

STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
OFFICE OF ENVIRONMENTAL SERVICES

IN THE MATTER OF

JMB, L.L.C.

PROCEEDINGS UNDER THE LOUISIANA  
ENVIRONMENTAL QUALITY ACT,  
La. R.S. 30:2001, ET SEQ.

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SETTLEMENT TRACKING NO.  
SA-WR-10-0080

AGENCY INTEREST NO.  
96719

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**SETTLEMENT**

The following Settlement is hereby agreed to between JMB, L.L.C. (JMB) and the Louisiana Department of Environmental Quality (LDEQ) under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2050.7 and La. R.S. 30:2011 (D)(14).

**I. PURPOSE**

The LDEQ, in pursuit of its goal of preserving and protecting human health and the environment, hereby agrees to a settlement which will result in a release of its lien on two lots for the purpose of creating a buffer zone for ExxonMobil Global Services Company. The creation of a buffer zone will result in a safer environment for the local residents, and improve the aesthetics of the area by providing a green space that would expand the bird and wildflower habitat. The use of the property for a buffer zone/green space instead of for commercial development is a beneficial use of the property for the residents of the State of Louisiana.

**II. SITE HISTORY**

JMB owns the immovable property located at 3246 Scenic Hwy., Baton Rouge, Louisiana, East Baton Rouge Parish, specifically Lot 11, Square 69 and Lot 4, Square 69 of Istrouma Subdivision (the Site). In 1937 D.K Summer installed Water Well EB-116 (EB-116) at the Site for the purpose of providing water to Istrouma Cleaners, a Laundromat that operated until 1959.

**A. History of EB-116**

EB-116 was originally an artesian well with an estimated pressure of twenty-four pounds per square inch and a potentiometric water elevation of fifty five feet above ground surface. As

the potentiometric elevation was lowered from increased usage of the two thousand foot sand, a turbine pump with column pipe was installed inside of the six inch well casing. On April 2, 1959, the potentiometric head was measured at 118 feet below ground surface (bgs) and a turbine pump was documented with a four inch column pipe inside of the well. The potentiometric surface elevation on October 9, 1962 was 156 feet bgs and a turbine pump and four inch column pipe was observed in the well. On June 8, 1972, when the US Geological Services attempted to geophysically wireline log the well using gamma ray, an obstruction was noted at 85 feet bgs. In 1972, an employee reported that the pump column was cut from the turbine pump and dropped into the well. As of August of 2002, 1250 gallons of waste oil were removed from EB-116 along with various types of debris that were removed from the six inch well casing.

#### **B. Remediation of EB-116**

On August 9, 2002, the LDEQ sent JMB a demand letter requiring the plugging and abandonment of EB-116 and the collection of groundwater samples from the Site.<sup>1</sup> Pursuant to La. R.S. 30:2275, Mr. Peabody was ordered to undertake the necessary steps to properly abandon and plug EB-116, or to pay the cost of the abandonment if the process was undertaken by the LDEQ. Mr. Peabody funded several attempts to plug and abandon the well that were unsuccessful. Soon after, the Baton Rouge Brownfields Program (BRBP), administered by the City-Parish Planning Commission, adopted the Site as one of its targeted Brownfield sites for the purpose of assessment and remediation. The City-Parish Planning Commission submitted a letter to the LDEQ on October 11, 2002 requesting that the LDEQ's demand letter be deferred to allow them time to explore alternative funding sources and redevelopment options. The LDEQ agreed to the deferment.

Several attempts were made by the BRBP to abandon and plug EB-116; however, all attempts were unsuccessful. Therefore in 2004, the LDEQ took over the plug and abandonment project from BRBP and hired the consulting firm Layne Christansen Company to properly plug and abandon EB-116. In December 2005, a final report was submitted to the LDEQ indicating that EB-116 had been successfully plugged and abandoned.

#### **C. LDEQ's Lien on Lot 11 and Lot 4**

The LDEQ incurred \$444,498.04 in remedial cost for the Site. On August 8, 2006, pursuant to La. R.S. 30:2281, LDEQ filed a Notice of Lien for the recovery of remedial cost incurred in discharging its responsibility (Exhibit A). The notice of lien was filed against and

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<sup>1</sup> JMB's agent is Mr. Ben H. Peabody

affects the following immovable property described as follows:

*Lot Eleven(11), Square 69, Istrouma Subdivision, East Baton Rouge Parish, said lot fronting on Pocahontas Street and having such dimensions as shown on the official subdivision plat on file and of record in the office of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, said lot bearing the municipal address of 3241 Pocahontas Street, Baton Rouge, Louisiana, and Lot Four (4), Square 69, Istrouma Subdivision, East Baton Rouge Parish, said lot fronting on Scenic Highway and having such dimensions as shown on the official subdivision plat on file of record in the office of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana. (Lot 11 and Lot 4)*

Based on a 2007 mass appraisal, each lot was calculated to appraise for Thirteen Thousand Five Hundred and No/100 Dollars (\$13,500.00) (Exhibit B).

### III. SETTLEMENT TERMS

NOW, THEREFORE, the parties have agreed to settle the release of the LDEQ's lien on Lot 11 and Lot 4 on the terms set forth below:

A. JMB agrees to pay, and the LDEQ agrees to accept, a payment in the amount of THIRTY THOUSAND AND NO/100 DOLLARS (\$30,000.00) in settlement of the lien set forth in this agreement.

1. Payment is to be made within ten (10) days from notice of the Secretary's final signature of the settlement which will be provided to JMB by certified mail.
2. Payment is to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303.
3. The payment shall be accompanied by a completed Settlement Payment Form (Exhibit C).

B. JMB agrees to transfer ownership through an act of sale of Lot 11 and Lot 4 to ExxonMobil Global Services Company (Exxon) for the purpose of including the lots in Exxon's Green Space Buffer Project.

1. Transfer of ownership of Lot 11 and Lot 4 from JMB to Exxon must be completed within 180 days from notice of the Secretary's final signature which will be provided to JMB by certified mail.
2. The act of sale must stipulate that Lot 11 and Lot 4 shall only be used by Exxon for the purpose of a green space buffer. Failure to include this as a

condition for the act of sale shall make this agreement null and void as outline in Section IV.

3. Proof of the transfer of ownership must be submitted to LDEQ with five (5) business days from the date of closing.
4. If JMB is unable to transfer its property to Exxon within the 180 day period, JMB must submit a written letter formally requesting an extension of time to transfer the property to Exxon.
  - i. The LDEQ reserves the right to grant or deny the extension. An extension will only be granted if JMB can provide a purchase agreement demonstrating that a good faith purchase will occur.
  - ii. If granted, the extension shall be approved for a maximum of ninety (90) days. JMB will only be allowed three (3) extensions.
  - iii. If the extension is denied or JMB fails to request for an extension, the terms of Section IV of this settlement agreement will apply.

C. LDEQ agrees to file all necessary documentation in the mortgage records for East Baton Rouge Parish in order to release its lien of Lot 11 and Lot 4 upon JMB's completion of its obligations as outlined in Section III.A & Section III.B of this settlement agreement.

1. The release of LDEQ's lien shall be performed subsequent to JMB's transfer of ownership of Lot 11 and Lot 4 to Exxon.
2. Within five (5) business days of receipt of proof of transfer submitted by JMB or Exxon, LDEQ will submit an affidavit in the East Baton Rouge Parish mortgage records discharging its lien of Lot 11 and Lot 4. A copy of the affidavit will also be provided to JMB.

#### **IV. TERMINATION CLAUSE**

If JMB is unable to fulfill its obligations as outlined in Section III.A and Section III.B., this agreement shall be null and void. The LDEQ will submit a formal written letter terminating the settlement agreement. If a payment, as required by Section III.A., was made, the LDEQ will make a full monetary refund to JMB in the amount of \$30,000.

#### **V. PUBLIC NOTICE**

JMB has caused a public notice advertisement to be placed in the official journal of the

parish governing authority in East Baton Rouge, Louisiana. The advertisement, in form, wording, and size, approved by the LDEQ, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. JMB has submitted an original proof-of-publication affidavit and an original public notice to the LDEQ and, as of the date this Settlement is executed on behalf of the LDEQ, more than forty-five (45) days have elapsed since publication of the notices.

#### **VI. PARTIES BOUND**

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

JMB, L.L.C.

BY: *Ben Peabody Jr*  
(Signature)

BEN H. Peabody Jr.  
(Print)

TITLE: JMB-Chairman-

THUS DONE AND SIGNED in duplicate original before me this 29<sup>th</sup> day of November, 20 10, at Baton Rouge, LA.

*Katherine M. Whitney*  
NOTARY PUBLIC (ID # 201390)

*Katherine M. Whitney*  
Bar Roll No.  
(Print)

**LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**

Peggy M. Hatch, Secretary

BY: *Cheryl Sonnier Nolan*

Cheryl Sonnier Nolan, Assistant Secretary  
Office of Environmental Services

THUS DONE AND SIGNED in duplicate original before me this 15 day of JUNE, 20 11, at Baton Rouge, Louisiana.

*Claudia R. W. H.*  
NOTARY PUBLIC (ID # 29408)  
Bar Roll

CLAUDIA R. W. H.  
(Print)

Approved: *Beau James Brock*  
Beau James Brock, Assistant Secretary



JAMES D. "BUDDY" CALDWELL  
ATTORNEY GENERAL

State of Louisiana  
DEPARTMENT OF JUSTICE  
P.O. BOX 94005  
BATON ROUGE  
70804-9005

March 18, 2011

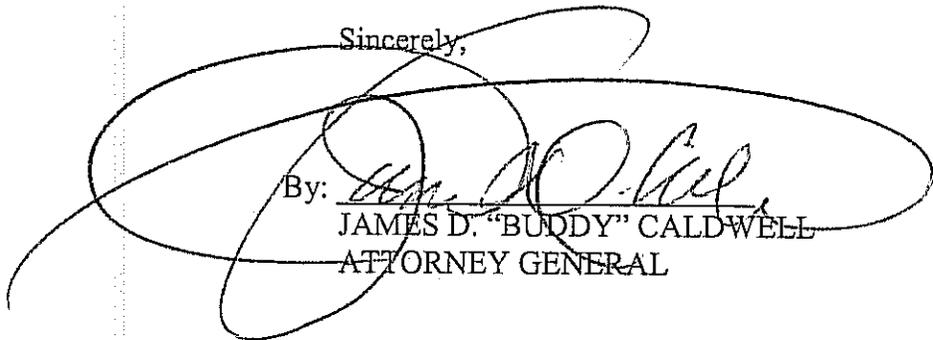
Mr. Herman Robinson, Executive Counsel  
La. Department of Environmental Quality  
Legal Affairs Division  
P.O. Box 4302  
Baton Rouge, LA 70821-4302

Re: AG Review of DEQ Settlement;  
JMB, L.L.C.  
Settlement No. SA-WR-10-0080

Dear Mr. Robinson:

Pursuant to the authority granted to me by Art. IV, Sec. 8 of the state constitution and R.S. 30:2050.7, I approve the above referenced settlement.

Sincerely,

By: 

JAMES D. "BUDDY" CALDWELL  
ATTORNEY GENERAL

JDC/MKT/tp

## Notice of Lien

The Louisiana Department of Environmental Quality hereby files this Notice of Lien pursuant to La. R.S. 30:2281 for the recovery of remedial costs incurred in discharging its responsibility in accordance with law, including but not limited to, La. R.S. 30:2271 et seq.

**Lien Holder:**

State of Louisiana, through  
Department of Environmental Quality  
P.O. Box 4314  
Baton Rouge, LA 70821-4314

**This Notice of Lien is against and affects the immovable property described as follows:**

Lot Eleven (11), Square 69, Istrouma Subdivision, East Baton Rouge Parish, said lot fronting on Pocahontas Street and having such dimensions as shown on the official subdivision plat on file and of record in the office of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, said lot bearing the municipal address of 3241 Pocahontas Street, Baton Rouge, Louisiana, and Lot Four (4), Square 69, Istrouma Subdivision, East Baton Rouge Parish, said lot fronting on Scenic Highway and having such dimensions as shown on the official subdivision plat on file and of record in the office of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana. Both of said lots were acquired by the undivided owners Melba Nancy Peabody Kinchen, Jo Edna Peabody Roberts and Ben Hardin Peabody, Jr. through two Judgments of Possession: First, In The Matter of The Succession of Benjamin H. Peabody, Parish of East Baton Rouge, Probate Number 44,743, Division "E", Recorded November 29, 1984, Original Number 345 Bundle Number 9712 with the Clerk and Recorder of the Parish of East Baton Rouge. Second, In Re The Succession of Melba Woodward Peabody, Probate Number 53,341, Division "M", Recorded August 15, 1990, Original Number 279 Bundle Number 10169 with the Clerk and Recorder of the Parish of East Baton Rouge, State of Louisiana.



The Following Persons Having an Interest in the Immovable Property Described  
Above are:

Melba Nancy Peabody Kinchen  
Jo Edna Peabody Roberts  
Ben Hardin Peabody, Jr.

ORIG 587 BNDL 11870

FILED AND RECORDED  
EAST BATON ROUGE PARISH, LA.

2006 AUG 22 AM 08:19:06  
FTL BK FOLID

DOUG WELBORN

CLERK OF COURT & RECORDER

CERTIFIED TRUE COPY

BY *[Signature]*  
DEPUTY CLERK & RECORDER

Amount of Lien:

The remedial costs subject to this lien are in the amount of \$444,498.04.

*[Signature: Wilbert F. Jordan, Jr.]*

Wilbert F. Jordan, Jr.  
Assistant Secretary  
Office of Environmental Assessment  
Louisiana Department of Environmental  
Quality

WITNESSES:

*[Signature: Keith L. Casanova]*  
*[Signature:elda Morgan]*

SWORN TO AND SUBSCRIBED, before me in the presence of the above  
witnesses, the undersigned Notary Public, on the 8th day of Aug., 2006.

*[Signature: Christopher A. Ratchel]*  
Notary Public  
Christopher A. Ratchel  
Bar Roll # 18675

SUMMARY APPRAISAL REPORT OF  
THE PROPERTY LOCATED AT

3246 Scenic Hwy

Baton Rouge, LA 70805

as of

08/24, 2007

for

C. J. Brown  
4314 S Sherwood Forest Blvd  
Baton Rouge, LA  
70816

by

Dale Quick  
16225 Annetam Avenue  
Baton Rouge, LA 70817



# Complete Appraisal Analysis - Summary Appraisal Report

LAND APPRAISAL REPORT

File No 4398

IDENTIFICATION	Borrower <u>N/A</u>	Census Tract <u>0005.00</u>	Map Reference <u>31-560-M</u>	
	Property Address <u>3246 Scenic Hwy</u>			
	City <u>Baton Rouge</u>	County <u>East Baton Rouge</u>	State <u>LA</u>	Zip Code <u>70805</u>
	Legal Description <u>Lots #1, #2, #3, #4, #5, #6, #11, #12, #13 and #14, Istrouma Subdivision</u>			
	Sale Price \$ _____	Date of Sale _____	Loan Term _____ yrs.	Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD
	Actual Real Estate Taxes \$ <u>N/A</u> (yr.)	Loan charges to be paid by seller \$ <u>N/A</u>	Other sales concessions _____	
	Lender/Client <u>C. J. Brown</u>	Address <u>4314 S Sherwood Forest Blvd, Baton Rouge, LA, 70816</u>		
	Occupant <u>Vacant</u>	Appraiser <u>Dale Quick</u>	Instructions to Appraiser <u>Land Only</u>	

NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Employment Stability</td> <td><input type="checkbox"/> Good</td> <td><input checked="" type="checkbox"/> Avg.</td> <td><input type="checkbox"/> Fair</td> <td><input type="checkbox"/> Poor</td> </tr> <tr> <td>Convenience to Employment</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Shopping</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Schools</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Public Transportation</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Recreational Facilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Utilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Property Compatibility</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Protection from Detrimental Conditions</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Police and Fire Protection</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>General Appearance of Properties</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Appeal to Market</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>	Employment Stability	<input type="checkbox"/> Good	<input checked="" type="checkbox"/> Avg.	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%																																																														
Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady	<input type="checkbox"/> Slow																																																													
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining																																																														
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply																																																														
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.																																																														
Present Land Use	<u>85</u> % 1 Family	<u>5</u> % 2-4 Fam	<u>10</u> % Commercial																																																														
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)																																																														
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> % Vacant																																																														
Single Family Price Range	\$ <u>15,000</u> to \$ <u>145,000</u>	Predominant Value \$ <u>80,000</u>																																																															
Single Family Age	<u>New</u> yrs. to <u>75</u> yrs.	Predominant Age <u>35</u> yrs.																																																															

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise) No factors noted that would adversely affect the value or marketability of the subject property.

SITE	Dimensions <u>10 Lots @ 40x120</u>	= <u>N/A</u>	<input type="checkbox"/> Corner Lot	
	Zoning Classification <u>Commercial</u>	Present improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations		
	Highest and best use: <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other (specify) _____			
	Elec. <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other (Describe) _____	Topo <u>Generally Level</u>		
	Gas <input checked="" type="checkbox"/> _____	Size <u>Average for Area</u>		
	Water <input checked="" type="checkbox"/> _____	Shape <u>Rectangular</u>		
	San. Sewer <input checked="" type="checkbox"/> _____	View <u>Commercial &amp; Residential Properties</u>		
	<input type="checkbox"/> Underground Elect. & Tel.	Drainage <u>Appears Adequate</u>		
	OFF SITE IMPROVEMENTS	Is the property located in a HUD Identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		
	Street Access: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private			
Surface <u>Asphalt</u>				
Maintenance: <input type="checkbox"/> Public <input type="checkbox"/> Private				
<input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter				
<input type="checkbox"/> Sidewalk <input checked="" type="checkbox"/> Street Lights				

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions) There were no adverse easements or encroachments noted that would affect marketability of the subject property. A title abstract or survey is recommended for this purpose.

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

ITEM	Subject Property	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
		Address	Price	Address	Price	Address	Price
Address	<u>3246 Scenic Hwy Baton Rouge</u>	<u>9140 Plank Rd Baton Rouge</u>		<u>7316 Airline Hwy Baton Rouge</u>		<u>4960 Evangeline St Baton Rouge</u>	
Proximity to Subj.		<u>4 mi NE</u>		<u>3.1 mi E</u>		<u>1.9 mi NE</u>	
Sales Price	\$ _____	\$ <u>150,000</u>		\$ <u>130,000</u>		\$ <u>121,500</u>	
Price	\$ _____	\$ <u>62,500.00</u>		\$ <u>175,675.67</u>		\$ <u>607.50</u>	
Data Source	<u>Personal Inspection</u>	<u>MLS #7146940</u>	<u>DOM 84</u>	<u>MLS #5112748</u>	<u>DOM 266</u>	<u>MLS #6117572</u>	<u>DOM 131</u>
Date of Sale and Time Adjustment	<u>N/A</u>	<u>04/23/07</u>	<u>+(-)\$ Adjustment</u>	<u>09/15/06</u>	<u>+(-)\$ Adjustment</u>	<u>09/19/06</u>	<u>+(-)\$ Adjustment</u>
Location	<u>Average</u>	<u>Average</u>		<u>Average</u>		<u>Average</u>	
Site/View	<u>Average</u>	<u>Average</u>		<u>Average</u>		<u>Average</u>	
Site Area	<u>1.10 +/- Acres</u>	<u>2.4 +/- Acres</u>	<u>-39,000</u>	<u>0.74 +/- Acres</u>	<u>+20,000</u>	<u>200x132</u>	<u>+33,000</u>
Sales or Financing Concessions							
Net Adj. (Total)		<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ <u>-39,000</u>		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ <u>20,000</u>		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ <u>33,000</u>	
Indicated Value of Subject		<u>Gross 26.0%</u> <u>Net -26.0% \$ 111,000</u>		<u>Gross 15.4%</u> <u>Net 15.4% \$ 150,000</u>		<u>Gross 27.2%</u> <u>Net 27.2% \$ 154,500</u>	

Comments on Market Data: \_\_\_\_\_

Comments and Conditions of Appraisal: Appraiser cannot guarantee that property is free of encroachments or easements, and recommends further investigation and survey.

Final Reconciliation: \*\*\* See Additional Comments \*\*\*

RECONCILIATION	I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF <u>08/24</u> , <u>2007</u> to be \$ <u>135,000</u>			
	Appraiser(s) <u>Dale Quick</u>	Review Appraiser (if applicable) <input type="checkbox"/> Did <input type="checkbox"/> Did Not Physically Inspect Property		
	Signature _____	Signature _____		
	Name <u>Dale Quick</u>	Date <u>08/30/2007</u>	Name _____	Date _____
	State <u>LA</u> <input type="checkbox"/> License <input checked="" type="checkbox"/> Certification # <u>R1109</u>	State _____ <input type="checkbox"/> License <input type="checkbox"/> Certification # _____		

Dale Quick

## ADDITIONAL COMMENTS

Borrower or Owner N/A

Property Address 3246 Scenic Hwy

City Baton Rouge

County East Baton Rouge

State LA

Zip Code 70805

Lender or Client C. J. Brown

**Comments on Market Data**

A comprehensive and detailed search of all reliable information available to the appraiser indicated that there were a limited number of comparable sales available within the subject property's boundaries; as such, comparables were located after crossing a major thoroughfare within a similar, competing areas.

**Final Reconciliation**

Appraiser's conclusion of value is based upon the assumption that there are no hidden or unapparent conditions of the property that may impact upon buildability. Appraiser recommends due diligence be conducted through local building department or municipality to investigate buildability and whether property is suitable for intended use. Appraiser makes no representations, guarantees or warranties.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concessions but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

### STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. The separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultant; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** 3246 Scenic Hwy. Baton Rouge, LA 70805

**APPRAISER:**

Signature: *Dale Quick*  
 Name: Dale Quick  
 Date Signed: August 30, 2007  
 State Certification #: R1109  
 or State License #: \_\_\_\_\_  
 State: LA  
 Expiration Date of Certification or License: 12/31/07

**SUPERVISORY APPRAISER (only if required):**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_  
 Did  Did Not Inspect Property

# LOCATION MAP

Borrower or Owner **N/A**

Property Address **3246 Scenic Hwy**

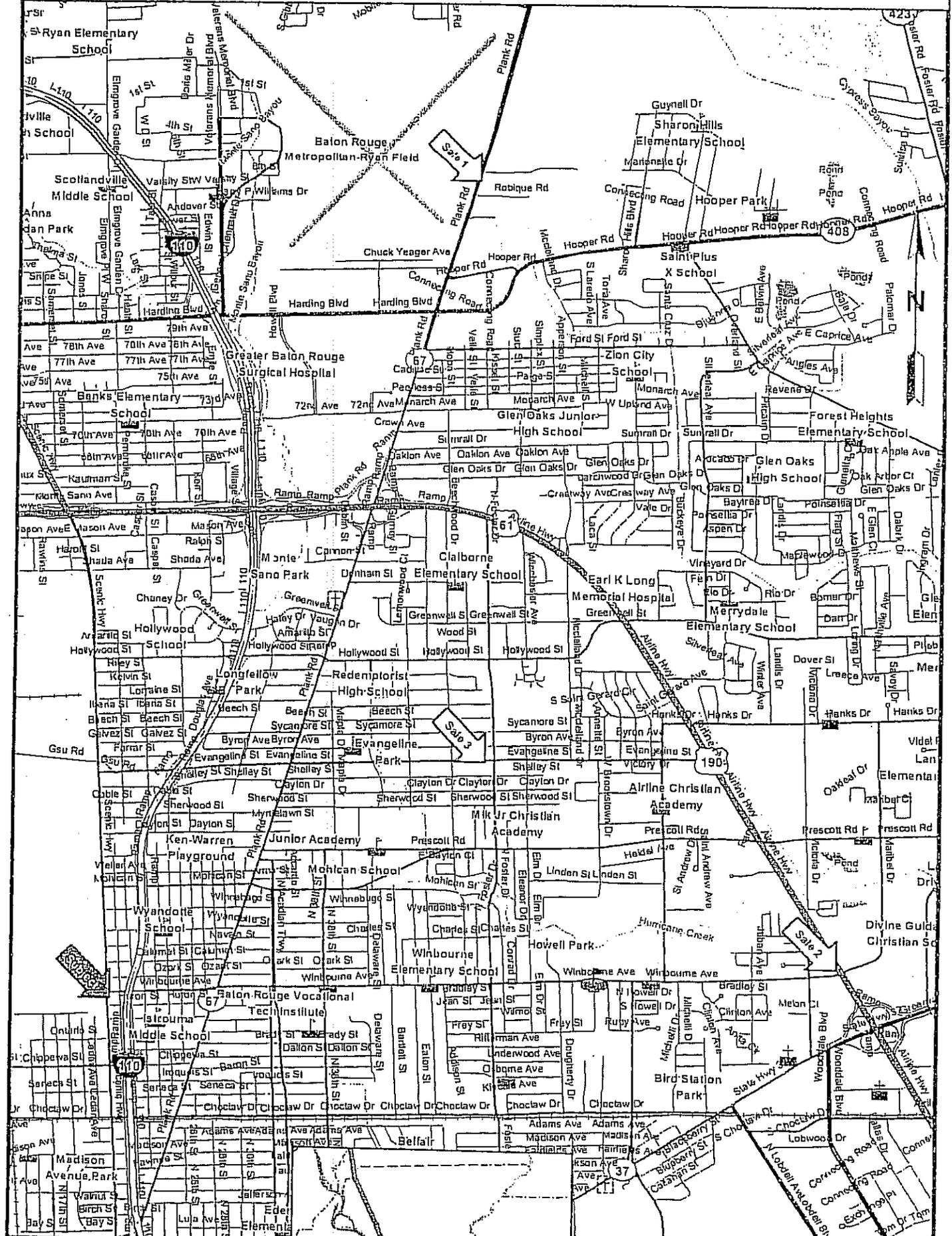
City **Baton Rouge**

County **East Baton Rouge**

State **LA**

Zip Code **70805**

Lender or Client **C. J. Brown**



Subject: 3246 Scenic Hwy

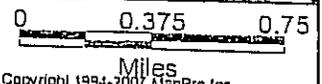
Sale 1: 9140 Plank Rd

Sale 2: 7316 Airline Hwy

Sale 3: 4960 Evangeline St

**CAUTION:**

The location of property arrows shown on this map are approximate only. Inaccuracies may exist on map such as missing, incorrectly drawn, or incorrectly addressed streets. Please report any such inaccuracy to MapPro, Inc. so that appropriate corrections can be made.



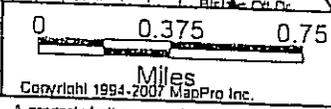
# FLOOD MAP

Borrower or Owner **N/A**  
 Property Address **3246 Scenic Hwy**  
 City **Baton Rouge** County **East Baton Rouge** State **LA** Zip Code **70805**  
 Lender or Client **C. J. Brown**



**Flood Zone Information**  
 FEMA Map No. 2200580075D  
 Effective Date 05/17/1993

	100-Year
	500-Year
	Outside 500-Year



Subject: 3246 Scenic Hwy  
 Sale 1: 9140 Plank Rd  
 Sale 2: 7316 Airline Hwy  
 Sale 3: 4960 Evangeline St

**CAUTION:** The location of flood hazard areas shown on this map are approximate only. Flood hazard boundaries may change from time to time. A property in the general vicinity of a flood hazard area should be evaluated by a civil engineer or other appropriate specialist prior to purchase or investment.

# SETTLEMENT PAYMENT FORM

Please attach this form to your settlement payment  
and submit to:

Department of Environmental Quality  
Financial Services Division  
P. O. Box 4303  
Baton Rouge, Louisiana 70821-4303  
Attn: Accountant Administrator

Payment # \_\_\_\_\_

Respondent: JMB, L.L.C.

Settlement No: SA-WR-10-0080

Payment Amount: \$30,000.00

AI Number: 96719

Alternate ID No(s):

TEMPO Activity Number:

For Official Use Only. Do Not write in this Section.	
Check Number:	Check Date:
Check Amount:	Received Date:
PIV Number:	PIV Date:
Stamp "Paid" in the box to the right and initial.	
Route Completed form to: Tom Harris, Administrator Remediation Division	
And copy Perry Theriot Legal Division	

Settlement Payment Form 6/15/11

EXHIBIT C

SA-WR-10-0080