

JAMES W. KLOPFENSTEIN & ASSOCIATES, INC.

Real Estate Valuation and Consulting
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COPY

May 29, 2003

Mr. Steve Freeze
Morton Community Bank
721 West Jackson
P.O. Box 104
Morton, IL 61550

**RE: Commercial/Residential Property
Proposed Townhouse Development
and Wedgewood Mobile Home Park
Jamestown Road at War Memorial
Peoria, Illinois**

Owner: Prospect Enterprises, L.L.C.

Dear Mr. Freeze:

In accordance with your request, I have made a personal inspection of the site captioned above, as well as a review of the plans and specifications for the proposed Phase 1-A construction of 25 townhouse units, for the purpose of estimating the Market Value, assuming the property is owned in fee simple title.

This letter sets forth a statement of the final value estimate; however, it should not be construed as an appraisal report. The detailed narrative appraisal will follow in the near future.

The property will be legally described in the report, and is commonly known and numbered as:

**Commercial/Residential Property
Proposed Townhouse Development
and Wedgewood Mobile Home Park
Jamestown Road at War Memorial
Peoria, Illinois**

Market Value is the most probable selling price and will be further defined in the report which will follow.

James W. Klopfenstein, MAI, SRA
State Certified General - Illinois

Michael L. Klopfenstein
State Licensed - Illinois

Steve Freeze

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May 29, 2003

As a result of my personal inspection of the property and surrounding neighborhood, review of the plans and specifications for the proposed construction of 25 townhouse units in Phase 1-A, subject to completion of the proposed improvements in accordance with plans and specifications submitted to this appraiser, and subject to the assumptions and limiting conditions which will be contained within the appraisal report, an opinion has been formed that, as of May 21, 2003, there are Market Values as follows:

"As Is"

THREE MILLION FOUR HUNDRED THOUSAND

..... (\$3,400,000) DOLLARS

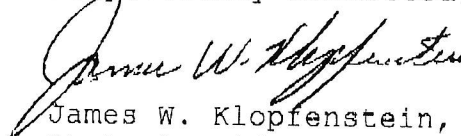
"As Completed"

**Subject to Completion of
25 Townhouse Units**

FIVE MILLION TWO HUNDRED FIFTY THOUSAND

..... (\$5,250,000) DOLLARS

Respectfully submitted,



James W. Klopfenstein, MAI, SRA
State Certified General
Real Estate Appraiser
License No. 153-000459 (Illinois)

JWK:jj