APPRAISAL REPORT

ON

THE A & J REAL ESTATE HOLDINGS, LLC PROPERTY
(18.94± ACRES/824,971± SQUARE FEET);
LOCATED AT 630 S. KLENC ROAD,
TONTITOWN, ARKANSAS; WASHINGTON COUNTY.

FOR

CITY OF TONTITOWN
TONTITOWN, AR

BY

REED & ASSOCIATES, INC.
3739 N. STEELE BLVD., SUITE 322
SPRINGDALE, ARKANSAS 72703

FILE NO. 6931-1

AS OF

APRIL 15, 2026

Reed & Associates, Inc.

Real Estate Appraisers – Consultants

3739 N. Steele Blvd., Suite 322, Fayetteville, AR 72703 * 479-521-6313 * Fax: 479-521-6315 * www.reedappraisal.biz

Tom Reed, MAI • Katie Hampton • Shannon Mueller, MAI • E. P. Scruggs III • Rob Potts • Blake Hopper • Ann Julian

April 24, 2026

Mark Latham
Community Development Director
City of Tontitown
235 East Henri De Tonti Boulevard
Tontitown, AR 72762

RE: The A & J Real Estate Holdings, LLC Property (18.94± Acres/824,971± Square Feet); Located At 630 S. Klenc Road, Tontitown, Arkansas; Washington County.

Dear Mr. Latham:

In compliance with your request and for the purpose of estimating the market value of the above captioned property, I hereby certify that I have examined the subject property and made a survey of the matters pertinent to the estimation of its value.

I further certify that I have no interest, present or contemplated, in the property appraised, and that my fee was not contingent upon the value estimate reported.

The following real property appraisal report contains data gathered in my investigation, information from my files, and shows the method of appraisal in detail. This report is presented under the Appraisal Report Option.

This report addresses: the market value of the Whole Property prior to the City of Tontitown acquiring 76,351 square feet (SF), or 1.75± acres (ACS) in right-of-way acquisitions (ROW), 26,467± SF, or .61± AC in permanent utility easement (PUE), and 51,272± SF, or 1.18± ACS in temporary construction easement (TCE) as of April 15, 2026, and, the market value of the Remainder Property after the acquisition of 76,351± SF, or 1.75± ACS in ROW, 26,467± SF, or .61± AC in PUE, and 51,272± SF, or 1.18± ACS in TCE is in place, also as of April 15, 2026.

Based on an analysis of relevant data, and contingent on the Assumptions and Limiting Conditions which follow and appear in the Addenda Section of this report, it is my opinion the market value of the subject property, as of April 15, 2026, was as follows:

Whole Property	=	$2,062,400
Remainder Property	=	$1,853,800
Subtotal	=	$ 208,600
Plus: Temporary Construction Easement	=	$ 12,700
Damage To Market Value	=	$ 221,300

The preceding values reflect terms equivalent to cash to the owners and represent those for real property only.

The following Extraordinary Assumptions are utilized in this report:

1. **Subject land sizes, Whole Property and Remainder Property, is approximately as indicated;**
2. **The area of acquisitions are approximately as indicated;**
3. **The City of Tontitown will relocate and reattach the agricultural fencing along the new property line;**
4. **The City of Tontitown will connect the subject site to public sewer;**
5. **The City of Tontitown, at their expense, will put the land area and located within the permanent utility easement, and temporary construction easement areas back to as near original condition as possible;**
6. **Subject and adjacent properties are in compliance with all applicable EPA regulations.**

If any, or all, of these Extraordinary Assumptions prove to be untrue, one or both of the preceding value estimates could be influenced.

The reader is referred to additional Assumption and Limiting Conditions presented in the Addenda Section of this report.

A Hypothetical Condition of this appraisal is that the Fletcher Avenue Extension-West project is complete and in place as of the effective date of this report in estimating the market value of the Remainder Property. In reality, the Fletcher Avenue Extension-West project was not complete and in place as of April 15, 2026. If this Hypothetical Condition is not considered, the estimated market value of the Remainder Property could be influenced.

Sincerely,

Shannon Reed Mueller, MAI, R/W-AC, CG2302
REED & ASSOCIATES, INC.

ARKANSAS APPRAISER LICENSING & CERTIFICATION BOARD
STATE CERTIFIED GENERAL CG2302
SHANNON MUELLER