

Typical leases for strip centers vary from gross to triple net, ranging from 3 to 5 years or longer with options to renew. Copies of the subject’s leases were not provided and the types of leases are unknown. A gross lease is estimated for the subject property

No expense information was not provided and has been estimated based on similar type facilities. Typical vacancy rates vary from 0% to 10%. Two units were vacant at the time of inspection. A 15% Vacancy/Collection loss will be used for the subject property in the Income Analysis. A 5% Management/Accounting Fee and 3% Reserve is estimated for the subject.

It is typical for a 3-year history of income and expenses to be provided. Only monthly rents were provided. Due to very limited information being provided, this appraiser reserves the right to re-evaluate the Income Approach after a 3-year history of income and expenses is provided.

PRO FORMA OPERATING INCOME STATEMENT

POTENTIAL GROSS INCOME		
Suite A	\$500/MO X 12 MO =	\$ 6,000
Suite B	\$460/MO X 12 MO =	\$ 5,520
Suite D	\$385/MO X 12 MO =	\$ 4,620
Suite E	\$440/MO X 12 MO =	\$ 5,280
Suite F	\$600/MO X 12 MO =	\$ 7,200
2207 Rogers Ave	\$785/MO X 12 MO =	\$ 9,420
TOTAL ESTIMATED GROSS INCOME		\$ 38,040
VACANCY/COLLECTION LOSS (15%)		\$ (5,706)
EFFECTIVE GROSS INCOME		\$ 32,334
OPERATING EXPENSES		
Real Estate Taxes	\$2,400	
Property Insurance	\$1,800	
Management/Accounting	\$1,600	
Exterior Maintenance	\$350	
Interior Maintenance	Paid by Lessee	
Utilities	Paid by Lessee	
Reserves	\$1,000	
TOTAL OPERATING EXPENSES	\$7,150	\$ (7,150)
NET ANNUAL INCOME		\$ 25,184

DIRECT CAPITALIZATION

With Direct Capitalization, the indication of value of a property is based on a stabilized income amount of net operating income or equity dividend. The stabilized income is based on the past the past, the present and the anticipation for the future as they affect the anticipated income. The process of converting the income stream to a value conclusion is known as Capitalization. In order to arrive at an indicated value the Net Annual Income is divided by the Capitalization Rate.

$$\text{VALUE} = \text{INCOME} \div \text{RATE}$$

The capitalization rate can be developed through several methods. Some of these methods are the Market, Band of Investments, Mortgage-Equity, Equity-Dividend Rate, Residual Techniques, and Discounted Cash Flow.

The 3 steps of the Capitalization Process are as follows:

1. Estimate the Gross Annual Income, make an allowance for vacancy and credit loss to arrive at an Effective Gross Annual Income, and subtract the operating expenses to arrive at a Net Operating Income.
2. Select and develop an appropriate Capitalization Rate.
3. The Net Operating Income is divided by a Capitalization Rate to arrive at a value.

Insufficient income data was available on the comparable sales. Therefore, the overall rates extracted may not be accurate. The Band of Investment Method was considered in establishing an overall rate.

Band of Investment Method

In some situations where overall rates cannot be extracted, the band of investment should be considered as a method of estimate the overall yield rate. The band of investment method is based upon three factors in developing an investment return rate. The three factors are as follows:

1. Mortgage Interest Rate
2. Ratio of mortgage to value, expressed as a percentage
3. Demanded rate of yield on equity

Following is information from RealtyRates.com for permanent financing.

Category:	Retail
Interest Rate:	2.59% to 10.10%; Average 4.99%
Loan to Value Ratio:	50% to 90%; Average 71%
Amortization:	15 to 40 years; Average 25 years
Loan Term:	3 to 10 years; Average 6.20 years

The terms and conditions of the loan for the subject property were not provided. Based upon data from local lenders and investors and realtyrates.com, the following is utilized for the subject property:

Loan to Value Ratio:	75%
Commercial Loan Rate:	5%
Commercial Loan Term:	15 years
Required Investor Equity Yield:	14%

The Band of Investment calculations are as follows:

Financing Component	.75 (LTV) x 0.0949 =	0.0712
Equity Component	.25 (Equity) x .1400 =	0.0350
Capitalization Rate:		0.10.62
Or		10.62%

NET ANNUAL INCOME:	\$ 25,184
DIVIDED BY CAP RATE	10.62%
INDICATED VALUE	\$ 237,137
ROUNDED TO:	\$ 237,000

RECONCILIATION

The final step in the Appraisal Process is the reconciliation and correlation of the indications of value provided by the three approaches. The relative applicability to each of the three approaches is examined as well as the range of indicated values. Consideration is given to the purpose of the appraisal, the type of property appraised, and the adequacy and reliability of the data gathered with major emphasis generally accorded to the approach which appears to have produced the most reliable solution to the specific appraisal problem to arrive at a final estimate of value.

COST APPROACH:	N/A		
SALES COMPARISON APPROACH:	\$285,000	x 50% =	\$ 142,500
INCOME APPROACH:	\$237,000	x 50% =	\$ 118,500
TOTAL INDICATED VALUE:			\$ 261,000
ROUNDED TO:			\$ 260,000

The Sales Comparison and Income Approaches were considered, with the equal consideration given to each. It is our opinion that the subject property has an estimated market value in "As Is" condition, as of November 18, 2016, of:

\$260,000

SCOPE OF THE APPRAISAL

This appraiser was engaged by Fort Smith Public Schools, Dennis Siebenmorgan. The intended user is Fort Smith Public Schools. In preparing this appraisal, the Scope of Work included the following: The appraiser(s) inspected the subject property; the exterior of the improvements were measured; shot the interior and exterior photographs and street scene; included comparable photographs. Information was gathered from the subject's neighborhood and/or similar competitive neighborhoods; Data sources included the Fort Smith Multiple Listing Service, on-line public tax records, appraiser files, the Marshall and Swift Cost Manual and data available via internet including zoning and flood maps; The information gathered was analyzed and applied to the Sales Comparison and Income Approaches; Based upon an interior/exterior inspection of the subject property and the data gathered and used in the appraisal, this appraiser(s) developed an opinion of value, and produced a written narrative report.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to set forth the data and reasoning leading to the concluding estimate of "market value" for the subject property as of November 18, 2016. No fixtures, furniture or equipment have been included. These items are personal property. Only those items, which are considered to be built-in, have been considered.

FUNCTION OF APPRAISAL

The estimated market value was not based on a requested minimum or a specific value. The function of this appraisal is for a potential purchase.

HYPOTHETICAL CONDITIONS

1. None.

EXTRAORDINARY ASSUMPTIONS

1. No environmental conditions exist.
2. This appraiser was only able to gain access to two of the units. This appraisal is based on the assumption that all units are similar condition to the two units inspected.

DEFINITIONS

DEFINITION OF ESTATE APPRAISED

Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power and taxation.

PROPERTY RIGHTS BEING APPRAISED

The property rights appraised are fee simple title or complete ownership with all the bundle of rights as if unencumbered as a whole. These rights include:

1. The right to sell
2. The right to lease or rent
3. The right to use or occupy
4. The right to give away
5. The right to enter or leave
6. The right to refuse any of these rights

FEE SIMPLE

“Fee Simple” is defined as an absolute fee; a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation; An inheritable estate. (Definition taken from Real Estate Appraisal Terminology sponsored jointly by The American Institute of Real Estate Appraisers and The Society of Real Estate Appraisers.)

TYPES OF OWNERSHIP

- Fee Simple – the most common type of value sought. It is the fair market value of the fee simple interest in a property unencumbered by any external factors such as existing leases. In short, fee simple is an estate of land.
- Leased Fee – is probably the second most common value opinion sought. It is the property owner’s interest in a property that is encumbered by existing long term leases which may be at, below, or above prevailing trends.
- Leasehold – is the lessee’s interest in a leased property.

In this case, the subject is considered to be fee simple interest of the surface land and improvements and is not considered to be Leased Fee or Leasehold interest.

DEFINITION OF INSPECTION

The term “Inspection”, as used in this report, is not the same level of inspection that is required for a “Professional Home/Property Inspection”. The appraiser does not fully inspect the electrical system, plumbing system, mechanical systems, foundation system, floor structure, or subfloor. The appraiser is not an expert in construction materials and the purpose of the appraisal is to make an economic evaluation of the subject property.

EXPOSURE TIME

The market value of the fee simple interest is being appraised. The hypothetical date of sale is the effective date reported in the appraisal. Based upon available commercial sales in Washington, Crawford and Sebastian counties in Arkansas and surrounding areas, marketing times were extracted from these sales. The subject is estimated to have a reasonable exposure time from 1 to 12 months.

Exposure time is defined as: the estimated length of time the property interest being appraised would have been on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive open market.

MARKETING TIME

Marketing time is defined as the time it takes an interest in real property to sell on the market subsequent to the date of an appraisal. Reasonable Marketing Time is an opinion of the amount of time it might take to sell a real property interest at the concluded market value level during the period immediately after the effective date of an appraisal.

Marketing time differs from exposure time. Marketing time is the period immediately after the effective date of an appraisal. Exposure time is always presumed to precede the effective date of an appraisal. The subject is estimated to have a reasonable marketing time of 3-12 months.

DEFINITION OF MARKET VALUE

²Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit, in this definition, is the consummation of a sale at a specified date and the passing of title from seller to the buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and acting in what they consider their own best interests.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
5. The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

² Definition of Market Value was taken from Uniform Standards of Professional Appraisal Practice Advisory Opinion 30, Page A-105.

DEPRECIATION

Depreciation is a loss in value for any reason. Depreciation does not apply to the land, as land does not deteriorate, it exists in perpetuity.

There are three kinds of depreciation, which are classified as follows:

PHYSICAL DETERIORATION

Incurable: All those items considered to be "long-lived" such as studs, foundation, rafters, brick, etc.

Curable: Those items considered to be "short-lived" such as roof, fascia, gable ends, windows, doors, screens, etc.

FUNCTIONAL OBSOLESCENCE

Incurable: Poor floor plan, oversized furnace, design fault, improper location of building on site, etc.

Curable: Lack of bath, cabinets, carpet, central air, insufficient closet space, modernization, etc.

Note: Functional obsolescence is always within the property boundaries.

EXTERNAL OBSOLESCENCE

Incurable: Physical and Economic offsite detrimental influences. External Obsolescence could be divided into two types:

1. Economic – High interest rates, major employer shutdown, deflation, etc.
2. Locational – Railroad close to site, heavy traffic, airport noise, etc.

Note: Economic Obsolescence is incurable and is always outside the property boundaries.

DEFINITION OF CURABLE AND INCURABLE

Curable: An item that can be repaired, replaced or removed at a cost less than or equal to the increase in market value after the work is completed.

Incurable: An item that may be physically possible to make such corrections but may not be economically feasible.

STATEMENT OF LIMITING CONDITIONS

Contingent and Limiting Conditions: The certifications of the Appraiser(s) appearing in this appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser(s) on the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. The sketch in this report is included to assist the reader in visualizing the property, and the Appraiser assumes no responsibility for its accuracy. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in Court, because of having made the appraisal, with reference to the property in question, unless arrangements have been previously made therefore.
4. The distribution of the total valuation in this report between land and improvements applies only under existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisals and are invalid if so used.
5. This Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions or for engineering, which might be required to discover such facts.
6. Information, estimate, and opinions furnished to the Appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the Appraiser can be assumed by the Appraiser.
7. Disclosures by the Appraiser of the contents of this appraisal report are subject to review in accordance with the by-laws and regulations of the professional appraisal organizations with which the Appraiser is affiliated. The above conforms to the ethics of the National Association of Independent Fee Appraisers.
8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by the same, the mortgagee or its successors and assigns, mortgage insurers, consultants, financial institution, any department, agency, or instrumentality of the United States or any state of the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.

APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I (we) have made a personal inspection of the property that is the subject of this report. No other person(s) provided significant real property appraisal assistance to the persons signing this certification.
- I have not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.




KEN C. COLLEY, IFA
 AR #CG0298, OK #CG10860
 EXPIRATION June 30, 2017; March 31, 2017
 DATE SIGNED December 6, 2016
 Did Inspect Subject Property
 Interior & Exterior
 Did not Inspect Subject Property




LISA K. DANIEL
 AR #CR1214
 EXPIRATION June 30, 2017
 DATE SIGNED December 6, 2016
 Did Inspect Subject Property
 Interior & Exterior Only
 Did Not Inspect Subject Property

QUALIFICATIONS OF APPRAISER - KEN COLLEY

APPRAISING/EMPLOYMENT HISTORY

- Basin Appraisal Co. – 1971 to 1973
- Ken Colley & Associates – 1974 to present

APPRAISING EDUCATION

AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS:

1. Course 1-A University of Nebraska, 1972
2. Course VIII University of San Francisco, 1978
3. Supporting Sales Comparison Grid Adjustments of Residential Properties, April 1999
4. The Appraisal of Local Retail Properties, April 1999

APPRAISAL INSTITUTE

5. Appraising Manufactured Housing, October 2003
6. USPAP Update, April 2008
7. USPAP Update, February 2012
8. General Appraiser Income Approach Part 1, June 2012

ARKANSAS APPRAISER LICENSING & CERTIFICATION BOARD

9. 4th Annual Continuing Education Seminar, April 1997
10. 5th Annual Continuing Education Seminar, April 1998
11. 6th Annual Continuing Education Seminar, April 1999
12. 8th Annual Continuing Education Seminar, April 2001
13. 9th Annual Continuing Education Seminar, April 2002
14. 10th Annual Continuing Education Seminar, April 2003
15. 11th Annual Continuing Education Seminar, April 2004
16. 12th Annual Continuing Education Seminar, April 2005
17. 14th Annual Continuing Education Seminar, April 2007
18. 15th Annual Continuing Education Seminar, April 2008
19. Appraisal Guidelines, Regulations & Laws, January 2011
20. Ten Deadly Mistakes Appraisers Make, April 2014

ARKANSAS BANKERS ASSOCIATION

21. Appraising for FHA, February 2004
22. Underwriting the Appraisal, February 2004
23. Appraising for FHA, May 2006
24. Appraising for FHA, May 2007
25. Appraising for FHA, May 2008

CCIM INSTITUTE

26. Financial Analysis for Commercial Investment Real Estate, February 2015

INTERNATIONAL RIGHT OF WAY ASSOCIATION

27. Course 403 – Easement Valuation, May 1989
28. Course 802 – Legal Aspects of Easements, May 1989

McKISSOCK DATA SYSTEMS

29. Uniform Standards of Professional Appraisal Practice, May 2000
30. FHA Appraising Today, January 2005
31. USPAP Update, June 2010
32. 2-4 Family Finances, June 2014
33. USPAP Update 2016-2017, May 2016

NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS:

34. Residential Real Estate Appraisal Course, 1979
35. Mobile Home Appraising, 1981
36. Capitalization, 1981
37. Farm and Ranch, 1984
38. Condemnation Seminar, 1985
39. New URAR Form Seminar, 1987
40. ERC Relocation Form, 1988
41. Professional Standards, 1988
42. Video in Appraising, 1988
43. Subdivision Appraising, 1989
44. Airport Noise Mitigation, September 1989
45. Environmental Hazards, September 1989
46. FNMA Small Residential Income Properties, 1989

47. Professional Standards of Practice, January 1991
 48. 1.1 Principles of Residential Real Estate Appraising, March 1991
 49. 1.2 Market Data Analysis, June 1991
 50. 2.0 Financial Analysis of Income Properties, September 1993
 51. Uniform Standards of Professional Appraisal Practice, May 1996
 52. 2.1 Techniques of Income Property Appraising, July 1996
 53. 2.2 Techniques of Income Property Appraising, September 1996
 54. 4.9 HUD Review Requirements, June 1999
 55. 4.7 Basic Residential HUD Appraisal Requirements, June 1999
 56. Uniform Standards of Professional Appraisal Practice, May 2001
 57. Uniform Standards of Professional Appraisal Practice, June 2003
- RCI Career Enhancements
58. USPAP Update, April 2006
 59. Statistics, Modeling & Finance, May 2010
- SOCIETY OF REAL ESTATE APPRAISERS AND DEPARTMENT OF FHA
60. FHLMC Single Family Report Writing, 1987
- THE COLUMBIA INSTITUTE
61. Practice of Appraisal Review-FHA Protocol, No. 145, June 2011
 62. Report Writing – The UAD, August 2011
 63. USPAP Update, March 2014

RELOCATION COMPANIES

Cartus Corporation	Halliburton Real Estate Serv.	LSI Relocation Solutions	WHR Group
Dwellworks	Lexicon	Prudential Relocation	Weichert Relocation Co.

APPRAISER EXPERIENCE - Fee Appraiser for:

Allied Bank	2002-Present	First Community Bank of CC	2000-Present
Arkansas Federal Credit Union	2000-Present	First Financial Bank	2004-Present
Arkansas Veterans Admin.	1979-1997	First National Bank of Roland	1985-Present
ARVEST Bank	1999-Present	First Western Bank	2002-Present
Bancorp South	2000-Present	SWBC	1994-Present
Bank of the Ozarks	1994-Present	(formerly Patriot National Mtg)	
Benefit Bank	1999-Present	Regions Bank	1998-Present
Centennial Bank (Liberty Bank)	2006-Present	Simmons First National Bank	1991-Present
Chambers Bank	2000-Present	U.S. Bank	2002-Present
Citizens Bank & Trust Co.	1986-Present	United Federal Credit Union	1998-Present
Farmers Bank of Greenwood	1991-Present	(formerly First Resource)	
FHA Arkansas	1985-Present	Various other mortgage companies & AMC's	
FHA Oklahoma	1984-1988		
FHA Oklahoma	1998-Present		

APPRAISER LICENSING & CERTIFICATION

- Arkansas State Certified – Certified General #0298
- Oklahoma State Certified – Certified General #10860

PROFESSIONAL MEMBERSHIPS

- National Association of Independent Fee Appraisers (NAIFA) – Member 1978 to Present; Designated member – National Association of Independent Fee Appraisers
- Associate Member of the Appraisal Institute – 1997 to Present
- American Association of Certified Appraisers – Designated Senior Member, 1990-1992

MEMBERSHIPS

- Rotary International, Fort Smith – 1990 to Present; President, 1998 term
- Rotary District Governor – 2013 term

COURT TESTIMONY

US District Court 1984-90
Arkansas Claims Commission 1990

TEACHING EXPERIENCE

Academy of Real Estate 1988-89

DEGREES

- John Brown University, Bachelor of Science Degree in Organizational Management, 5/1997
- Oklahoma Military Academy Junior College, Claremore, OK Associate in Science, 5/1969

QUALIFICATIONS OF APPRAISER - LISA K. DANIEL

APPRAISING EDUCATION

COURSE TITLE	DATE	COURSE PROVIDER
1.1 Principals of Real Estate Appraising	4/1993	Nat'l Assoc of Independent Fee Appraisers
1.2 Market Data Analysis of Residential Real Estate Appraising	8/1993	Nat'l Assoc of Independent Fee Appraisers
3.1 Principals of Farm, Ranch, and Rural Appraising	10/1993	Nat'l Assoc of Independent Fee Appraisers
2.0 Financial Analysis of Income Properties	12/1993	Nat'l Assoc of Independent Fee Appraisers
Uniform Standards of Professional Appraisal Practice (USPAP)	3/1994	Nat'l Assoc of Independent Fee Appraisers
USPAP Update	5/1996	Nat'l Assoc of Independent Fee Appraisers
1.3A Basic Construction Terminology	4/1997	Nat'l Assoc of Independent Fee Appraisers
5th Annual Continuing Education	4/1998	Arkansas Appr Lic & Cert. Board
The Residential Appraiser Productivity Series Training Class	4/1998	The Residential Appraiser
The Legal Journal	5/1998	The RE Institute for Career Advancement
5.2 Fair Lending Requirements	5/1999	Nat'l Assoc of Independent Fee Appraisers
USPAP Update	5/2000	McKissock
Appraising from Blueprints&Specifications	6/2000	The Appraisal Institute
Vacant Land Appraisal	5/2001	McKissock
R.E. Fraud & the Appraiser's Role	5/2001	McKissock
Income Capitalization	6/2002	McKissock
Factory-built Housing	6/2002	McKissock
USPAP Update	6/2003	Nat'l Assoc of Independent Fee Appraisers
Flip, Fraud & the FBI	6/2003	Nat'l Assoc of Independent Fee Appraisers
Defending, Documenting & Supporting Appraisal Reports	6/2003	Nat'l Assoc of Independent Fee Appraisers
Appraising for FHA	2/2004	Arkansas Bankers Association
Residential Construction	4/2004	McKissock
USPAP Update	4/2006	RCI Career Enhancements
On-line Small Hotel/Motel Evaluation	4/2006	The Appraisal Institute
Online Appraisal of Nursing Facilities	5/2006	The Appraisal Institute
Information Technology & the Appraiser	6/2006	McKissock
On-line Fair Housing	3/2008	McKissock
On-line The Dirty Dozen	3/2008	McKissock
On-line 2-4 Family Finesse	3/2008	McKissock
Online Appraising for the Secondary Mkt	4/2008	McKissock
National USPAP Update	5/2008	McKissock
Current Issues in Appraising	3/2010	McKissock
Fannie Mae Form 1004MC, HVCC &more	3/2010	McKissock
Private Appraisal Assignments	3/2010	McKissock
USPAP Update	5/2010	McKissock
USPAP Update	3/2012	The Appraisal Institute
Even Odder – More Oddball Appraisals	5/2012	McKissock
2-4 Family Finesse	6/2012	McKissock
Appraising & Analyzing Office Buildings	6/2012	McKissock
General Appraiser Income Approach Pt 1	6/2012	Appraisal Institute
USPAP Update	3/2014	The Columbia Institute
Intro to the Uniform Appraisal Dataset	4/2014	McKissock
Environmental Issues for Appraisers	5/2014	McKissock
2-4 Family Finesse	5/2014	McKissock
Appraising Self-Storage Facilities	6/2014	McKissock
Financial Analysis for Comm Inv RE	2/2015	CCIM Institute
USPAP Update 2016-2017	5/2016	McKissock

LICENSING & CERTIFICATION

Arkansas Certified Residential Appraiser, #CR1214 (Since May 1996)

EMPLOYMENT HISTORY

11/92 – Present Ken Colley & Associates, Assistant/Staff Appraiser
12/89-11/92 Secretary

PROFESSIONAL MEMBERSHIPS

National Assoc. of Independent Fee Appraisers (NAIFA) – Candidate Member 1/01/00-12/31/02,
ID # 26699

STATE CERTIFICATION – KEN COLLEY



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**

This is to certify that
Ken Colley

License #: CG 0298

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

This card is for identification purposes only.

6/30/2017

Expiration Date

Peter W. Prutzman

Chairman

STATE CERTIFICATION – LISA DANIEL



**ARKANSAS
APPRAISER LICENSING &
CERTIFICATION BOARD**

This is to certify that
Lisa Daniel

License #: CR 1214

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

This card is for identification purposes only.

6/30/2017

Expiration Date

Peter W. Pritzman

Chairman

APPRAISAL REQUEST

Ken Colley & Associates, Inc. APPRAISAL REQUEST FORM		
SUBJECT PROPERTY		
Date of Request: 11/01/16	Estimated Fee: \$1200	Due Date: 12/06/16
Intended Use: Potential Sale <input type="checkbox"/> Purchase <input checked="" type="checkbox"/> Estate <input type="checkbox"/> Divorce <input type="checkbox"/> Other <input type="checkbox"/>		
Property address: 2201 Rogers Ave		
City: Fort Smith	State: AR	ZIP Code: 72903
Parcel #: 12763-0005-00317-00		
Name on Tax Records: Widmer Place LLC		
Requested By: Dennis Siebenmorgan	Phone: 479-785-2501	
CLIENT INFORMATION		
Client Name: Fort Smith Public School		
Address: 3205 Jenny Lind Rd		
City: Fort Smith	State: AR	ZIP Code: 72901
Phone: 479-785-2501	Other:	
Email:		
INTENDED USER		
Name: Fort Smith Public School		
Address: same as above		
City:	State:	ZIP Code:
Phone:	Other:	
Email:		
REPORT DELIVERY		
Electronic: Yes <input type="checkbox"/> No <input type="checkbox"/>	Email:	
Hard Copies: Yes <input type="checkbox"/> No <input type="checkbox"/>		
Number of hard copies:	Pick up or Mail	
Mail copies to:		
Name:		
Address:		
City:	State:	ZIP Code:
PAYMENT		
Form of payment: Check <input type="checkbox"/> Cash <input type="checkbox"/>		
Check being mailed:	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Pick up check at inspection:	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Upon completion:	Yes <input type="checkbox"/> No <input type="checkbox"/>	
** This request form is to confirm the agreed upon due date & fee. **		