Anniston | Faust W.F.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
EASTERN DIVISION

CASE NUMBER: CV-98-C-0118-E

CECIL HINDS and RICHARD HINDS,
Plaintiff,

vs.

MONSANTO COMPANY,
Defendant.

S T I P U L A T I O N

IT IS STIPULATED AND AGREED by and between the parties through their respective counsel that the deposition of ALAN FAUST may be taken before Tanya D. Cornelius, Certified Shorthand Reporter and Notary Public, at the law offices of BURR & FORMAN, Birmingham, Alabama, on the 7th day of October, 1999.

IT IS FURTHER STIPULATED AND AGREED that the signature to and the reading of the deposition by the witness is waived, the deposition to have the same force and effect as if full compliance had been had with all laws and rules of Court relating to the taking of depositions.

IT IS FURTHER STIPULATED AND AGREED that it shall not be necessary for any objections to be made by counsel to any questions, except as to form or leading questions, and that counsel for the parties may make objections and assign grounds at the time of the trial, or at the time said deposition is offered in evidence, or prior thereto.

IT IS FURTHER STIPULATED AND AGREED that notice of filing of the deposition by the Commissioner is waived.

I N D E X

E X H I B I T S

A P P E A R A N C E S

FOR THE PLAINTIFF:
BURR & FORMAN
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FOR THE DEFENDANT:
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APPEARANCES (continued)

ALSO PRESENT:
Bruce Eley
Cecil Hinds

I, Tanya D. Cornelius, Certified Shorthand Reporter and Notary Public, acting as Commissioner, certify that on this date, as provided by the Federal Rules of Civil Procedure, and the foregoing stipulation of counsel, there came before me at the law offices of BURR & FORMAN, Birmingham, Alabama, beginning at 9:30 a.m., ALAN FAUST, witness in the above cause, for oral examination, whereupon the following proceedings were had:

ALAN FAUST,
being first duly sworn, was examined and testified as follows:

THE REPORTER: Will this be usual stipulations?
MR. NEWSOM: That's fine.
MR. HOWARD: That's fine with me.
MR. NEWSOM: Understanding this is a 30(b)(6), as I understand it. Okay.

EXAMINATION

BY MR. HOWARD:
Q. Sir, would you please state your full name for the record?
A. Alan G. Faust.
Q. And does G stand for anything?
A. Gerard.
Q. G-e-r-a --
A. -- a-r-d.

Q. Mr. Faust, we met before the deposition. I'm Gary Howard, and I represent Cecil and Richard Hinds in this lawsuit. You understand that you're under oath today?
A. Yes.
Q. And you understand that you are sworn to tell the truth just as if you were at trial?
A. Yes.
Q. Are you on any medication this morning that would interfere with your ability to understand my questions or to give truthful answers?
A. No.
Q. If I ask you a question today and you don't understand it, please tell me, and I'll do the best I can to clear it up, okay?
A. Okay.
Q. If I ask you a question and you give me an answer, is it fair to assume that you understood the question?

A. Yes.
Q. You understand that you are here today as a corporate representative of Monsanto Company?
A. Solutia/Monsanto, yes.
Q. And you understand that on certain topics, you are going to be speaking on behalf of the company, the corporation?
A. Yes.
Q. And you understand that on those topics, your testimony is binding on the corporation; do you understand that?
MR. NEWSOM: Let me just object to the extent that calls for a legal conclusion on his part. I'm just not sure he's familiar with what the -- the 30(b)(6) process and designation.
Q. But you understand you're speaking on behalf of Monsanto/Solutia?
A. Yes.
Q. Would you give me your Social

Security number?
A. 498-70-4012.
Q. And your driver's license number?

(Whereupon, a discussion off the record was held.)

A. It is 6705914.
Q. And that's an Alabama license?
A. Yes.
Q. Has it ever been suspended or revoked?
A. No.
Q. Have you ever been charged or investigated for any crime?
A. No.
Q. Give me your home address, please?
A. 1220 Stillwater Road, Anniston, Alabama 36207.
Q. And your home phone number?

A. (256) 835-5925.
Q. How long has that been your address?
A. Since July of '96.
Q. Where did you live before that?
A. St. Louis.

(Whereupon, Plaintiff's Exhibit No. 1 was marked for identification.)

Q. I'm going to show you what I've marked as Plaintiff's Exhibit 1 to your deposition. It is simply a legal document that I have sent to your attorneys. It's a re-notice of deposition, and I want to ask you if you've seen that document before?
A. Yes.
Q. Have you had a chance to review or to look at that document and to read it before the deposition today?

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A. Yes.
Q. On Page 2, there are eight numbered paragraphs that are the categories of testimony or information that we have requested testimony on today.
A. Uh-huh (positive response).
Q. Can you look at those and tell me which of those you have knowledge or information on?
MR. NEWSOM: And this would be any knowledge, because Mr. Eley may have more knowledge in one -- your question is not principle knowledge, but any knowledge?
MR. HOWARD: Well, let me just ask you this, Eddie: Are you designating Alan for any particular ones of these?
MR. NEWSOM: No. Really -- and the way you're going about it is fine. You'll get it from him, but for most categories, one or the other of them

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will probably have more knowledge than the other. But I think they each have some knowledge on all. So I think that -- and I think the way you're doing it is fine. He can go through and tell you that, I think.
A. I have knowledge on all counts. I guess I haven't specifically understood No. 8 as the maintenance of business records of the documents. If those are referring to documents about the previous seven, then yes.
Q. (By Mr. Howard) Okay. Tell me -- first of all, you've given a deposition back on September 16th of '98 in the case of Dire v. Monsanto. Do you remember that?
A. Yes.
MR. HOWARD: And I also want to just ask you, Eddie, to the extent that any background information and testimony in this deposition -- do you want me to rehash this, or are we just

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going to operate under the assumption that this testimony is truthful and accurate, and there's no need to go over it again?
MR. NEWSOM: Well, I think the answer -- Dire is the one y'all are involved in, correct?
MR. HOWARD: Yes.
MR. NEWSOM: I think to the extent y'all have taken his deposition in another case, our view of the world would be that that can be used in this case.
Now, I don't know that he's gone back and read that deposition in its entirety to be able to tell you that each and every answer contained therein is full and complete this morning, but certainly we agree that it can be used, and there's no need to rehash what's contained therein.
Q. (By Mr. Howard) Mr. Faust, you do remember giving this deposition, correct?

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A. Yes.
Q. And you understood at the time you gave that deposition that you were under oath and sworn to tell the truth?
A. Yes.
Q. And did you try to do that at that time?
A. I did that at that time.
Q. And so based on the answers as they existed on the 16th day of September, 1998, those answers were truthful?
A. Yes.
Q. Some things may have changed in the meantime?
A. I don't know what those would be, but --
Q. I'm saying it's possible.
A. True.
Q. But as you answered it at the time of the deposition, they were truthful and accurate?

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A. Yes.
MR. NEWSOM: Or for instance, additional knowledge may have been acquired, something along those lines.
MR. HOWARD: Additional what?
MR. NEWSOM: Knowledge.
MR. HOWARD: Knowledge. Okay.
Q. (By Mr. Howard) Tell me why you moved from St. Louis to Anniston?
A. Moved in 1996 to coordinate and manage the investigation and remediation related to the Anniston facility.
Q. You said to coordinate and manage the remediation and investigation?
A. Right.
Q. Any particular constituent you were investigating?
A. Well, the investigation and remediation would be as part of our RCRA postclosure permit which would look at all constituents that had -- that were

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related to our facility.
Q. Was that permit up for renewal -- or tell me how that works. Why were you having to do something in '96?
A. It was up for renewal and was renewed in January '97. But prior to that, we were doing investigations around the plant in '95 and '96 for PCBs.
Q. So you were involved in the Anniston plant or some work involving the Anniston plant prior to your moving there in '96?
A. No, no. There were investigations going on prior to me moving there.
Q. Who was heading up those investigations; do you know?
A. I think prior to me, it was, I think, Jo Hanson.
Q. Do you know what prompted the investigation for PCBs at the Anniston plant?

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A. They -- in 1993, as part of a transfer of property with Alabama Power of a landfill on the west part of our plant, we entered into a consent order with ADEM to investigate the extent of PCBs in ditches around the plant.
Q. Alabama Power discovered that there were some PCBs on some property they had acquired from Monsanto; is that right?
A. Right.
Q. And y'all made an agreement with Alabama Power to reacquire that property?
A. Right.
Q. Why did y'all enter into that agreement with Alabama Power to reacquire that property?
A. It was originally Monsanto property that was transferred in the late '50s with Alabama Power. So it was a landfill that we owned prior to 1958 or something. I don't remember exactly.

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Q. Okay. Were there PCBs disposed of in that landfill?
A. Production materials associated with production units during that -- previous to 1958 went in there, and I don't know exactly the disposal history of that facility.
Q. But PCBs were found on the surface of the landfill; is that right?
A. Yes.
Q. Would you surmise from that that PCBs had been disposed of in that landfill?
A. I would say that that would make sense, yes.
Q. Would you classify the PCB levels that Alabama Power discovered on the surface of that landfill as high or low, or how would you classify it?
A. Actually I don't remember what the concentrations were that were discovered. That was prior to my being involved.

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Q. Were you involved at all in the remediation efforts on the west end landfill?
A. When I arrived in '96, we were in the midst of completing that remediation.
Q. So you had some involvement?
A. The tail end of that project, yes.
Q. The levels of PCBs that were found on the surface were not important to you in doing your remediation work?
A. Well, they were important to know that we needed to do a cap and cover, but I don't know specifically what the concentrations were.
Q. So you never tried to find out what the concentrations were?
A. I probably knew. Here as I sit today, I can't tell you what those were.
Q. But you don't recall specifically whether you knew or not?

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A. I would say specifically at one point in time, I knew what they were.
Q. Did you do any investigation as to whether or not PCBs had actually been disposed in the west end landfill?
A. Not me personally, no.
Q. Okay. Did you direct anyone to do that investigation?
A. No.
Q. Do you know if your predecessor in charge of that project directed anyone to do that investigation?
A. I don't know.
Q. Would that be important to know, whether or not PCBs had been disposed in the west end landfill?
A. It would be important to know the limits of the landfill so that when we do the cap and cover, we were covering all of what was previously the disposal area.
Q. I understand that, but that wasn't my question. My question was:

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Would it be important to know whether PCBs had been disposed of in the west end landfill?
A. It would be important to -- not specifically.
Q. Why not?
A. What you would need to know in order to do the remedy is to know where the disposal unit was. You look at what -- the impacts adjacent to it, vertically, or laterally, what the exposure or migration might be to the environment, to understand that where the remedy is going to be placed, if you're putting it in the right location in order to control whatever was in the landfill.
Q. Any idea how the PCBs that Alabama Power found on the surface got there?
A. No. Alabama Power owned that property from '58 until '93, I believe it was, when we transferred the property. So I don't have any firsthand knowledge

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of how that would have gotten there.
Q. Did you do any analysis or investigation of that, how those PCBs got to the surface of the west end landfill?
A. No.
Q. Do you know if it was possible that the PCBs had migrated to the surface?
A. No.
Q. Do you know if the PCBs had simply been dumped on the surface?
A. No.
Q. And neither of those -- whether or not they had migrated or whether they had been dumped at the surface, would either of those be important for you to know in your remediation efforts?
A. No.
Q. Would either of those be important for you to know in determining whether or not PCBs had migrated via storm water runoff to other areas?

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A. Not that specific knowledge, no.
Q. Would it be important to know simply that PCBs were found on the surface of the west end landfill?
A. Yes.
Q. In terms of whether or not they had migrated via storm water runoff?
A. Well, it would be important to know that if they were on the surface, they would have the potential to migrate via storm water.
Q. Okay. Tell me -- we sort of got off track. Did you personally have any involvement with the Anniston facility prior to moving there? And I believe you had some oversight responsibilities for some various facilities?
A. Back in '91 -- let me get the chronology straight. '91 to about '95, I was on the -- I was in the technical department of our engineering in St.

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Louis, and I worked with the Anniston plant at various times on ground water issues.
Q. Was your involvement with Anniston limited to ground water issues?
A. I think for most of what I did -- all of what I did were ground water issues.
Q. Were PCBs ever an issue in your ground water work in Anniston from '91 to '95?
A. No.
Q. Do you know if your monitoring wells monitor for the presence of PCBs in the ground water in Anniston?
A. Yes, they do.
Q. Did they monitor for them from '91 to '95?
A. I think there was occasional scans for a larger variety of chemicals, which would include PCBs.
Q. Do you know, or do you think?
A. I don't know specifically.

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Q. And what do you mean by occasional?
A. I know during the initial phases of installing monitoring wells back in the '80s and additional wells, there were some larger scans, but I don't know specifically what all those constituents were.
Q. So you don't know for certain that PCBs would be included in that list of constituents?
A. Not specifically.
Q. Do your monitoring wells in Anniston at this time scan for PCBs?
A. Yes.
Q. When do you know that PCBs were added to that scan list?
A. They were added as part of -- I believe they were added as part of the postclosure application in '97.
Q. Postclosure of what?
A. As part of our RCRA permit. They were also monitored for -- in the

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investigation done on the west end landfill, those were -- PCBs were included in that. And that was -- I believe that investigation would have been '94, '95.
Q. Do you know which isomers of PCBs were scanned for?
A. We look for total PCBs.
Q. During the time that you know that you've been scanning for PCBs in the ground water in Anniston, have you detected any presence of PCBs?
A. We've not found PCBs in ground water to date.
Q. So am I correct that you came on board with Monsanto in '91?
A. Yes.
Q. And from '91 to the time you moved to Anniston, you lived and worked in St. Louis?
A. Yes.
Q. When you came on board in '91 with Monsanto, you were familiar with the

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current environmental issues, the ones that we're dealing with today, that existed in Anniston; is that correct?
A. I'm not sure I understand what you mean.
Q. When you came on board in 1991, you became aware of the environmental issues at Anniston; is that correct?
A. When I came on in '91, Anniston was one of the facilities that I worked with, and I was aware at that time of ground water issues, which were what I dealt with at the time.
Q. Okay. Were you aware of potential presence of PCBs in Anniston at the facility there when you came on board in '91?
A. PCBs were not anything that we were investigating at that time.
Q. So you heard no discussion about PCBs in Anniston in '91, '92?
A. No.

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Q. The first time you heard anything about PCBs potentially at the Anniston facility was in '93?
A. Yes.
Q. And the first thing that prompted you to hear about it was the Alabama Power property transfer; is that right?
A. Well, I was involved at that point in time during that transfer of putting together an investigation to look at distribution of PCBs on the surface and in ground water potentially around the west end landfill.
Q. In '93?
A. I believe that's right.
Q. Do you know if there were any other folks in St. Louis who worked in environmental issues that had been looking at the potential presence of PCBs in Anniston prior to you becoming involved?
A. When you're -- involvement,

what are you referring to?
Q. '93.
A. '93. Not that I'm aware of.
Q. Who asked you to do the analysis in '93, to do your work regarding the surface and the ground water?
A. In '93, we put together a work plan and submitted it to ADEM, Alabama Department of Environmental Management.
Q. Who is we?
A. Myself and the representatives of the plant.
Q. Who was that?
A. Robert Jones.
Q. Anyone else?
A. Steve Smith from St. Louis.
Q. - Who else?
A. That was it.
Q. So you three?
A. Yes.
Q. What is Mr. Smith's

position -- or what was his position at that time?
A. At that time, I'm not sure what his position was, but he had responsibilities to help us put together that plan and submit it to ADEM.
Q. What is his position now?
A. He's a manager of remediation.
Q. Did ADEM require you to put this plan together?
A. I wasn't part of those discussions. I'm not sure exactly how that was discussed.
Q. Was there a consent order of some type that was entered into; do you know?
A. The exact chronology, I'm not sure of. But there was a consent order in the -- I believe it was the '95 time frame. I don't know the exact date.
Q. Did you have any involvement in working on that consent order?

A. No.
Q. When did Jo Hanson get involved in Anniston -- let me back up.
Was Jo Hanson your predecessor in Anniston?
A. She was project manager on the project and then worked with me after I moved down here, yes.
Q. Were you her supervisor?
A. Yes -- well, back up. On this particular project, she reported to me.
Q. Who took her place when she retired?
A. No one.
Q. No one on this project?
A. No.
Q. Who handled her duties?
A. Well, mostly me.
Q. So when you came down to Anniston in '96, what was your stated objective? I mean, what was your job?
A. My job was to move to

Anniston to coordinate the investigation and completion of the -- at that time, consent order requirements, and coordinate the completion of the investigation per our RCRA postclosure permit.
Q. What were the consent order requirements?
A. I can't remember those specifically.
Q. Do you remember them generally?
A. I believe the '96 consent order was to complete the investigation of ditches leading from our facility and the completion of the remedy on the west end landfill and then preliminary designs for storm water control east of the plant.
Q. Have there been any other consent orders entered into after '96?
A. No.
Q. Are you finished with your

RCRA postclosure duties?
A. No.
Q. What do you have left to do in that regard?
A. We have done the investigation of the plant facility and submitted a report to ADEM. Additionally we're doing an investigation of Snow Creek, Choccolocco Creek, and Logan Martin.
Q. Is that your off-site investigation?
A. Yes, that's what we call off-site.
Q. And your on-site investigation has already been submitted to ADEM?
A. Yes.
Q. Has it been approved?
A. No.
Q. Tell me what stage is it in? I know you've submitted it, and I guess they've submitted it back with comment?

A. With comments.
Q. Have you resubmitted it?
A. No. We'll be resubmitting that next week, responses to their comments.
Q. What about your off-site investigation, where is it in the process?
A. We are in the midst of -- about fifty percent complete with the investigation with a report due next summer.
Q. Does the off-site investigation also include any areas other than Snow Creek, Logan Martin Lake, or Choccolocco Creek? For instance, does it include any portions of the neighborhoods around the plant?
A. The off-site begins with what we call the 11th Street ditch, which is a ditch on the north side of the railroad tracks that leads to Snow Creek.
Q. Are the neighborhoods

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included in either of the off-site or on-site investigation report?
A. The areas east of the plant and north of the plant are included in our on-site report.
Q. And does that include the areas that Monsanto has purchased in the neighborhoods to the east?
A. Yes.
Q. Does it include any areas that Monsanto has not purchased to the east of the plant?
A. The report addresses areas that we've done remedies or investigation on, whether we owned it or not.
Q. Investigation meaning any soil sampling or surface sampling?
A. Yes.
Q. Would the on-site report include the area that is owned by Mr. Hinds?
A. Any data acquired on that property would be part of that report.

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Q. Is Jim Graciano your primary contact at ADEM?
A. Yes.
Q. Are you finished with your work on the west end landfill?
A. Yes. We're in the monitoring phase of that project.
Q. Have you worked on any remediation efforts or any -- let me just back up.
Have you worked at all on the south landfill?
A. Yes.
Q. Tell me what you've done on the south landfill.
A. South landfill was part of interim measures that we implemented in 1997. We put a cap and cover over the western portions of the south landfill.
Q. Are those interim measures, or are those final measures?
A. Those are interim measures.
Q. What are you going to do

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next?
A. For those, those will be incorporated -- at the point in time that we submit a corrective measure study, those will be implemented, or those will be part of that corrective measure study and incorporated and proposed to be final measures.
Q. Any time frame on that?
A. No.
Q. Have you done any sampling on the south landfill on the surface for the presence of PCBs?
A. Previously we did, yes.
Q. And you found PCBs on the surface?
A. On the portions that we've capped and covered, no.
Q. On any portion?
A. We found some low levels on the southern edge of the RCRA cells.
Q. What is a low level?
A. It was less than five parts

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per million.
Q. But you did get some hits for PCBs?
A. Yes.
Q. And that's in the surface soil?
A. Uh-huh (positive response).
Q. Is that a yes?
A. Yes. I'm sorry.
Q. Have you tested the storm water runoff from the south landfill for the presence of PCBs?
A. We have in the past, yes. And we currently test the waters that lead from all of our property.
Q. And you have -- let me ask you this: Where does the south landfill currently drain? Where does the storm water runoff currently drain?
A. Into a detention basin east of the plant.
Q. And that's in the -- what you've built there where the neighborhood

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houses you bought up?
A. Where the pond is located was previously Monsanto property, and it was an open field.
Q. Prior to the construction of that retention basin, where did the south landfill drain?
A. It drained through culverts under 202. And some of it went down under 202 into a ditch on the Monsanto facility and then crossed under Clydesdale into a ditch that led through the east side. The other portions went directly under 202 and into that east ditch.
Q. How did the PCBs get in the neighborhood east of the plant?
A. I can't say specifically how they got there.
Q. Okay. You don't dispute that they originated from Monsanto, do you?
A. Well, the storm water drainage that came from Monsanto property

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went into that ditch.
Q. And there are times when there have been flood events where those ditches have spilled over their banks; is that correct?
A. Sure.
Q. As a matter of fact, that happens quite often -- or happened quite often, didn't it?
A. I don't know how often, but there were many times when the ditches would overflow, sure.
Q. And Monsanto is -- I think you used -- the term you used in your prior deposition was that Monsanto was taking responsibility for those PCBs in that neighborhood. Do you agree with that?
A. Yes.
Q. The area adjacent to the Mars Hill Baptist Church where the two hundred some odd thousand parts per million was found in the ditch, was that one of the

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drainage ditches you were talking about?
A. Yes.
Q. When is the most recent time that Monsanto or Solutia -- and just for purposes of this deposition, when I say Monsanto, I mean Solutia.
A. Sure. Okay.
Q. When is the most recent time that Monsanto has detected PCBs in any of its outfalls from its Anniston plant?
A. We sample storm water on a quarterly basis. And the most recent sampling event was the second quarter of this year.
Q. Did you detect PCBs in the second quarter of this year?
A. We detected, I believe, a part per billion in that storm water.
Q. One part per billion?
A. I believe, roughly, was the number, yes.
Q. Did you detect any in the first quarter?

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A. No.
Q. What about in the fourth quarter of last year?
A. I don't recall what those results were.
Q. Do you recall if you did or you didn't, or you just don't recall the --
A. I don't recall.
Q. Okay. Let me mark this as Exhibit 2. I think it was an exhibit to your last depo, but I'll put that over that (indicating).

(Whereupon, Plaintiff's Exhibit No. 2 was marked for identification.)

Q. Let me get you to tell me what that is.
A. These are the NPDES permit sampling results for the time period April, June, which would be second

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quarter of 1998, for 012, which is the -- our monitoring point at 10th Street between Crawford and Boynton.
Q. How many monitoring points do you have for storm water runoff -- let me back up.
Is this a monitoring report for storm water runoff?
A. Yes.
Q. Okay. How many do you have?
A. I believe there are three.
Q. You don't know?
A. I would say there are three.
Q. Is there somebody else that would know better than you?
A. Robert Jones would know. The ones -- there are several on the plant site itself that I just don't recall exactly which ones there are.
Q. Okay. You work on this facility full-time, don't you?
A. I work on the remediation of this facility, yes.

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Q. And the installation of these test procedures for the outfall is part of the remediation, isn't it?
A. No.
Q. Okay. The results from these outfalls and the presence of PCBs is important in the remediation efforts, isn't it?
A. For the ones where we've done remedies, yes.
Q. Well, it's important to know what's still coming off the plant site, isn't it?
A. True.
Q. And you think there are three?
A. I know there's one that leads from the -- it leads from the west end landfill. There's 012 which captures all the storm water east of the plant, and there is one that monitors the storm water from the north part of the -- the rest of the plant, which leaves at the

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north central area. And I believe those are the three.
Q. And you understand that you've been put up for deposition and not Robert Jones to speak on these issues?
A. True.
Q. Okay. But your testimony today is maybe Robert Jones knows more about some of these things than you do?
MR. NEWSOM: I think that mischaracterizes. I think he said that Robert Jones also knows.
MR. HOWARD: That's fine. His testimony speaks for itself. You can state your objection.
Q. (By Mr. Howard) You can answer.
A. Repeat the question.
MR. HOWARD: Will you read it back?

(Whereupon, the requested portion of the record was read back.)

A. Robert would know about the discharges from the plant facility specifically. I know of the ones that come from the areas that we've remediated.
Q. (By Mr. Howard) Tell me what the results were for this particular quarter on No. 12 that's reflected on Plaintiff's Exhibit 2.
A. Right. This one shows one point five part per billion total PCBs.
Q. Do you do an analysis or a total report for all three of what you -- your believed three outfalls?
A. Robert Jones submits that on behalf of the plant.
Q. One total number?
A. A report that has all the discharge points.
Q. Okay. And Plaintiff's Exhibit 2 only represents one discharge

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point; is that correct?
A. Correct, 012.
Q. Do you know what the detection limit is on your storm water testing?
A. I believe it's on the order of a half a part per billion.
Q. And is that at ADEM's direction?
A. The test method is approved by ADEM, and that's -- the laboratory sets the detection limit.
Q. Is it possible to detect lower limits than that -- I mean, lower amounts than that?
A. I'm not aware that there is.
Q. Do you know, or you just --
A. I don't know.
Q. Do you remember if the PCBs you detected -- did you say the second quarter of this year or the first quarter?
A. It would have been second

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quarter.
Q. Do you remember which outfall that was from?
A. 012.
Q. And where does this one drain from, 012?
A. It drains on the south landfill, the southeast part of the plant, and the east -- the areas east of the plant.
Q. Where is this actual measuring point?
A. At 10th Street between Boynton and Crawford.
Q. Is it across 10th Street?
A. It's on the Southside of 10th Street. It's a concrete structure where the flow is measured.
Q. Where is that in relation to Mr. Hinds' property?
A. That would be a hundred and fifty, two hundred yards to the east.
Q. Where is that in relation to

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the ice house?
A. Directly across the street from it.
Q. Do you remember if -- let's back up.
Was it the second quarter of this year that you detected PCBs in 012?
A. Yes.
Q. Do you remember if that result from the second quarter of this year was higher or lower, or do you remember, than what's on Plaintiff's 2?
A. I don't remember specifically.
Q. Okay. Were you surprised to be getting PCBs in this 012 monitoring report in the second quarter of this year?
A. I wouldn't describe it as surprised.
Q. Hadn't you already completed the remediation in the areas that this was draining?

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A. We completed the remedies on properties that we owned or had access to, yes.
Q. What properties that would drain to 012 do you not have access or control over?
A. Well, there are several properties on 6th -- in a location 6th and Ferron that we do not own or have access to.
Q. Are those the only ones?
A. Currently.
Q. Do you know who owns those?
A. Not specifically.
Q. Are they residences?
A. They were residences, yes.
Q. Are they vacant dwellings now?
A. Yes.
Q. Y'all haven't purchased those yet?
A. We've not been -- we've not purchased those, no.

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Q. Have you made an effort to purchase those?
A. Yes.
Q. Are those folks currently represented by attorneys?
A. As far as I know.
Q. Do you know who represents them?
A. Not specifically.
Q. Does water from the ice house -- storm water that would flow over the property where the ice house is, would that flow into this -- would this be part of this 012 drainage area?
A. No.
Q. What about water from Mr. Hinds' property?
A. No.
Q. Could it potentially flow into this?
A. No.
Q. The 012 drainage portion, is it all underground?

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A. No.
Q. Where is it not underground?
A. Well, there are pipes underground that convey a fair amount of it. But any water that hits the surface eventually goes to an inlet that takes it underground. So I mean, it originates on the surface and then into piping underground.
Q. What about close to the ice house, is it all underground there?
A. What do you mean by close to the ice house?
Q. Well, you said it was right across the street -- the monitoring point is right across the street, right?
A. Right.
Q. Say within fifty yards of that monitoring point, is it all underground at that point?
A. It's underground leading towards the south, but none of the water from the ice house gets into that

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sampling point.
Q. Okay. Why is that?
A. Because it flows under 10th Street near the ice house, east of this structure.
Q. Does it flow around the property that's owned by Bobby Lewis?
A. Does what flow?
Q. I mean, is it -- at that point, are the pipes underground near the ice house?
A. The pipes that go to that discharge point are underground.
Q. Do they go around the ice house property?
A. No. They are parallel to or adjacent to the ice house property.
Q. Okay. Where did those PCBs you detected in there in April through June of '98, in the second quarter of '99, where do you think those came from?
A. I can't say specifically where they came from. But the waters

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draining into that discharge point would have come from properties that haven't been or had not been remediated.
Q. You can say that with absolute certainty?
A. That the water from those properties went into that point?
Q. Well, no. That the -- now I'm confused. Can you say that the PCBs didn't come off Monsanto property that were detected in the second quarter of this year or on Plaintiff's Exhibit 2?
A. I can't say that they did or they didn't.
Q. But you have completed the remediation of the property that you own or control or have access to that drain to this 012 outfall; is that correct?
A. We have now. At that point in time, we did not.
Q. Had you completed it by the time you took that reading in the second quarter of this year?

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A. No.
Q. What did you do after that?
A. We had acquired the Mars Hill property and were in the process of remediating a portion of the ditch that was not owned by Solutia prior to that.
Q. So after the completion of the remediation areas that flow into 012, you haven't detected any PCBs?
A. Well, again, there are properties that we don't own that haven't been remediated.
Q. Okay. I understand that. But tell me when you completed the remediation of the properties that you have access or control to that flow into where the water would flow to 012?
A. When did we complete those?
Q. Uh-huh (positive response).
A. In the second quarter of this year.
Q. And after that point, you haven't detected -- after the second

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quarter you haven't detected PCBs in 012?
A. We haven't sampled. There wasn't a storm event to sample in third quarter.
Q. So you don't know whether or not there will be PCBs in there?
A. We have not sampled.
Q. What about the other outfalls, the other two? Have you detected PCBs in those at all since those have been installed?
A. No, we've not detected any.
Q. How close is that 6th and Ferron property to Mr. Hinds' property?
A. You're referring to the properties that we don't own?
Q. Yes, sir.
A. Well, Mr. Hinds' property is on 10th, so it's four blocks south of his property. I say four blocks. The surveys there are a little confusing, so it's a thousand feet.
Q. Do you know if storm water

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from those properties flows across Mr. Hinds' property?
A. Those would not flow across his property.
Q. What about over the ice house?
A. No.
Q. Have you done an analysis of that?
A. Yes.
Q. Where do those waters flow across the 6th and Ferron properties?
A. They flow into an inlet structure that goes into a pipe that leads to that 10th Street structure.
Q. Have you done a written report of that or just a sheer observation?
A. That is in our interim -- final report for our interim measures. The remediation that we did over on the east side was contour maps that showed where flow would go.

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Q. Is it your testimony that all the water that flows off of Monsanto property flows into one of these three outfalls?
A. We currently own properties that would not flow into that, no.
Q. And some of the waters from the properties that don't flow across -- flow into these three outfalls would, in fact, flow across Mr. Hinds' property, would it not?
A. I wouldn't say -- I wouldn't say that, no.
Q. You don't know, though, do you?
A. I'm having to think where they -- some properties that we currently own, waters could flow down Ferron Street next to Mr. Hinds' property.
Q. And then across his property, correct?
A. I don't know whether it would go across it or not.

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Q. It might? You don't know?
A. I don't know.
Q. What about the ice house?
A. Waters flowing from any property we own would not flow across the ice house.
Q. Not even in a flood event; is that what you're saying?
A. I don't know how you would define a flood event. But during a normal storm, no.
Q. Well, you've been -- you've worked in Anniston for several years, so you've seen how the water collects in front of the ice house, haven't you?
A. I've seen water flowing in front of the ice house, going into the inlet structure that goes under 10th Street, yes.
Q. And is it your testimony that none of that water that flows down across the ice house could have possibly come from Monsanto property?

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A. It could have come from some properties near 8th and Ferron that we own, sure.
Q. Do you remember any communications with or discussions relating to complaints that Mr. Hinds had when y'all started tearing down all the houses and water would just come rushing down off your property onto his?
MR. NEWSOM: Object to the form.
MR. HOWARD: What's wrong with the question?
MR. NEWSOM: I'm just objecting to form.
MR. HOWARD: Well, I'm entitled to know what's wrong with it.
MR. NEWSOM: No, you're not. You can either choose to cure it or not; and if the objection stands, it stands.
MR. HOWARD: Under Alabama law, you have to tell me what's wrong with it so I can cure it.

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MR. NEWSOM: No, I don't. I don't have to tell you at all.
MR. HOWARD: All right.
MR. NEWSOM: I will object -- but I will tell you: I object to it as vague, ambiguous, and argumentative insofar as its reference to rushing waters until you lay some foundation that that's the case.
Q. (By Mr. Howard) I asked you do you remember anything like that?
A. I remember discussions that were had with Mr. Hinds about water flowing down 10th Street.
Q. And collecting in front of his store?
A. Yes.
Q. Was there any discussion of it actually running in the store?
A. I don't know that I had a specific conversation with Mr. Hinds about that, but I remember that being discussed by someone.

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Q. Okay. And at the time, these drainage ditches and this settling pond and all this stuff y'all had built to collect the water had not been built yet; is that right?
A. I don't recall exactly the specific date of the conversations with Mr. Hinds, but we did construct the detention basin in 1996.
Q. But you had to tear the houses down first, right?
A. No, not to install the detention basin.
Q. Okay. But at the time before you had done all your remediation work and the corrective measures on this property you were purchasing and tearing down the houses, that water would have flowed across Monsanto property onto his property; is that right?
A. Prior to us opening the property, the residences around Mr. Hinds' property, water could have flowed

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from their property onto his property, yes.
Q. And it could have flowed from their property -- from that property to his property after you purchased it?
A. Sure.
Q. Do you have any understanding as to whether or not the demolition of those structures that you tore down on some of those properties may have actually increased the water flow onto his property?
A. I don't have any specific knowledge of that, no.
Q. Did you do any analysis of that?
A. We looked at where waters were flowing along 10th Street, and nothing that we did in those residences around his property would have changed those flow patterns.
Q. I'm not talking about on 10th Street. I'm talking about in the

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neighborhoods behind his structure.
A. Those waters would not have flowed across his property.
Q. Did you do any sort of analysis of that?
A. Sure.
Q. And where would that be located?
A. That's in the work plans for the interim measures of the east side.
Q. Tell me about any conversations you have ever had with Cecil or Richard Hinds.
A. I recall a meeting that Bruce Eley and I had with Cecil. I believe there were a couple of occasions when I spoke with Cecil when we were demolishing some houses nearby. That was pretty much the extent of my conversations.
Q. Okay. Let's talk about this meeting that you and Mr. Eley had with Cecil. Where was that?
A. That was at the pawn shop.

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Bruce and I met with Mr. Hinds to show him where we had done sampling in the area and what our approach was going to be to the remedies for those -- for storm water and soils.
MR. HOWARD: Do you want to refresh his recollection with this that you're showing him?
MR. NEWSOM: No. If he would like to, he can. If you want to look at that, those are our interrogatory answers, which they have, if that helps you.
THE WITNESS: All right.
Q. (By Mr. Howard) You didn't have any trouble remembering, did you, before he showed you that?
A. No. I remember specifically that meeting.
Q. Could I see it?
MR. NEWSOM: Don't lose my clip. I'll never get it back together right.

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(Whereupon, Plaintiff's Exhibit No. 3 was marked for identification.)

Q. I'll show you what I've marked as Plaintiff's Exhibit 3. And is that the document that Mr. Newsom has just placed in front of you?
A. Yes.
MR. HOWARD: We can get her to run a copy of it.
MR. NEWSOM: That's fine. I mean, you've got a copy. I just wanted to keep a copy. That's fine. Why don't we take a quick break? We've been going about an hour.
MR. HOWARD: Okay.

(Whereupon, a brief recess was taken.)

Q. (By Mr. Howard) Mr. Faust,

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you understand that you're still under oath?
A. Yes.

(Whereupon, Plaintiff's Exhibit No. 4 was marked for identification.)

Q. I'm going to show you what I'm marking as Plaintiff's Exhibit 4. It's some color copies of some photographs. And I'll just ask you if you've ever seen those before?
MR. NEWSOM: I guess you mean seen the photos, not what's depicted in the photos. Is that his question first, have you seen the photos themselves?
Q. Yeah, seen these particular photos?
A. (Witness reviews photographs.) No, I've never seen these photos.
Q. Do you recognize those --

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what's depicted in the photos?
A. On several of them, I recognize the front of the -- Mr. Hinds' pawn shop.
Q. And in those pictures that you recognize, can you identify for me -- just flip through there and tell me which ones you recognize as being the front of Mr. Hinds' property, and we'll refer to it by the number, the Bates number.
A. Okay. 486.
Q. Okay. Let me look at that one real quick. And do you see the water standing there in front of the store or the flowing water?
A. I see water on 10th Street, yes.
Q. Do you have -- can you say that that water did not flow across Monsanto property?
A. Water that flows on that side of 10th Street would not have come from Monsanto property.

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Q. You know that absolutely certain?
A. Yes.
Q. That no property that Monsanto owns did that water flow across?
A. Not at -- I don't know the date of this photo, but it would have had to have been in '97 because of the structures that are still there, that -- no, that would have not flowed from our property.
Q. Okay. Could it have flowed across property that Monsanto now owns?
A. We own property now that could have today been a part of a flow similar to this.
Q. Okay.
A. Well, we didn't own all the properties at the time of this.
Q. Right. Let me just see if I can get us on the same page, because we probably are, but I'm not sure.
MR. NEWSOM: You're both

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talking double negatives and stuff, so it's confusing, but I think you are on the same page.
Q. I realize that Monsanto owns some property today that it didn't own in '97; is that right?
A. Right.
Q. And is it correct that water in this picture that's Bates No. 486 could have flowed across property that Monsanto didn't own in '97 but owns today?
A. Yes.
Q. Okay. Has Monsanto only acquired property since '97 that have shown the presence of PCBs in the surface soils?
A. I'm not sure I understand the question.
Q. Okay. Properties that you have acquired since '97 east of the plant, did all of those properties test positive for the presence of PCBs?

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A. I believe the properties we bought since '97 had PCBs detected in soils, yes.
Q. And is it possible for PCBs to migrate in storm water runoff?
A. Sure.
Q. Okay. Is Ferron Street visible in that picture, 486?
A. Ferron would be the street between that building and the pawn shop, yes (indicating).
Q. And in fact, Monsanto has acquired Ferron Street from the city; is that correct?
A. No, we have not.
Q. Have you closed -- is Ferron Street closed, or is it still open?
A. No, it's still open.
Q. And you do not own where Ferron Street is; is that correct?
A. We own -- we now own properties along Ferron Street, yes.
Q. But you don't own the street

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itself?
A. No.
Q. Have you acquired any of the right-of-way from the City of Anniston?
A. No.
Q. Flip through there, and tell me what other photos you recognize as being the front of the pawn shop.
A. 414.
Q. Would your testimony in regard to this picture and the water in this picture be the same as in the previous picture? That being that this water may have flowed across property that was not owned by Monsanto in 1997 but is currently owned by Monsanto?
A. The timing of ownership of the property on Ferron, I don't recall specifically. But we previously did not own property along Ferron that we do own now.
Q. Okay. And is it possible that this water present in this picture

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taken in '97 may have flowed across that property on Ferron?
MR. NEWSOM: Objection to form.
A. It could have.
Q. Okay. Have you had occasion to personally witness the pawn shop property in a rain event?
A. I have driven around all of that area during rains and seen water in various areas, yes.
Q. Have you seen water flowing in front or -- in front of the pawn shop in rain events?
A. I've seen water in the area between 10th Street and the pawn shop, yes.
Q. And that would be in front of the pawn shop, correct?
A. Yes, to the north of the pawn shop, the front.
Q. Okay.
A. I'm finished with them.

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Q. All right. Okay. We were talking about the meetings that you recall with Mr. Hinds. First of all, do you recall ever meeting Richard Hinds?
A. Yes.
Q. You told me in regard to Cecil Hinds, you recall a meeting that you and Mr. Eley had with him; is that correct?
A. Yes.
Q. And that was at the pawn shop?
A. Yes.
Q. You said there maybe was a couple of other occasions you spoke with Cecil Hinds?
A. Right.
Q. Tell me when you've spoken with Richard Hinds.
A. I believe in each of the instances where we would have talken -- talked or met with --
Q. We won't let your wife read

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that.
A. Or my kids.
Q. You've been in Anniston too long.
A. -- Richard -- no, actually I got that from St. Louis, I think. Richard or Ricky Hinds would have been, I believe, in the pawn shop and would have had an occasion to just talk with him.
Q. Any substantive conversations, or was it just general?
A. Just general finding out if Cecil was available.
Q. So your primary contact with either of the Hinds would have been with Cecil Hinds?
A. Yes.
Q. When you moved to Anniston -- this Stillwater Road, where is that located, what part of town?
A. Golden Springs.
Q. Tell me: Is that on the north, south, east or --

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A. East.
Q. Why didn't you live over close to the plant?
A. Golden Springs is where we wanted to live.
Q. But you made the decision not to move your family close to the Monsanto plant, didn't you?
A. No. I made a decision to move into a house that was affordable and gave my kids, you know, back yard and all that I wanted to live in in Golden Springs.
Q. And that's on the other side of town from the Monsanto facility; is that correct?
A. It's on the east side of town.
Q. And the facility is on the west side; is that right?
A. Yes.
Q. Do you ever bring your kids to work with you?

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A. Sure.
Q. Do you let them play out in the dust?
A. No.
Q. Tell me about this meeting that you and Bruce had with Cecil at the pawn shop.
A. That particular meeting was one where Bruce and I showed Cecil the sampling that we had done in the area. We went over our plans for remediation and where that would generally be located relative to his property.
Q. What else?
A. That's about all I remember for that meeting.
Q. Okay. When was that meeting; do you recall what year?
A. It would have been --
Q. Just tell me to the best of your recollection.
A. It would have been probably the latter part of '97 or early part of

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-- latter part of '96 or early part of '97.
Q. Do you know what prompted this visit to the Hindses? Did they call you? Did you -- I mean, why did you go?
A. I don't know specifically whether it was -- we called Cecil or he called us. But it was in an effort to let the businesses around there know what our plans were.
Q. Is that your first time to ever meet Mr. Hinds, Cecil Hinds?
A. I think it might have been.
Q. Is that the first time you recall meeting Richard Hinds?
A. I believe so.
Q. Did your plans for remediation, did those involve any commercial properties?
A. No.
Q. Why did you -- I don't want to be argumentative or colorful. Why did you later decide to purchase commercial

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properties?
A. We purchased -- at the time we met with Mr. Hinds, we were discussing the area to the east of the plant, and the commercial properties east of the plant were not in areas that were going to be part of the remedy.
We later purchased some commercial properties north of the plant that were in areas that were impacted with PCBs.
Q. What do you mean by impacted?
A. The drainage ditch leading from the northwest part of the plant, the west end landfill area, those ditches, in fact, went underneath some of the buildings in that area, so they were directly over the drainage ditch.
Q. When did y'all discover that?
A. It was during our investigation of the ditches north of the plant. I don't specifically know what date or timing.

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Q. You didn't know that when you got this plan for remediation finalized?
A. The plan for the remediation that we would have discussed at that point was only for the east side of the plant.
Q. Did you purchase any commercial property on the east side of the plant up until today?
A. We purchased an abandoned shop to the southeast of Mr. Hinds' facility, and there was a property along 10th Street on the other side of Ferron that was an abandoned TV repair or something that had a renter in it, residential renter. Those were the two.
Q. Those were the two?
A. Yeah.
Q. Do you know who owned that abandoned shop to the southeast of the pawn shop?
A. I believe the name was Woods.
Q. Do you know what the nature

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of that commercial property was?
A. I think at one time they refinished some furniture, I think.
Q. Do you know what street that was on?
A. That would probably be a Crawford address.
Q. Do you know who owned the TV repair center --
A. That particular --
Q. -- TV repair shop?
A. -- building, I think, Shedder was the name. I don't know the spelling.
Q. Did ditches go under either of those properties?
A. Pardon me?
Q. Did ditches go under either of those properties?
A. No.
Q. Why did y'all decide to buy those?
A. The Shedder property on Ferron was one that we bought under the

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property purchase program. We bought the building because it had a renter in it.
The Woods building was adjacent to properties we had bought under residential -- the property purchase program, and it was not being used regularly as far as we knew. The owner approached us, would we like to buy it, and the plant had some possible uses for it as a welding shop, so we bought it.
Q. Did either of those properties have PCBs present on them?
A. I don't recall that they did.
Q. Do you know or you just don't recall whether they did or they didn't?
A. I don't recall whether they did or didn't.
Q. Y'all have never approached Mr. Hinds about buying his property, have you?
A. No.
Q. But his property is adjacent

to property that you've purchased in the property purchase program; is that right?
A. It's in the same area, yes.
Q. Pardon me?
A. Yes, it would be adjacent, yes.
Q. Mr. Hinds' property has had a render in the past, has it not?
A. I believe there was one on the second floor.
Q. So you would agree with me, wouldn't you, that Mr. Hinds' property is comparable to both the commercial properties you bought on that side of the plant?
MR. NEWSOM: Object to the form. Vague and ambiguous.
A. Mr. Hinds was like other commercial properties along 10th and Clydesdale that were in operation and were not going to be part of the remedy. So they weren't the same as those two properties.

Q. Okay. Well, Mr. Hinds' property is adjacent to property purchased -- buyout property just like the Crawford property was; is that correct?
A. It's adjacent to property we bought, yes.
Q. As was the Crawford property you bought?
A. Yes.
Q. It had a renter just like the Shedder property; is that correct?
A. Correct.
Q. So tell me how the Hinds property is different.
A. The Shedder property, the majority of that facility, building was vacant, and we made the decision to buy that vacant property because there was a renter in there, and it was adjacent to those properties on Ferron.
Q. Why didn't the renter -- why does the presence of a renter make a

difference?
A. Our property purchase program was developed in the interest to buy properties that were either residences or rental properties in that area east of the plant.
Q. Why?
A. In 1995 when we did the early parts of our investigation, the ditches and some of the areas east of the plant, we knew that there was going to be a remedy required for that which was going to involve some storm water piping and a lot of earth work. We made the decision that if, in fact, we could own all the property, it would be a much more effective project, construction project, considering the size and magnitude. So we decided to offer the property purchase program to the residential area in that area just east of the plant.
Q. Why did you limit it just to residential?

A. Well, first of all, the sampling that we had at that time showed that the commercial properties were not impacted like those near the ditch. Storm water flowed into those ditches, which was east of any of those commercial properties, and it was our decision that -- to focus on residential properties.
Q. Are you saying that the properties directly adjacent to Cecil Hinds' property that you've purchased are impacted more than his property?
A. No, I didn't say that.
Q. Well, then what's the distinction?
A. The distinction is those were residential or renters, and we bought -- we made a concerted effort to approach all of those residents within that area bounded by Clydesdale, Boynton, 202, and 10th Street.
Q. Well, just tell me why you

didn't approach the commercial owners in that area.
A. Because our study of storm water flow and sampling we had done didn't demonstrate there was any need for remedies on those properties, and our concern was for the residents east of the plant.
Q. Okay. So your testimony is that even though Mr. Hinds' property is directly adjacent to a residential property, there was a need for remedy on the residential property, but not his property?
A. No, I didn't say a remedy on those specific properties, on the residential, no.
Q. Let's talk about the two properties -- the property that's right next door to Mr. Hinds that you've purchased.
A. Right.
Q. Tell me why you purchased the

residential and not his in regard to those specific properties.
MR. NEWSOM: Well, he's -- let's do it again. He's answered this at least once. Go ahead.
MR. HOWARD: He hasn't answered this specific property.
MR. NEWSOM: Sure he has.
A. Because it was a residential property. That is why we bought those on Ferron Street.
Q. (By Mr. Howard) Okay. And is that the only difference between the property that you bought right next door to Mr. Hinds' property and his property -- is that the only difference that resulted in your purchasing the Ferron Street property and not his?
A. Under the property purchase program, that would be the only difference.
Q. Isn't it true that there are levels of PCBs on Mr. Hinds' property as

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high as levels of PCBs on some of the residential properties you've purchased?
A. I don't know that I've ever compared properties, but there are -- there have been detections of PCBs on Mr. Hinds' property, yes.
Q. So it's possible that they are as high or higher than the levels of PCBs on some of the residential properties you've purchased?
MR. NEWSOM: Object to the form.
A. I can't say whether that specifically is true or not.
Q. You don't know?
A. No.
Q. That's not something you looked at in preparation for your deposition today?
A. I know what the sampling shows on Mr. Hinds' property. I didn't review all the other samplings that we did, no.

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Q. What does the sampling show on Mr. Hinds' property?
A. Some detections of PCBs, I believe for the most part below two parts per million, and quite a number of samples that detected no PCBs.
Q. Who did these tests?
A. We did some -- initially did some sampling, I believe, to the west and to the south of his property -- or not of -- well, yes of, but also on. And then other sampling that was done was done by others.
Q. Do you dispute that PCBs at six point one PPMs and nine point nine PPMs were detected on Mr. Hinds' property by Monsanto?
A. Those were samples that we took. You're right.
Q. On his property?
A. Yes.
Q. What about on the ice house? Do you know about whether or not the

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levels of PCBs found at the ice house property were lower, higher -- let me back up.
The levels that were found on the ice house property, were those as high as the readings you got on any of the residential property that you took?
A. I don't specifically recall what the levels were on the ice house property or whether we even sampled specifically. We sampled where the water would have gone under 10th Street, but I don't recall all the sampling that was done in that particular area.
Q. Are you familiar with the EPA or ADEM sampling that was conducted on the ice house property?
A. Yes.
Q. Are you familiar with the most recent results of the EPA testing or the ADEM testing that was done recently?
A. Yes.
Q. And some of that was on

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residential property?
A. I believe so.
Q. Are y'all seeking to acquire any of that residential property where PCBs were detected?
A. I don't specifically know what properties were tested.
Q. Are you still seeking to acquire additional residential property?
A. We have outstanding offers to a number of property owners that have declined to take our offer.
Q. Do you know if Monsanto has ever approached Mr. Bobby Lewis about purchasing his property?
A. I believe there were some discussions regarding the eastern portion of his property where the old ditch used to -- the ditch used to flow, about purchasing that or remedying that, yes.
Q. Only the eastern portion?
A. Yes.
Q. Have you made an offer to

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purchase the funeral home?
A. Which funeral home?
Q. The one that is east of the plant.
A. Model City Funeral Home?
Q. Yes.
A. I understand they were in some discussions, but I particularly haven't made any offer to purchase.
Q. Who is in charge of making these offers?
A. Well, it depends on what offers you're referring to.
Q. Offers to purchase property?
A. Under the property purchase program, that would have been myself as manager. That particular -- I was not involved in the one you're talking about, the funeral home. I was not particularly involved with that discussion.
Q. Is that because it's not part of the property purchase program?
A. Correct.

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Q. Who is involved in that one?
A. That would have been discussions that attorneys representing those plaintiffs would have had with our attorneys.
MR. NEWSOM: And that might be time to just mention, pursuant to the protective order that's already in place, any discussions such as this which relate to settlement negotiations, et cetera, we would invoke the protective order and would obviously contend that these areas, though you may go into them, are subject to and protected under the protective order just as documents would be once we designate them.
So we are designating this portion of the deposition and any ensuing portions that relate to settlement discussions and negotiations as protected under the protective order in place.
MR. HOWARD: I'm not necessarily agreeing or disagreeing that

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these fall within the scope of the protective order, as there has been no discussion of amounts or anything of that nature.

MR. NEWSOM: And just so I don't disrupt your flow, may I have a -- I trust I don't have to repeat that to every question asked.

MR. HOWARD: That's true. And I don't have to -- just as long as I don't have to repeat that I don't necessarily agree that it falls within the scope of the protective order.

MR. NEWSOM: What's good for the goose is good for the gander. That's fair enough.

(Whereupon, a discussion off the record was held.)

Q. (By Mr. Howard) Do you know if y'all have made any other offers to any other commercial property owners on

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the east side of the plant, other than the Model City Funeral Home and the ones we've already talked about y'all actually purchased?

A. Right. We purchased nonresidential properties, yes.

Q. Okay. Tell me about the nonresidential properties.

A. The area directly across 10th Street, what was Miller -- the Miller property.

Q. Okay. What else?

A. We've purchased along Clydesdale three properties that were owned by a Mr. Pace.

Q. What else?

A. The Stop 'N Go at 10th and Clydesdale.

Q. Okay. What else?

A. And the -- we own the property that was Anniston Equipment Rental on 10th Street.

Q. Okay. What else?

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A. And Anniston Iron Works, which is on Parkwin.

Q. Okay. What else?

A. And then two properties on Parkwin, one owned by the Suggs and one owned by -- Suggs, S-u-g-g-s, I believe -- and one by McGough, M-c-G-o-u-g-h, I think.

Q. Okay. What else?

A. The Lambert Recycling property which is between Duncan and Parkwin on 10th Street.

Q. Okay. What else?

A. I believe that's it.

Q. Is Parkwin across the railroad tracks? I mean, is that on the north side of the railroad tracks?

A. Yes.

Q. So the Anniston Iron Works is on the north side of the railroad tracks?

A. Yes.

Q. As would be the Suggs, McGough, and Lambert Recycling

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properties?

A. Yes.

Q. Anniston Equipment Rental, is that on the south side of the tracks?

A. No. That's on the north side, on the east side of Parkwin. So it's at the corner of Parkwin and 10th.

Q. Okay. But the Stop 'N Go is on the south side of the -- it's on the north side of the tracks, also?

A. It's at the corner of 10th and Clydesdale.

Q. Okay. The Clydesdale properties are on the north or the south, the three properties owned by Mr. Pace?

A. Those are on the north of the railroad tracks.

Q. And the Miller property also on the north side?

A. That would be south of the railroad tracks, between the railroad tracks and 10th Street.

Q. Does that border on Snow

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Creek?

A. No.

Q. What is across 10th Street from that Miller property?

A. Oh, Mr. Hinds' property and the Crawford -- well, actually the Boynton, Crawford, Ferron area.

Q. Okay. Tell me why you wanted the Miller property -- well, first of all, was it vacant, or what was on that property?

A. The original purchase was the eastern two-thirds of that property. It extended from Clydesdale to McDaniel Avenue. The eastern two-thirds of that property was purchased in order to do the remediation of the ditch that was between 10th Street and the railroad tracks.

The western third, Mr. Miller approached us saying that since we had bought two-thirds of it, would we entertain buying the other third, and we said sure, for the fair appraised --

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agreed-upon appraised price, and that's what we purchased it for.

Q. What was on that one-third property, that one-third of the western part?

A. There was and still is a red or orange metal building that was used previously in -- I think in some manufacturing in the past.

Q. What are your plans for that third of the property?

A. I don't have any right now.

Q. Have PCBs been detected on the Miller property?

A. Yes.

Q. Do you know what levels?

A. I think they were as high as a hundred parts per million.

Q. Is that in the ditches?

A. Yes.

Q. What about in the -- not in the ditches? Have you detected PCBs on the Miller property?

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A. Yes.
Q. Do you know the levels that were not in the ditches?
A. I believe in the eastern third nearest the ditch, we found some above fifty.
Q. What about in the other two-thirds?
A. Well, that was also part of the ditch, and it ranged from nondetect to a hundred parts per million or thereabouts.
Q. When you purchased Mr. Miller's property -- well, first of all, let me ask you this: Do you consider that property to be commercial or residential?
A. I would consider it to be nonresidential. I wouldn't -- I don't particularly know the definition of commercial necessarily.
Q. Well, it's not part of the property purchase program; is that

correct?
A. Correct.

(Whereupon, a discussion off the record was held.)

(Whereupon, a brief recess was taken.)

Q. You understand you're still under oath?
A. Yes.
Q. We were talking about the Miller property.
A. Yes.
Q. The portion where the orange or red building we were talking about sits, that was not necessary for you to purchase that property for any work that you had to do on the drainage ditches; is that right?
A. Correct.
Q. But y'all purchased it

anyway?
A. When Mr. Miller approached us, yes.
Q. Do you know which Mr. Miller approached you?
A. Jeff, I believe was his name.
Q. And this red or orange building is directly across the street from Mr. Hinds' property, isn't it?
A. Yes.
Q. Across 10th Street?
A. Right.
Q. What have y'all done with those PCBs you found on that property, on the Miller property?
A. The first purchase we made, which was the eastern two-thirds, that area was part of the interim measures remedy that we constructed. Those -- that ditch that existed there was closed in place, and a new ditch constructed. Any impacted soils that we had detected were capped in place, covered in place.

The eastern third, we have moved those materials to the -- towards the east and capped those in place as well.
Q. Even the ones that were a hundred parts per million?
A. Anything above fifty, we took to Emelle, Alabama.
Q. So you didn't cap all of them in place?
A. No.
Q. And the reason you hauled them to Emelle is why?
A. The designation for impacted materials with greater than fifty parts per million is that they are a hazardous material, and Emelle is permitted and licensed to handle those materials.
Q. Educate me a little bit. If you had PCBs on a spot, let's just use an example, on Monsanto property, not what you've purchased, but say on the west end landfill that were over fifty parts per

million --
A. Right.
Q. -- and those PCBs were put there in the '60s or before that, would you have to haul those off, or could you cap those?
A. Depending on the approvals from ADEM, you could leave those in place.
Q. And what's the difference between what you have to haul off and what you have to -- what you can cap? Does it relate to RCRA?
A. It relates to TSCA, which is the regulation that has jurisdiction, and the disposition of any of those soils is whatever has been approved by the regulating agency, which was ADEM -- or is ADEM.
Q. Does it have anything to do at the time at which those PCBs were potentially released?
A. I'm not an expert on TSCA.

Q. The PCBs that you found in the properties that you've purchased in Anniston since 1995 that were above or at fifty parts per million, have you hauled all those to Emelle?
A. No.
Q. Why did you haul some and not others?
A. If you're referring to the Miller property, those were because we didn't -- the materials that we moved on the Miller property on the eastern -- no, western third, when we were moving those materials, we didn't have a place for those particular materials on that property. And once we excavated them, we just decided that that was where -- we were going to send them to Emelle.
Q. Okay. I thought you just told me a little while ago that ADEM required you -- anything over fifty parts per million to go to the hazardous waste landfill at Emelle?

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A. No. The requirements are: Upon approval, you can cap those in place. But if you're not going to cap those in place under a work plan approved by them, then they must go to -- if you've excavated them, they must go to Emelle.
Q. And when you say cap in place, do you mean as they sit? You don't dig up anything and move them somewhere and then cap them?
A. As they sit.
Q. Did you cap in place some PCBs that were at levels of at least fifty parts per million in any place that was part of the property purchase program?
A. Yes.
Q. Do you know where those places were?
A. In the ditch in the east side and on the north -- north of the plant.
Q. In the ditch that was on the

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east side. Are you talking about near the Mars Hill church?
A. That particular ditch that led through that east area, yes.
Q. So the ditch that had the two hundred parts per million -- in excess of two hundred parts per million of PCBs, you capped in place?
A. Yes.
Q. Did you ever make any representations or anyone at Monsanto make any representations to folks in that neighborhood, whether they be residents or commercial owners, that they were going to haul everything over fifty parts per million off to Emelle?
A. Not that I'm aware of.
Q. If those representations were made, those would, in fact, be false; is that correct?
A. I can't comment to it, because I don't know whether that was made.

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Q. But you do know that there were some PCBs in excess of fifty parts per million that were not, in fact, hauled to Emelle?
A. Yes.
Q. And I suppose y'all got with ADEM and y'all worked out an agreement where y'all could do that, cap them right there?
A. I object to that phrase.
MR. NEWSOM: No. I have to do that.
THE WITNESS: Well, you weren't.
MR. NEWSOM: You can disagree with it.
A. All right. I disagree.
Q. Y'all didn't have an agreement with ADEM that y'all could cap them?
A. We submitted work plans for the remedy of the east side, which included the ditches that had

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concentrations greater than fifty, and the approach was to leave them in place and pipe the storm water and cap those areas in place.
Q. And ADEM approved that?
A. ADEM approved that.
Q. Did ADEM reject any of the proposals that you submitted to cap PCBs at levels of fifty parts per million or above?
A. They had comments to our proposed remedy, yes.
Q. But they didn't tell you you couldn't do it on any site that you proposed?
A. True. They did not.
Q. Where did you pipe the water from those ditches?
A. Into that 012 discharge point.
Q. Was the Mars Hill church part of the property purchase program?
A. No.

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Q. Was the Bethel church?
A. No.
Q. Why did you choose to buy those two properties?
A. In both instances, we worked with those facilities to relocate their facilities to a different location.
Q. I understand that. My question was: Why did you choose to buy those two properties?
A. Because those were in the areas that we -- were going to be part of the remedy.
Q. So is now one of the factors in deciding which properties to purchase and which ones not to purchase whether or not they are in the area of the remedy? Is that a factor?
MR. NEWSOM: Object to the form.
A. Yes, that is a factor.
Q. Well, isn't Mr. Hinds' property in the area of the remedy?

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A. It was not in an area that we were specifically going to and have remediated.
Q. Isn't Mr. Lewis' property in the area of the remedy?
A. I would -- if I could back up, they were -- Mars Hill and Bethel were specifically in the remediation, part of the remediation, their properties.
Q. What did you have to do on the site where the actual building of the Mars Hill church sat?
A. Where the building sat?
Q. Uh-huh (positive response), yes.
A. We've not had to do anything where the building actually sits.
Q. Why couldn't you just buy the part where you had to do the remediation?
A. Because our approach was to -- if those owners, in this particular instance the congregation of Mars Hill,

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wanted to sell and relocate, we would work with them, because the ditch was on their property.
Q. Well, why did you only approach Mr. Lewis about purchasing a portion of his property?
A. Because the ditch, the ditch that was later piped, I believe in the '80s, was on that portion of his property.
Q. How is that different from the situation with the Mars Hill church?
A. As far as a ditch flowing on property owned by that particular owner, it's the same.
Q. But y'all chose to buy the Mars Hill church, the whole property, and you didn't make that same offer to Mr. Lewis, did you?
A. The intent and the purpose for buying the Mars Hill was to relocate that congregation somewhere else.
Q. I understand that, but that's

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not my question. My question was: You decided to purchase all of the property of Mars Hill church, even though the ditch only flowed through a portion of it, and you didn't make the same offer to Mr. Lewis, even though a ditch flowed through a portion of his?
A. I'm not knowledgeable on exactly what the proposal to Mr. Lewis was.
Q. But you're not aware of any offer ever to purchase all of his property?
A. I can't say that there was or there wasn't.
Q. You don't know?
A. I don't know.
Q. Now, what did you have to do where the actual building of Bethel Baptist Church sits?
A. We closed -- the east ditch at the point it reached the Bethel property was in pipe underneath their

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building. When we took ownership of that property, we demolished the church and closed that ditch in place, closed that pipe in place.
Q. When you close it, what do you do?
A. Just filled it with, I think, fill. I mean, we collapsed the pipe and filled it with fill material.
Q. Where does that water go now?
A. That all gets diverted to the pipes that go into the 012.
Q. Where did it go before you closed it?
A. It went north in the pipe to a point where it went under 10th Street at the ice house property.
Q. And then where did it go?
A. Under 10th Street and across what was the Anniston Concrete or Miller property, then under the railroad tracks, turned east and went into Snow Creek.
Q. Do you know if anyone has

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ever approached Mr. Hinds about relocating him to a new location?
A. No.
Q. Building him a new building?
A. No.
Q. When y'all bought the Miller property, did you use the same formula that you used in the property purchase program, meaning that they got -- that Mr. Miller got some amount above the appraised value?
A. Mr. Miller approached us with the request, if we wanted to purchase his property, and we agreed that it would be for the appraised price for that property.
Q. So he didn't get the bonus that the residents got?
A. He was not part of the residential property purchase program.
Q. I understand that. But did he get the bonus?
A. No.

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Q. Did he get the percentage above the appraised value that the residents got?
A. No.
Q. Why not?
A. Because our property purchase program where all those things were -- all those factors were for the property purchase program only.
Q. What factors?
A. The appraised value and the premium above appraised value and sign-up bonuses, all those that are covered in the property purchase program.
Q. Did you work with the appraisers on the property purchase program? I mean, did you have any involvement with them? Let me just ask that.
A. No.
Q. Do you know in the property purchase program if the appraisers were told by Monsanto or any representative of

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Monsanto to appraise the properties as if they were not contaminated?
A. That was the way they were to appraise them, yes.
Q. Was the Miller property appraised that way?
A. I can't recall what the criteria was.
Q. Why would you tell them to appraise it as if it's not contaminated?
A. The intent of the property purchase program was to allow those residents to be able to move from that area to other areas in west Anniston or Anniston, wherever they wanted to move, and have enough money to make that move.
Q. Isn't it true that if the appraisal had taken into consideration the contamination, that the values -- or the appraised values of those properties would have been less?
A. I can't say that.
Q. Isn't that what you suspected

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when y'all came up with the idea of telling them not to -- to appraise it as if it's not contaminated?
A. No. The reasoning for that was so that we surveyed -- Prudential surveyed areas out all across Anniston. And the intent was to allow them, for any reason, to be able to purchase property anywhere else in Anniston for an equivalent size house.
Q. So the goal wasn't to really give them the value of their property; is that right?
A. The goal was to give them enough -- give them the opportunity by the price and the amount we paid for the property to move to any area of Anniston for a comparable sized property.
Q. So the goal of the property was to help them relocate -- purchase program was to help them relocate; is that right?
A. To buy other properties to

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relocate, yes.
Q. And as part of that, you valued their property as if it was not contaminated; is that right?
A. Correct.
Q. And they got a -- what you called a premium on top of that; is that right?
A. Right.
Q. And if they did it within a certain amount of time or whatever, they got a sign-up bonus; is that right?
A. Correct.
Q. So some of these folks got a hundred and seventy-five percent of the value of their property plus the sign-up bonus?
A. Yes.
Q. And that's a hundred and seventy-five percent of the value, assuming it is not contaminated; is that right?
A. Correct.

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Q. Tell me about the three properties that you bought from Mr. Pace. What kind of properties were those? Were they vacant, or were the buildings -- just tell me generally.
A. Two of them were vacant. One had a -- I think a car cleaning service in it.
Q. Was that car cleaning service, was that a functioning business at the time you purchased it?
A. Yes.
Q. So that business had not been abandoned at the time you purchased it?
A. The previous business in that was -- it had something to do with bakery goods or something. I don't recall exactly. At the time that we purchase it from Mr. Pace, they had moved out, and this individual was operating a car wash service out of the garage in that building.
Q. Were there PCBs detected on

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those Pace lots, those three properties?
A. There were, yes.
Q. Do you know what levels?
A. I believe they were below ten part per million.
Q. Why did y'all want those properties?
A. Those properties, the storm water that leads from the north area goes into a -- at Parkwin, goes underground into a storm water pipe that goes directly underneath those properties. We had not completely designed the remedy for the 11th Street ditch, the ditch that goes along the railroad tracks north of the Miller property.
Mr. Pace approached us and said that he would sell for appraised -- the appraised price. And not knowing exactly what we were going to do and him willing to sell at the appraised price, we bought those from him.
Q. So y'all didn't give him a

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premium?
A. No.
Q. Y'all didn't give him a sign-up bonus?
A. No.
Q. Do you know if the appraisal on that property took into consideration the contamination on it, the PCBs?
A. I don't recall that it did.
Q. Do you recall -- did you have any involvement in the purchase of that property, the Pace properties?
A. The approval to go ahead with the purchase, yes.
Q. Did you give any directive that the appraisal take into consideration or be -- let me back up.
Did you give any directive that those properties be appraised as if they were not contaminated?
A. I don't know that we specifically said that. We said that we would do an appraisal that both parties

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agreed was a fair market value for that property.
Q. Does a fair market value take into account all factors?
A. I think a fair market value is an appraisal that both parties agree upon as fair and equitable.
Q. So is that your definition of a fair market value?
A. Yes.
Q. What are you going to do with those three properties?
A. Right now, we have plans to demolish those buildings.
Q. What else?
A. That's it at this time.
Q. You don't know whether you needed those three properties for the remediation or not?
A. We're not certain what the total remedy there is going to be.
Q. Is that because you don't know the extent of the contamination on

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that side of the plant?
A. We know the extent of the contamination. It's the storm water conveyance we're not certain exactly what's going to happen there.
Q. You don't know where all storm water flows?
A. No. We know where it flows. We don't know if we're going to replace that storm water pipe that goes underneath those properties.
Q. So storm waters still flow across those properties and don't flow into an outfall; is that right?
A. Correct.
Q. Tell me about the Stop 'N Go. Did y'all -- y'all purchased that, and that is or was, at some point, a gas station?
A. Yes.
Q. Was it a functioning business at the time you purchased it?
A. No.

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Q. How long had it been closed?
A. I don't know.
Q. Wasn't there some problems with the underground storage tanks on that property?
A. Part of the agreement to purchase was that the owner had to close those tanks per the Alabama regulations for underground storage tanks. They removed those tanks and removed some soils that were impacted by fuel.
Q. Did y'all pay for any portion of that?
A. Some portion of those materials had PCBs above fifty, and we disposed of those at Emelle, and we paid for those.
Q. Did you pay for any portion of the removal of the tanks?
A. No.
Q. Did the owner of the Stop 'N Go get a premium on his property?
A. No.

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Q. Did he get a sign-up bonus?
A. No.
Q. When you had that property appraised -- first of all, let me ask you: Did that property show the presence of PCBs anywhere on it?
A. Yes.
Q. You've already told me about the fifty part per million and above; is that correct?
A. Yes.
Q. Was that at the surface, or was that below ground?
A. It was on the surface.
Q. Any explanation of where those PCBs might have come from?
A. No.
Q. You don't know that Monsanto has ever dumped PCBs specifically on that property, do you?
A. No, we have not.
Q. Do you have any reason to believe that they came from any place

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other than migration from the Monsanto facility?
A. The waters that went across that property would not have come from the ditches that flowed from the Monsanto facility.
Q. Where did the PCBs come from?
A. I have no idea.
Q. But Monsanto has taken responsibility for those, isn't it?
A. Yes.
Q. As a matter of fact, you don't know where all PCBs in that neighborhood and in the area around the plant came from that Monsanto is taking responsibility for, do you?
MR. NEWSOM: Objection. Vague and ambiguous and argumentative.
A. There are areas that are not in the flow pattern of storm water that leads from our facility that have PCBs on it, and we've taken responsibility for those properties.

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Q. When the Stop 'N Go property was appraised, do you know if these levels of PCBs over fifty part per million were reported to the appraiser?
A. The sampling results we had at the time the appraisal was made were made known to the appraiser.
Q. Do you know if the appraisal took those levels or the presence of PCBs into consideration in valuing that property?
A. I'm not aware that they did.
Q. Was that a specific directive that was given by someone at Monsanto?
A. No.
Q. Do you know why they weren't considered?
A. Well, again, it was -- the appraisal was done, and both parties agreed that that was the fair market value.
Q. Based on your definition of fair market value?

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A. Based on the agreement of both parties that that's what we would purchase it for.
Q. When y'all have purchased these properties, the Miller property, the Pace property, and the Stop 'N Go property, have you gotten with ADEM before you've done it and said, We're thinking about buying these properties?
A. No.
Q. You haven't informed them of your --
A. No.
Q. -- plans? Have you informed them of the properties that you've purchased after you've purchased them?
A. Yes.
Q. Why did you tell them afterwards?
A. Just to give them an update on properties that we own.
Q. Why do they need that update?
A. To consider where -- if there

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are PCBs, what remedies might be implemented on those properties.

Q. Did you test these properties before you purchased them?

A. Yes.

Q. Did you make those results known to ADEM before you purchased them?

A. Those were part of correspondence to ADEM, yes.

Q. Were there any plans to remediate these properties prior to you purchasing them?

A. Not specific plans; but if we owned them, we were going to take responsibility for remediating them.

Q. You were only going to take responsibility if you actually owned them?

A. Owned or had access to the properties.

Q. Tell me about the Anniston Equipment Rental property. Was that a running, existing business at the time

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you purchased that property?

A. No.

Q. Do you know how long that business had not been operating there?

A. I believe they closed in '97.

Q. Do you know why they closed?

A. No.

Q. Did the owner of the Anniston Equipment Rental property get a premium on his property when you bought it?

A. No.

Q. Did he get a sign-up bonus?

A. No.

Q. Were PCBs detected on that property?

A. Yes.

Q. Do you know what levels?

A. There were some levels greater than a hundred parts per million.

Q. Any idea where those PCBs came from?

A. No.

Q. Do any of the ditches flow

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over that property?

A. No.

Q. Does any water from those ditches flow over that property?

A. No.

Q. Do you think that any water from the Monsanto plant, storm water runoff flows over that property?

A. No.

Q. But it's got a hundred parts per million?

A. Uh-huh (positive response).

Q. Is that a yes?

A. Yes, that's a yes.

Q. And Monsanto is taking responsibility for those PCBs on that Anniston Equipment Rental property?

A. Yes.

Q. Do you know when the appraised value was come up with on -- derived on that property's value, if the presence of the PCBs was taken into consideration by the appraiser?

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A. I am not aware that it was.

Q. Are you aware that it wasn't?

A. I don't know specifically.

Q. What about the Anniston Iron Works property, was that an ongoing business at the time you purchased it?

A. Yes.

Q. Well, let me back up. Let's go to the Stop 'N Go property. Why did y'all want it?

A. That was an area that was in the north that, at the time, we had no plans of remedying that, and they approached us and asked that we consider purchasing their property.

Q. What are you going to do with it?

A. We're going to demolish that building.

Q. What else?

A. And then for those portions that have impacted soil, we'll cap and cover those.

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Q. Impacted meaning over fifty parts per million?

A. Well, impacted meaning whatever the impacted area is. I'm not sure what the exact concentrations would be.

Q. Well, what do you mean by impacted? It's your term, so tell me what you mean.

A. We've capped areas with in excess of five parts per million. That's generally our guidelines for capping and covering.

Q. So anything over five up until this point, you've capped and covered or hauled away?

A. Correct.

Q. But you don't have any other plans for that property?

A. No.

Q. You didn't need it for any of the remediation work that you're doing?

A. Not to this point in time,

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no.

Q. Why did you want the Anniston Equipment Rental property?

A. That was -- had concentrations of PCBs on it that, if not controlled, could migrate off that site and impact the remedies that we did put in place.

Q. So did you approach the owners of the Anniston Equipment Rental property?

A. They filed suit, and we did approach them for purchase of their property, yes.

Q. In conjunction with the purchase of their property, did you settle their lawsuit?

A. Yes.

Q. So what are you going to do with that Anniston Equipment Rental property?

A. We're going to demolish the buildings and put the cap and cover

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across those properties to eliminate the potential of those PCBs migrating downstream.
Q. Anything else?
A. No.
Q. Other than that, you didn't need that property for any of your remediation work, did you?
A. Not for our storm water remediation, no.
Q. Other than to prevent migration?
A. Right.
Q. So was the Anniston Iron Works property an existing business when you purchased it?
A. It was in operation, yes.
Q. Did that property have PCBs on it?
A. Yes.
Q. Do you know what levels?
A. I think less than a hundred parts per million to nondetect.

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Q. Less than a hundred. More than fifty?
A. Yes.
Q. Did the owners of that property get a premium for their property?
A. No.
Q. Did they get a sign-on bonus?
A. No.
Q. When the appraisal on that property was done, was the contamination taken into consideration in determining the appraised value?
A. No.
Q. Do you know why not?
A. I know that we didn't direct the appraisers to take it into consideration, so it was not taken into consideration.
Q. And is that because you had directed the appraisers not to take it into consideration?
A. I'm not sure whether we

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specifically did or not. But in the appraisal, it was not a consideration.
Q. At least on the residential properties, you directed the appraisers not to consider the contamination; is that right?
A. Correct.
Q. And did you use the same appraisers or group of appraisers -- I know there's a list, an approved list -- for the Anniston Iron Works that you used for the residential properties?
A. I'm not sure who all the appraisers were.
Q. What are you going to do with that Anniston Iron Works property?
A. Right now, we have no plans to demolish it, but we will be doing a cap and cover project in that -- on those properties adjacent to their building -- or our building.
Q. So you didn't need that property, the Anniston Iron Works

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property for your storm water remediation project?
A. No.
Q. Tell me about the Suggs property. What's on that property?
A. Suggs was on the west side of Parkwin and was needed for the implementation of our storm water remediation.
Q. So did you approach the Suggses?
A. Yes.
Q. Did they get a premium?
A. No.
Q. Now, you needed their property for your storm water remediation project; is that right?
A. Uh-huh (positive response).
Q. Is that a yes?
A. Yes. I'm sorry.
Q. Why didn't they get a premium?
A. They were not a part of the

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property purchase program, and it was agreed upon by the Suggses and Solutia to appraise the property and pay the agreed-upon fair market value for that property.
Q. Did they get a sign-up bonus?
A. No.
Q. Did the Suggs' property show the presence of PCBs?
A. Yes.
Q. Did the appraisal take into consideration those PCBs when it came up with the appraised value?
A. Not that I'm aware of.
Q. Tell me about the McGough property.
A. McGough was also on the west side of Parkwin and was a storage garage for delivery trucks and was not needed for our storm water, but that owner approached us if we would like to buy his property, considering we owned property pretty much around him. And again, we agreed that we would pay the agreed-upon

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fair market value, appraised fair market value for that property.
Q. Why did you want it if you didn't need it?
A. Wanted it so that we could consolidate the properties in that north area and have -- you know, rather than having one isolated person in the middle of all of the properties we owned.
Q. Would he have been more isolated than Mr. Hinds' property is isolated?
A. Yes.
Q. Was McGough running a business on his property?
A. He leased it or rented that building to a delivery company that stored their trucks there.
Q. Did that property have PCBs on it?
A. I believe on the far west portion of it, there were some levels of PCBs detected, yes.

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Q. Do you know what levels?
A. No.
Q. More than ten?
A. I don't think so.
Q. Somewhere between -- did you get an actual reading, or was it --
A. Yes.
Q. -- a screening result?
A. Somewhere between nondetect and ten.
Q. Did Mr. McGough get a premium?
A. No.
Q. Did he get a sign-up bonus?
A. No.
Q. Did that appraisal take into consideration the presence of PCBs on his property?
A. Not that I'm aware of.
Q. Back to the Suggs' property, did you need all that property for your drainage ditches?
A. Yes.

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Q. You couldn't just buy a portion of it?
A. No.
Q. You had to use the whole property?
A. Yes.
Q. What about Lambert Recycling, was there an existing business on that property?
A. There was a recycling business there, yes.
Q. And it was in existence when you purchased the property?
A. Yes.
Q. Were there PCBs on that property?
A. Yes.
Q. Do you know what levels?
A. I would say from nondetect to two hundred parts per million.
Q. Does storm water from the Monsanto plant flow across the Lambert Recycling property?

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A. Storm water from Monsanto property flowed in a ditch that went underneath the Lambert building.
Q. Is that where you found the two hundred parts per million, in that ditch?
A. Yes.
Q. Did you find it on the surface?
A. Yes.
Q. What level of PCBs did you find on the surface?
A. I don't recall. It would have been somewhere between nondetect and less than two hundred.
Q. Does storm water from the Monsanto plant flow across the surface of the Lambert Recycling building -- property?
A. If it left the ditch, yes.
Q. Does it ever?
A. I would say there were occasions where that ditch was clogged by

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debris or whatever that would make it flow across the property, yes.
Q. Did Mr. Lambert -- was it Mr. Lambert?
A. Ms. Lambert.
Q. Did Ms. Lambert get a premium for her property?
A. No.
Q. Did she get a sign-up bonus?
A. No.
Q. And that appraised value, did that take into consideration the presence of the PCBs on the property?
A. Not that I'm aware of.
MR. NEWSOM: Let's take a break. We've been going an hour or so. And that was the last set of documents.

(Whereupon, a brief recess was taken.)

Q. (By Mr. Howard) You understand you're still under oath?

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A. Yes.
Q. Did you give Mr. Shedder a premium for his property?
A. I believe there was a premium in that as part of the property purchase program.
Q. And the reason it was part of the property purchase program was because there was a renter?
A. Yes.
Q. Is that the only thing that -- is that the only reason he got a premium?
A. Yes.
Q. Were there underground storage tanks on Mr. Shedder's property?
A. Not that I'm aware of.
Q. Were there any type of storage tanks on Mr. Shedder's property?
A. Not that I'm aware of.
Q. Did y'all look to see?
A. I don't know if we did or didn't.

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Q. So Mr. Shedder got a sign-up bonus, or he didn't do it in time?
A. He was part of the original property purchase program, and I believe he got the same bonuses that others did in that program.
Q. Well, tell me how that program -- tell me how that -- how those bonuses worked. I mean, for instance, was it seventy-five percent of the appraised -- well, let's just do this. I'm going to mark this as Exhibit 5 to your deposition and just get you to identify for me what that is (indicating).
A. This is the property purchase program information, data sheets.

(Whereupon, Plaintiff's Exhibit No. 5 was marked for identification.)

Q. And that is for -- it's got

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handwritten on the front Phase II?
A. Yes.
Q. Did the property purchase program sort of go in phases, expand?
A. It had three phases, yes.
Q. Was the -- and the only thing that changed was just the area that was encompassed with that?
A. Yes.
Q. So the offer and the type of bonus and things like that remained the same?
A. Yes.
Q. Who would get this? Why did y'all produce this document that's Plaintiff's Exhibit 5?
MR. NEWSOM: You mean generate it?
Q. Yeah. Why would y'all generate it?
A. It was generated to give each of the property owners that were in the property purchase program the information

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so they could take it home and read it and understand it and have all the information about the program.
Q. Okay. And this would be to give to the residents, people who owned residential property?
A. Right, or rent the properties.
Q. Not commercial property?
A. No.
Q. And I'm sure you know this off the top of your head, but just so I'm not looking at something that you're not -- I don't want to be unfair -- on Page 7, it provides for a seventy-five percent premium for owner-occupied homeowners?
A. Correct.
Q. Is that actually what was given to owner-occupied homeowners, that seventy-five percent?
A. Yes.
Q. And is that seventy-five

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percent over the purchase price -- wait a minute -- I mean, over the appraised value?
A. Yes.
Q. And fifty percent for rental property?
A. Correct.
Q. So did Mr. Shedder get a fifty percent or a seventy-five percent premium?
A. I don't know specifically, but it was a rental property, so it would have been the fifty percent.
Q. Y'all also gave the expense allowance of four thousand dollars for owner-occupied dwellings and a thousand for rental properties?
A. Yes.
Q. Was that given to everybody that you've bought out so far?
A. To my knowledge, yes.
Q. You also gave them a hundred and fifty dollars for legal assistance or

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tax advisor allowance?
A. Yes.
Q. Was that given to everybody?
A. Yes.
Q. Why did y'all give them a thirty-five hundred dollar early appraisal sign-up bonus?
A. When the property purchase program was put together in '95, the intent was to motivate people to sign up early so we could get about our remedy. So it was an incentive for them to sign up sooner than later.
Q. But you didn't need all those residential properties for your remedy, did you?
A. No.
Q. What was the motivation to get them signed up?
A. It was just -- the motivation was to be consistent of all the property owners that received the property purchase guidelines.

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Q. So it was -- the motivation was to be consistent with the residential property owners; is that right?
A. Those that were in the property purchase program, residential properties, yes.
Q. Was there ever any discussion of being consistent with the residential and the commercial properties?
A. It was to be consistent with -- the property purchase program was developed for residential properties only.
Q. I understand that. But my question was -- and if you don't understand my question, tell me. My question was: Was there ever any discussion that you're aware of at Monsanto to make an effort to be consistent with both the residential and the commercial property owners?
MR. NEWSOM: Objection. Vague, ambiguous, and asked and answered.

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Q. You can answer.
MR. NEWSOM: He already has. You can answer it again or if you understand it differently.
A. The approach was to be consistent within those properties that were in the property purchase program.
Q. You still haven't answered the question. My question was: Are you aware of any discussion that took place at Monsanto in which it was ever discussed that you should be consistent between the commercial and the residential property owners?
MR. NEWSOM: Same objection, and asked and answered twice now. You're under no obligation to give him a different answer. If you felt like you answered his question, then tell him. If you don't understand it, tell him that.
A. I've answered the question.
Q. Well, answer it again.
A. The question --

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MR. NEWSOM: Well, you don't have to answer it again. If your testimony is you've answered the question, then you've actually answered it twice. You don't have to say it again. You can refer him to your answer.
Q. Answer the question.
A. I refer you to my previous answer.
Q. Did you tell me whether there was a discussion or not?
A. I'm not aware of any discussion regarding consistency between residential and commercial.
Q. Well, why didn't you tell me that when I asked you the first time?
MR. NEWSOM: We're not here to argue with him. You ask your questions, and he'll give you answers.
Q. Answer the question.
A. I answered the first question.
Q. Well, I asked you another

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question. I said, Why didn't you tell me that the first time?
A. I felt I answered the first question.
Q. When you were doing the property purchase program, you arranged for two appraisals; is that right?
A. Yes.
Q. If the appraisals were more than ten percent apart, you got a third appraisal?
A. I believe that was true. I would have to look here to be specific (indicating).
Q. It's on Page 7. You've got Page 7 there?
A. Oh, there it is (indicating). I was on 7. (Witness reviews document.) Yes, ten percent was the differential.
Q. So if it was ten percent lower -- if you got two appraisals; and if one appraisal was more than ten percent different than the other one --

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A. Correct.
Q. -- you would get a third appraisal?
A. Correct.
Q. Then you take the two highest appraisals, wouldn't you? That's on Page 7, too.
MR. NEWSOM: Obviously he's asking for your understanding. The document speaks for itself, but he's asking for your understanding.
A. That is correct.
Q. Do you know why that was?
A. Specifically, no. But Prudential put together this plan, and that was their recommendation.
Q. Who approved this plan?
A. I don't know specifically.
Q. Were you involved in it at all?
A. No.
Q. Was Bruce Eley involved in it at all?

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A. Not to my knowledge.
Q. Do you know why you agreed to pay legal fees or legal assistance for the folks in the program?
A. In order to allow people to have a real estate attorney look at the terms and conditions of the paperwork.
Q. I'm going to go back to Plaintiff's Exhibit 3, which is the document that your attorney had showed you earlier, the interrogatories and request for production responses. Did you personally review these interrogatory responses prior to today?
A. When they were being developed.
Q. Did you help in formulating the answers?
A. Yes.
Q. The last two pages that are -- I guess the last three pages attached to this -- actually the last two pages, can you identify what those are

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for me?
A. The first is a tax map of the area east of the Monsanto/Solutia facility, showing where we were going to be fencing and the streets inside of that fence that we were going to petition the city to vacate.
Q. Which street is that?
A. All of the streets within that highlighted area.
Q. Did the city vacate them?
A. Yes.
Q. Is Mr. Hinds' property shown on that map?
A. No.
Q. Is this your handwriting at the top?
A. No.
Q. Do you know whose that is?
A. I believe that's Bruce Eley's.
Q. What's on the next page?
A. The next page is a set of

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notes, I believe Bruce Eley's notes.
Q. That's not your handwriting?
A. No.
Q. Have you reviewed those notes before today?
A. I have in the past.
Q. And why did you review them?
A. Just as part of putting the document together.
Q. Tell me what you did to prepare for your deposition today. And when I say your deposition today, I don't mean what you've done to prepare today, but your deposition that's taking place today.
A. I'm not sure I --
MR. NEWSOM: I think he understood you the first time.
Q. What did you do to get ready for your deposition?
A. Looked over documents that were related to this case and just refreshed my memory of sampling and, you

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know, just a cursory review of things that might be asked about in here.
Q. And was the purpose of looking through these, just to refresh your recollection?
A. Yes.
Q. What documents did you review, other than the sampling results?
A. I can't recall. Specifically I don't know.
Q. You don't recall any one of the documents?
A. No. I looked at the property purchase program. I looked at the sampling, maps of the sampling. That's about it.
MR. HOWARD: Have you got any of those that he looked at?
MR. NEWSOM: I mean, they've all been produced, but no -- I don't know what he looked at, so I don't know what I have and don't have. But I'm sure you have what he has, what he looked at. I

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just don't know what he looked at.
Q. (By Mr. Howard) Where did you look at them?
A. In my office and yesterday in the offices over here.
Q. At Lightfoot, Franklin?
A. Yes.
Q. Did you meet with your attorneys?
A. Yes.
Q. When did you meet with them?
A. I meet with them on a pretty regular basis.
Q. In preparation for this deposition?
A. We met yesterday.
Q. How long did you meet?
A. I think it was a couple of hours.
Q. Did you meet here in Birmingham?
A. Yes.
Q. Who was present?

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A. Both of these two individuals, Mike Kelly, Eddie Newsom, Adam Peck, and Buddy Cox.
Q. Anyone else?
A. Bruce Eley was there.
Q. Anyone else?
A. Suzanne Aldridge.
Q. Anyone else?
A. That was it, I believe.
Q. Have you talked to Jack Mayausky about any communications he might have had with the Hindses?
A. No.
Q. Have you talked with Mr. Mayausky about this case?
A. No.
Q. Do you know Jack Mayausky?
A. Yes, I do.

(Whereupon, Plaintiff's Exhibit No. 6 was marked for identification.)

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Q. Let me show you Plaintiff's 6 and ask you if you would identify that for me?
A. I recognize it, yes.
Q. What is it?
A. It was a letter that we wrote to Colonial Bank explaining the PCB levels found on Mr. Hinds' property.
MR. NEWSOM: And this is also one -- did you look at this yesterday?
THE WITNESS: Yes.
MR. HOWARD: Thank you.
Q. (By Mr. Howard) Why did you write that letter?
A. Mr. Hinds had asked us to help him with an issue he was having with the bank about, I believe, getting some funds to do some improvements or work on his facility.
Q. How did you become aware of the issue that he was having with the bank?
A. I believe Bruce Eley informed

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me.
Q. Did you ever speak with either Mr. Hinds, meaning Richard or Cecil, about Colonial Bank?
A. I believe I spoke with Cecil.
Q. Did you speak to him over the phone or in person?
A. I know in person. I'm not sure if also by phone or not.
Q. What did y'all talk about?
A. That Colonial Bank had some concerns about PCBs found on his property and whether that would enter into the factors of them providing him the financing he wanted to get.
Q. What did you tell him?
A. I told him that we would write a letter to Colonial Bank explaining what had been found and what our intents were and our opinion of the situation.
Q. Did you ever tell Mr. Hinds that he should have no concerns about the

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PCBs on his property?
A. I'm not sure specifically what we said, but the levels that we found on his property would not have been of any concern from a exposure standpoint, no.
Q. But you've capped PCBs at levels lower than that?
A. As part of a parking lot we put in, yes.
Q. In other places in the property, you've capped them?
A. On his property?
Q. No. On property that Monsanto has purchased?
A. Our intent was not to do that, but there are probably pieces that were covered or capped that were less.
Q. I thought you told me you capped PCBs from five -- from the level of five and up?
A. Right.
Q. Okay. So he has levels

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higher than five, doesn't he?
A. In the area in the back of his property, yes.
Q. Why in that letter that you wrote to Colonial Bank didn't you disclose the nine point nine level?
A. I'm not sure why.
Q. Was that a -- did you do that on purpose?
A. I don't know why the nine isn't in here.

(Whereupon, Plaintiff's Exhibit No. 7 was marked for identification.)

Q. Let me show you Plaintiff's 7 -- well, first of all, in regard to 6, did you ever have any communications, either in person or over the telephone, with anyone from Colonial Bank about Mr. Hinds' property?
A. Not to my recollection.

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Q. Is this the only communications, Plaintiff's 6, that you recall having with Colonial Bank?
A. Yes.
Q. Did you ever receive any sort of response from Colonial Bank?
A. Not that I'm aware of.
Q. Did you attempt any follow-up with Colonial Bank on behalf of Mr. Hinds?
A. No.
Q. Let me show you Plaintiff's 7 and ask you if you recall receiving that document?
A. Yes, I recall receiving this.
Q. So what did you do when you got that?
A. I'm not sure if that led to a meeting with Mr. Hinds specifically; but with Bruce and I, I believe probably Bruce communicated to Mr. Hinds that we were not wanting the property fenced as is talked about in here.

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Q. Had Mr. Hinds indicated to you that he was experiencing some security problems around his business?
A. I know he talked to Bruce about that, and Bruce told me about it, yes.
Q. What did Bruce tell you about it?
A. That there, I believe, had been some -- I don't know if it was vandalism or break-ins in the back -- the north end of his property, the fenced-in area.
Q. And this was after y'all had torn down some of the houses behind his property?
A. That would have been -- this date would have been -- if you're referring to this letter, would have been prior to us demolishing the buildings.
Q. Prior to any demolition of buildings?
A. No.

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Q. Prior to the demolition of the building directly adjacent to Mr. Hinds?
A. I don't recall exactly when that was demolished, but I think it was after 8/13/96.
Q. But as you sit here today, you don't know?
A. I can't recall the exact timing.

(Whereupon, Plaintiff's Exhibit No. 8 was marked for identification.)

Q. Let me show you Plaintiff's 8 and see if you've ever seen that before.
A. Yes, I have seen this before.
Q. When did you see it for the first time?
A. At the time that we prepared it to present it to Mr. Hinds.
Q. So you participated in the

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preparation of that document?
A. Yes.
Q. So are you Mr. Eley's supervisor, or is he your supervisor, or neither?
A. Kind of neither.
Q. Okay. How do y'all function together?
A. Bruce works on the project to help facilitate different things, generally property-related issues. He reports to someone else. But on this project, he reports to me.
Q. But you reviewed Plaintiff's 8 before it went to Mr. Hinds?
A. Yes.
Q. And you approved it?
A. Yes.
Q. So you knew about the nine point nine PPM level on Mr. Hinds' property prior to the date you wrote the letter to Ms. Craven on Plaintiff's 6?
A. Yes.

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(Whereupon, Plaintiff's Exhibit No. 9 was marked for identification.)

Q. I'm going to show you Plaintiff's 9 and get you to identify that for me. And I'll represent to you that's the exact way your attorneys produced it to me, clipped together like that.
MR. NEWSOM: Those attorneys do some good clippings.
THE WITNESS: They are good clippers.
A. This was an appraisal report that was done on the Pace properties north of the railroad tracks to the east of Clydesdale Avenue.
Q. Those are the three properties that you said that two were vacant and one had a car cleaning service on it?

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A. Yes, those are.
Q. And this appraisal was actually directed to you; is that correct -- or for you?
A. For the project, yes. It wasn't -- Bruce was overseeing that, yes.
Q. I'm sorry. Excuse me. It does say Bruce. Page -- it's part of Plaintiff's 9, and it's Bates No. DSW 139711, has a section entitled Extraordinary Conditions, if you want to just look at that.
A. (Witness reviews document.)
Q. Had you seen that insert to these appraisal reports prior to today?
A. I don't recall specifically reading it. I have reviewed this in the past, but I recall there being something about that, yes.
Q. About the presence of PCBs on the properties?
A. Right.
Q. And the fact that the PCBs

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were not taken into consideration in valuing the property?
A. Yes.
Q. Do you agree or disagree or have no opinion on the last sentence of this that says, Any third-party reader should be aware of this contamination?
A. Well, I agree in the full disclosure of a property purchase, sure, which that sentence talks about.
Q. And that would include the presence of contamination, such as the presence of PCBs?
A. Yes.
Q. Was the car wash called the Choo Choo?
A. No. The Choo Choo was the restaurant that was vacant.
Q. Are you going to tear them all down, the Choo Choo and the bakery and the car wash?
A. Yes.

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(Whereupon, Plaintiff's Exhibit No. 10 was marked for identification.)

Q. Let me show you Plaintiff's 10 and get you to identify what that document is for me.
A. This would be -- this is a worksheet showing the appraisal values and an itemized list of premiums and monies that were to be paid to Mr. and Mrs. Blankenship for the purchase of their property.
Q. Is this -- I just pulled this one out. Is this a reflection of the type of calculation that would go on with everyone who purchased as part of the property purchase program?
MR. NEWSOM: Obviously not meaning the amounts would be the same, but the format of the document generally.
MR. HOWARD: Correct.
A. Yes.

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Q. (By Mr. Howard) So -- and for instance, on this Plaintiff's 10, it shows that three appraisals were done and that an average was taken from two of those three appraisals; is that correct?
A. Right. A and B were averaged.
Q. And this also shows the premium of seventy-five percent?
A. Yes.
Q. And the addition of the four thousand dollar miscellaneous expense allowance?
A. Yes.
Q. The hundred and fifty dollar tax and legal assistance allowance?
A. Yes.
Q. And the early sign-up bonus of thirty-five hundred dollars?
A. Yes.
Q. Giving these folks a total purchase of fifty-three five eighty-seven fifty for property that was appraised at

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twenty-six two fifty?
A. Whose average of the appraisals was twenty-six two fifty, yes.
Q. Who is Mr. James Blair?
A. I believe he is one of the property owners that we purchased property from.
Q. Did he have commercial or residential property?
A. I believe he had residential.

(Whereupon, Plaintiff's Exhibit No. 11 was marked for identification.)

Q. Okay. Let me show you Plaintiff's 11 and ask you if that's your handwriting?
A. No, it's not.
Q. Do you know whose it is?
A. No, I don't.
Q. Do you recall anything -- I'm just going to read you these notes,

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but -- just so that we can ask you a question, if you recall anything about it. There's a notation for 10/15/95 that said, Someone, whoever wrote this, met with Mr. Blair, said he would not sell his two houses without selling his commercial property. Do you recall anything --
A. No. This is -- '95 would have been prior to my involvement.
Q. Okay. You don't know anything about commercial property and Mr. Blair?
A. No.

(Whereupon, a discussion off the record was held.)

(Whereupon, Plaintiff's Exhibit No. 12 was marked for identification.)

Q. Let me show you Plaintiff's

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12 and ask you if you've seen that before?
A. I don't recall specifically seeing this document, no.
Q. Do you know why Monsanto would have purchased Mr. Blair's commercial property, if you know?
A. I'm not sure what parcel that we're talking about.

(Whereupon, Plaintiff's Exhibit No. 13 was marked for identification.)

Q. Well, have you seen Plaintiff's 13?
A. That's a piece of property on 10th Street, but I was not part of that particular purchase.
Q. Do you know if that property was commercial or residential?
A. I'm not aware whether it was or wasn't.

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Q. Who would know -- let me ask you this: Who would know about this purchase from Monsanto's prospective?
A. I think that Bob Kaley would know about it.
Q. Would Bruce know?
A. Bruce possibly would know about it.
Q. The church y'all built for Bethel, have y'all finished it yet?
A. Yes.
Q. Is it a fancy new building?
MR. NEWSOM: Object to the form. Vague and ambiguous. Churches don't like to be called fancy.
Q. Would you consider it to be a nicer building than the one they had?
A. I consider it to be a facility that they can worship in.
Q. They could worship in the other one, couldn't they?
A. Not if we wanted to buy it.
Q. Well, they've got to sell it

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to you, don't they?
A. Yes.
Q. Just you wanting to buy it doesn't mean they can't worship in it, does it?
A. Right.
Q. So let's get back to my question. Do you consider it to be a nicer building than the one they had?
A. No.
Q. You don't?
A. No.
Q. Do you know if the old building had tongue and groove ceilings in the sanctuary?
A. I'm not aware that it did.
Q. Are you aware if the old building had fiberglass roof shingles?
A. No, I'm not.
Q. Are you aware if the old building had wood columns exposed in the sanctuary walls?
A. It did not.

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Q. Are you aware if the old building had boxed wood beams exposed in the sanctuary ceiling?
A. It did not.
Q. Are you aware if the old building had a balcony?
A. It did not.
Q. Are you aware if the old building on the front porch and steps had brick pavers?
A. I'm not aware.
Q. You don't know?
A. I don't know.
Q. Are you aware if in the old building they had on all hardware antique brass hardware?
A. I'm not aware.
Q. Did they have a kitchen in the old building?
A. Yes.
Q. Did it have a garbage disposal?
A. I'm not aware.

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Q. Did it have a dishwasher?
A. Yes.
Q. Did the old building have phone jacks in each room?
A. I'm not aware of that.
Q. In the old building, did they have eight chandelier fixtures hanging from the ceiling in the sanctuary?
A. I'm not aware of that.
Q. Did they have emergency lighting installed in the old building?
A. I'm not aware of that.
Q. Did they have a fire alarm in the old building?
A. I don't know.
Q. Did they have a security system in the old building?
A. I don't know.
Q. Did they have an intercom from the sanctuary to the pastor's office and fellowship hall in the old building?
A. Yes.
Q. Did they have nine

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microphones in the sanctuary of the old building?
A. I don't know.
Q. Y'all bought them all new pews, too, didn't you?
A. New pews were in the new facility, yes.
Q. All new classroom furniture, didn't you?
A. Yes.
Q. All new musical equipment, instruments, correct?
A. Yes.
Q. All new, quote, church furniture?
A. Yes.
Q. Dishes, pots, and pans?
A. Yes.
Q. Christmas decorations?
A. Yes.
Q. So you don't think the new facility is nicer than the old one?
A. No.

(Whereupon, Plaintiff's Exhibit No. 14 was marked for identification.)

Q. Let me show you Plaintiff's Exhibit 14 and just see if you've seen that before and identify for me what it is.
A. Yes, I have seen it, and it's a listing of items to be included in the construction of their new facility.
Q. Did y'all give some money to -- let me ask you this: Is the purchase of the property on top of the cost of construction, the purchase of their old property?
A. Yes.
Q. So you purchased their property, and you built them a new facility?
A. I believe the transaction was building the new facility. For building

the new facility, we received ownership title to their property.
Q. But you bought them the new property on which the new facility was built?
A. Yes.
Q. There was no premium given to them in terms of actual monetary funds to the church?
A. No.
Q. Anything given to the deacons or the pastor?
A. No.
Q. The new building is bigger than the old building, isn't it?
A. It's larger, yes.
Q. More parking?
A. Yes.

(Whereupon, Plaintiff's Exhibit No. 15 was marked for identification.)

Q. Let me show you Plaintiff's 15 and get you to tell me what that is.
A. This is the agreement between Monsanto and Ms. Lambert for her recycling property.
Q. Did you have any communications with Ms. Lambert, or were you involved at all in the Lambert purchase?
A. Yes.
Q. So y'all paid the Lamberts over four hundred thousand dollars?
A. I believe so, yes.
Q. Is that in addition to the purchase of their property?
A. For that, we received title to their property.
MR. NEWSOM: Let me just again state, Gary, I think we're covered, but just so we don't lose sight, we would contend that this deposition and any such documents -- here's a good example, the sales agreement and Lamberts -- are

obviously protected by the protective order, and we've had that discussion.
MR. HOWARD: I don't think the whole depo is discovered. I think under the protective order, y'all have to designate which pages. But until the designation is made, we'll treat the whole one as covered.
MR. NEWSOM: Okay. Fair enough.

(Whereupon, Plaintiff's Exhibit No. 16 was marked for identification.)

Q. What's Plaintiff's 16?
A. I recognize the document.
Q. What is it?
A. It's the transaction document for the purchase of the Anniston Iron Works property.
Q. Can you tell me from looking at that if the PCB contamination was

taken into consideration by the appraiser?
A. I don't see where it's stated that it was.
Q. Did you buy some property from the Anniston City Board of Education?
A. Yes.
Q. What property did you buy from them?
A. It's the property that Bethel is located -- the new Bethel is located on.
Q. You paid twenty-two thousand for that?
A. I believe so.
Q. Is Robert Jones still in Anniston?
A. Yes.
Q. What is he doing these days? What is his job?
A. He is environmental safety health lead for the Anniston facility.

Q. Have you been to any meetings that have been held with the public? And I use that term specifically to mean folks around the Anniston plant. I know there have been some meetings at the Bethel church, Mars Hill church. I'm not talking about Logan Martin Lake or anything like that.
A. Right. Yes, I have.
Q. When were those, and how many have you been to?
A. I've been to the meetings that were at the Anniston Meeting Center in '96, I believe, the latter part of '96. It was a public hearing and public notice for our RCRA postclosure permit.
Q. Other than that, have you been to any community-type meetings?
A. Just meetings or presentations at civic groups around Anniston.
Q. Okay. What civic groups are you -- and, you know, I want to know

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presentations specifically about Monsanto or the remediation project or PCBs.
A. Right.
Q. Which civic groups have you made presentations to?
A. Kiwanis Club, Rotary Club, Oxford Kiwanis Club, the Choccolocco Conservancy District. Those are the ones that come to mind.
Q. What did you tell all these -- what was your purpose in going to these meetings?
A. To communicate to those in attendance what the -- what our investigation has shown and what our plans are and were for remedies.
Q. Did you tell these meetings that you had found PCBs in the neighborhoods sometimes in excess of two hundred parts per million?
A. I showed them the maps with all the data on it. I don't know what specific concentrations I might have told

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them.
Q. Did you tell them -- what did you tell them in regard to your plans for cleanup or remediation?
A. That for properties that we owned or had access to, we were going to be implementing remedies approved by ADEM, which would be storm water diversion and control and caps and covers of those impacted areas.
Q. Have you ever sought access to cap Mr. Hinds' property?
A. No.
Q. Why not?
A. The discussions we had with Mr. Hinds prior to filing his lawsuit were in regards to one, paving that portion of the property that was between his and Mr. Wright's property. But beyond that, we hadn't gotten to any discussions regarding that.
Q. Have you ever approached Mr. Lewis about capping or remediating his

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property? And I know you told me about trying to purchase that corner.
A. Right. Well, I personally have not made that, but because of his lawsuit, our attorney had approached his attorney in regards to either remediating or purchasing that piece of property.
Q. Are you aware of any efforts by Monsanto to remediate dust contaminated with PCBs in residences, buildings, whether they be commercial or residential?
A. No.
Q. Do you agree with me that PCBs may migrate attached to dust particles?
A. They could, yes.
Q. And in fact, you're aware of tests conducted by the ATSDR that showed the presence of PCBs on dust samples in this area around the plant?
A. Yes, I'm aware of that.
Q. Are you also aware of the

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test results that showed PCBs in dust samples from Mr. Hinds' property?
A. Just recently.
Q. When y'all were doing the work around Mr. Hinds' property, tell me what measures you employed to keep the dust levels in the air at a minimum.
MR. NEWSOM: Let me just ask either for a clarification or hope it's not an objection. When you say around the Hinds' property, I don't know what you mean by around, whether you're talking about next door or the first time anything was done. I would just ask for some clarification.
Q. Let me just ask you generally. What measures are appropriate -- when you're excavating PCB-contaminated soil, what measures are proper to keep dust levels down?
A. Our procedures, approved by ADEM and ADPH, were that on any of our demolition or construction projects where

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we were working in potentially impacted areas, we are to employ dust suppression and monitor that dust during the construction, to ensure that dust was not leaving those areas.
Q. Did you do that?
A. Yes.
Q. Were you successful?
A. Yes.
Q. So is it your testimony that in the entire time you worked demolishing houses or excavating soil in the area immediately around Mr. Hinds' property, that no dust left those sites and made it to Mr. Hinds' property?
A. Not based on water suppression of that dust and air monitoring, no.
Q. Well, are you aware of any conversation that Mr. Hinds may have had with Mr. Eley about so much dust that his air conditioning system got clogged?
A. Yes.

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Q. Do you have any explanation for that or any thoughts on that?
A. There were times on 10th Street, where we were doing the crossing of 10th Street where we used gravel as backfill around culverts, that there was dust on 10th Street during high traffic times.
Q. Do you know that any of those -- do you know whether or not any of that dust may have had PCBs?
A. I have no reason to believe it had PCBs.
Q. Did you test it?
A. No.
Q. So what do you mean when you say employ dust suppression? What does that mean?
A. That means watering down any of the areas, the demolition areas as we were demolishing buildings, as well as watering down those areas that we would have been disturbing that had PCBs.

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Q. And is it your testimony that you did that in all instances?
A. Yes.
Q. Did you personally observe that in all cases?
A. Not continuously, no.

(Whereupon, a discussion off the record was held.)

Q. I know you said that these notes attached to Plaintiff's 3 are not yours, but I'm just going to ask you if you know anything about it. There's some notes here about a service station thirty years ago at the corner of 10th and Ferron. That's the Shedder property. Do you recall Mr. Hinds raising some concerns about those tanks and possible leaking from those tanks when you were doing the work?
A. Not to me specifically, no.
Q. Do you recall Mr. Eley ever

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bringing that to your attention?
A. I believe we may have had a conversation about it, yes.
Q. But y'all never checked to see if there were -- actually were tanks, right?
A. We found no tanks or evidence of tanks when we demolished the facility.
Q. Did you look for them?
A. We looked for visible signs, yes.
Q. Did you have any conversations with Mr. Hinds about the trucks turning around in that vacant lot y'all created right next to him?
A. I don't know if I had conversations directly with Mr. Hinds, but I was aware of it.
Q. And you were aware of the problem with them ripping out his electrical system?
A. I was aware that it happened at least once, yes.

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Q. Did Monsanto ever take it -- did Monsanto ever do anything to eliminate that potential problem?
A. We placed some concrete barriers underneath the power lines to keep them from -- traffic from coming through there.
Q. And you did that after Mr. Hinds asked you to?
A. I believe so.
Q. But y'all took them down at one point, right, after he moved his business?
A. Yes, we needed them on another part of the project.
Q. Is that why you took them down, because you needed them elsewhere?
A. Yes.
Q. Did you take into consideration that he still had electrical supplies and equipment going into the building when you decided to take down those barriers?

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A. I decided that where we needed them was more important at the particular time than where they were on an empty parking lot.
Q. I understand that. My question was: Did you consider that he still had electrical lines and supplying electricity to that building when you made that decision?
A. The lines were still there. I don't know that I considered it or not.
Q. In your job overseeing this project, you've done interviews or talked to folks about the past production at the Anniston plant or done some investigation about that?
A. Not me particularly, no.
Q. Or people at your direction?
A. As putting together the work plan for our RCRA investigation of the plant, that's part of putting that plan together is understanding the past processes.

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Q. And as a result of that investigation, you became aware that PCB levels were and had in the past left the Monsanto facility from its discharges?
A. I'm aware that there were discharges during the production of PCBs, yes.
Q. And that those contained PCBs?
A. Yes.
Q. And you will agree with me, won't you, that storm water will cause sediments to migrate, or has the potential to?
A. It has the potential to.
Q. And that PCBs can adhere to those sediments?
A. They can adhere to sediments, yes.
Q. So you will agree with me that it's possible for storm water to cause sediments that have PCBs attached to them or adhering to them to migrate in

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that storm water?
A. Yes.
MR. NEWSOM: Object to the form.
A. Yes.
Q. Did Mr. Shedder's property show PCBs, the presence of PCBs on that property?
A. I don't recall if they did or not.
Q. To date, how much have you spent on the projects around the plant, including the property purchased, the remediation, and the construction?
A. Thirty million since 1995.
Q. That was thirty million in September of 1998. You haven't spent any more since then?
A. I think -- I haven't gotten the quarterly numbers in, but it may be a million higher than that.
Q. When did you first learn that Mr. Hinds' property had PCBs on it?

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A. I would say sometime after we had gotten validated results. I don't know the specific date of that.
Q. Do you know how long it was before you went to him and told him or sent him those results?
A. No.
Q. Why did you ask for permission to test on Mr. Hinds' property for PCBs?
A. We asked permission for every property that we sampled on.
Q. I know. But why did you want to sample his if you weren't going to buy it?
MR. NEWSOM: This is a different question, Why did you want to sample his.
A. We were sampling a lot of properties that ended up not being purchased.
Q. I understand that. Why did you want to sample his?

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A. He was in the east area that we were investigating.
Q. Do you have any knowledge as to why Adam Peck told the newspaper that Mr. Hinds had directed y'all to tear down some residences?
MR. NEWSOM: Object to the form of the question, unless a foundation is laid that such comments were made.
Q. Do you know?
A. You're referring -- say that again, please.
Q. Do you know why Adam Peck told a newspaper that Mr. Hinds had directed Monsanto to tear down some houses?
A. I don't know that he said that.

(Whereupon, Plaintiff's Exhibit No. 17 was marked for identification.)

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Q. Have you seen Plaintiff's 17?
A. Yes.
Q. Do you see on there where it attributes that statement to Mr. Peck?
MR. NEWSOM: Well, obviously the document speaks for itself.
MR. HOWARD: I asked him if he sees it.
A. I'm looking for it.
MR. NEWSOM: Do you know where it is so he doesn't have to read the whole thing?
MR. HOWARD: Yeah.
A. (Witness reviews document.) Oh, here we go (indicating). I read that, but I don't have any knowledge that he actually said that.
Q. (By Mr. Howard) You don't know anything about it?
A. Not that statement, no.

(Whereupon, Plaintiff's Exhibit No. 18 was marked

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for identification.)

Q. Let me show you Plaintiff's 18 and ask you if you've seen that before? And I'm specifically referring to -- there's an article, For the record, at the bottom.
A. I recall reading that, yes.
Q. Did you have any -- you just read it? You didn't have any discussions with anybody at Monsanto about the retraction?
A. I don't recall.
MR. NEWSOM: And don't talk about discussions with any lawyers.
A. I don't specifically recall any discussions.
Q. You're not aware of Mr. Hinds ever making a request that you tear down any residences, are you?
A. No.
Q. Did you ever go to any of the meetings at Bethel Church or at Mars Hill

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Baptist Church?
A. No.
Q. Have you met Renate Kimbrough?
A. No.
MR. NEWSOM: R-e-n-a-t-e K-i-m-b-r-o-u-g-h, since he butchered the pronunciation.
MR. HOWARD: She butchers data.
MR. NEWSOM: Gary, Alan needs to -- I mean, needs to leave in -- what time? How long have you got?
THE WITNESS: Another ten minutes, because I need to run over and get my stuff.
MR. NEWSOM: And if you're not done with him or after Bruce, you need him further, we'll figure something out.
MR. HOWARD: Okay. Let's go ahead and mark this at least (indicating).

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(Whereupon, Plaintiff's Exhibit No. 19 was marked for identification.)

Q. Let me get you to identify for me what Plaintiff's 19 is.
A. That's a map depicting the sample results that we had as of whatever the published date of this was.
Q. Okay. If you would, take my green pen and -- right here where it says pawn shop on this building, is that Mr. Hinds' property?
A. Yes.
Q. Take your green pen, if you have time -- we may not have time right now, but on all these properties that are bounded by 10th over to Clydesdale and then to Montrose, would you put an X over all the structures that are shown there that Monsanto has purchased?
A. To the best of my

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recollection, I will.
MR. NEWSOM: And you're talking about structures, not just property?
MR. HOWARD: Structures at the moment.
A. You want an X?
Q. (By Mr. Howard) Yes, sir.
A. (Witness complies.) I'm just not sure what properties on Montrose we owned.
Q. So you don't know -- as far as the ones on Montrose, we don't know?
A. I don't know.
Q. What about this one at 8th and Ferron?
A. This one here (indicating)?
Q. Yes.
A. No.
Q. That's the one by BN52?
A. Right.
Q. What about these behind Swift Motors down 8th Street; do you know?

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A. I think we own that one (indicating), but I'm not sure.
Q. That's BN -- the one by BN57?
A. Right.
Q. The one between the TV repair shop and the flea market, the one that's noted flea market, the one that's by BN53 on 10th Street or where 10th -- Clydesdale curves into 10th, do you own that one?
A. There are structures in here that we don't own. I just can't -- there are no buildings there. So if it was a building, we probably did. But I'm not as certain as I am about the others.
Q. Of all these buildings you've put Xs on, have you torn those structures down?
A. Yes. Not that one (indicating).
Q. Not the one directly across from the pawn shop on -- across 10th Street?

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A. Correct. We have not torn that down.
Q. But all the others have been demolished?
A. Yes.
Q. Have you made any approaches to purchase the car wash at Crawford and 10th?
A. No.
Q. Have PCBs been detected on that site?
A. Not that I'm aware of.
Q. Have you tested?
A. Yes. These test results, I believe, are on that property.
Q. Are those the only ones you've done on that property?
A. As far as I know.
Q. Do you know if any of the recent ADEM tests were on that property?
A. No, I don't know.
Q. What about Swift Motors, have you approached Mr. Swift?

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A. We offered to buy that property through the listing agent or broker that had it for sale, yes.
Q. Did he take you up on it?
A. No.
Q. Why not; do you know?
A. I don't know.
Q. Do you need to go?
A. Pretty close.
MR. HOWARD: I'm not quite done.
MR. NEWSOM: Well, let me just state: Obviously we'll try to work with you. What I don't know and I don't think any of us will know until you depose Mr. Eley since they are both 30(b)(6) designees, it may be that he can respond to areas that -- the remaining areas in the notice to the extent they've not been addressed. So I think we need to hear from him first before we try to reach a hard and fast, but we'll certainly try to cooperate with you.

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MR. HOWARD: Well, then, let's stop a minute, because I need to talk to these folks before he leaves.
MR. NEWSOM: That's fine, but he's got to go in a minute.
MR. HOWARD: The deposition is not over yet, regardless.

(Whereupon, a brief recess was taken.)

MR. HOWARD: Mr. Newsom has indicated that Mr. Faust needs to go. I expressed that I need to go over some additional documents with Mr. Faust, but we've agreed to, at this point, let Mr. Faust go and with the understanding that -- or with my assertion that the deposition be continued to a later time when I'll be allowed to at least ask him some additional questions, with the understanding that after Mr. Eley's deposition, we may not have the need to

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ask Mr. Faust any questions.
MR. NEWSOM: Yeah, I think that -- I don't have any real disagreement with that. I guess my only point for the record to the extent I need to state it is that both Mr. Faust and Mr. Eley are designated as corporate representatives to cover one or more areas in the 30(b)(6) notice. And I don't think any of us can predict, but hopefully Mr. Eley will be able to address any remaining questions in areas within the 30(b)(6) notice that Mr. Faust has not, to this point, addressed.
But we'll certainly try to work with you, and I think we're saying the same thing. I think we all have got to revisit it after Mr. Eley's deposition is concluded or after he is deposed in his capacity as corporate rep designee.
MR. HOWARD: So I'm in no way agreeing that the deposition is terminated at this point.

MR. NEWSOM: We understand that, that you're not agreeing to that.

(Whereupon, the deposition was adjourned to a later date.)

C E R T I F I C A T E

STATE OF ALABAMA)
JEFFERSON COUNTY)

I hereby certify that the above and foregoing deposition was taken down by me in stenotype, and the questions and answers thereto were transcribed by means of computer-aided transcription, and that the foregoing represents a true and correct transcript of the testimony given by said witness upon said deposition.

I further certify that I am neither of counsel nor of kin to the parties to the action, nor am I in anywise interested in the result of said cause.

TANYA D. CORNELIUS

ADAD21-004490
HARTOLDMON0033348

ADAD21-004491
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HARTOLDMON0033358

ADAD21-004502
HARTOLDMON0033360

ADAD21-004505
HARTOLDMON0033363

everybody tomorrow to let
y'all know what time to be
here Friday. But I
anticipate it will be Friday
morning.
MR. COX: That's fine. I will
make sure the witness is
ready and available. It
shouldn't take long. And
after he is through, we
anticipate we will be ready
to rest at that point.
THE COURT: Okay.

(Recess at 4:35 p.m.)

041002C

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
EASTERN DIVISION

COPY

CASE NUMBER: CV-98-C-0118-E

CECIL HINDS and RICHARD HINDS,
Plaintiff,

vs.

MONSANTO COMPANY,
Defendant.

S T I P U L A T I O N

IT IS STIPULATED AND AGREED by and between the parties through their respective counsel that the deposition of ALAN FAUST may be taken before Tanya D. Cornelius, Certified Shorthand Reporter and Notary Public, at the law offices of BURR & FORMAN, Birmingham, Alabama, on the 7th day of October, 1999.

APPRAISAL OF

THE PROPERTY LOCATED AT

1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-3

ANNISTON, ALABAMA 36201

as of

OCTOOBER, 28, 1995

for

PRUDENTIAL RESOURCE MANAGEMENT

MONSANTO/PROJECT
2500 CITYWEST BLVD. SUITE 400
HOUSTON,TX 77042

by

STEVE MARTIN APPRAISAL SERVICE

419 EAST 13TH STREET
ANNISTON, AL 36207

CONFIDENTIAL

PLAINTIFF'S EXHIBIT
12
Faust

DSW 140747

STEVE MARTIN APPRAISAL SERVICE
419 EAST 13TH STREET
ANNISTON, AL 36207
(205) 237-9439

October 31, 1995

PRUDENTIAL RESOURCE MANAGEMENT
MONSANTO/PROJECT
2500 CITYWEST BLVD. SUITE 400
HOUSTON,TX 77042

RE: Property - 1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39
ANNISTON, ALABAMA 36201
Borrower - MONSANTO
File No. - 1051
Case No. - 1050

Dear Sir or Madam:

In accordance with your request, I have personally inspected and prepared an appraisal report of the real property located at:

1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39, ANNISTON, ALABAMA

The purpose of this appraisal is to estimate the market value of the property described in the body of this appraisal report.

Enclosed, please find the appraisal report which describes certain data gathered during the investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, leads the appraiser to the conclusion that the market value, as of OCTOOBER, 28, 1995 is :

$7,400

The opinion of value expressed in this report is contingent upon the Limiting Conditions attached to this report.

It has been a pleasure to assist you; if I may be of further service to you in the future, please let me know.

Respectfully submitted,

STEVE MARTIN APPRAISAL SERVICE

Steve Martin

STEVEN D. MARTIN R00185
AL Certification #R00185

CONFIDENTIAL

DSW 140748

ADAD21-017910

HARTOLDMON0033368

LAND APPRAISAL REPORT

1051

Borrower MONSANTO Census Tract 0540006 Map Reference SEE ATT.
Property Address 1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39
City ANNISTON County CALHOUN State ALABAMA Zip Code 36201
Legal Description SEE ATTACHED TAX MAP FOR IDENTIFICATION.

Sale Price $ T.E.V. Date of Sale N/A Loan Term ____ yrs. Property Rights Appraised [X] Fee [ ] Leasehold [ ] De Minimis PUD
Actual Real Estate Taxes $ E.25 (yr) Loan charges to be paid by seller $ N/A Other sales concessions OWNER-BLAIR
Lender/Client PRUDENTIAL RESOURCE MGT. Address 2500 CITYWEST BLVD. HOUSTON TX 77042
Occupant VACANT Appraiser STEVE MARTIN Instructions to Appraiser APPRAISE AS THOUGH VACANT, CONSIDER NO DEMOLITION COST TO REMOVE BUILDING

Location	[X] Urban	[ ] Suburban	[ ] Rural
Built Up	[X] Over 75%	[ ] 25% to 75%	[ ] Under 25%
Growth Rate [ ] Fully Dev.	[ ] Rapid	[ ] Steady	[X] Slow
Property Values	[ ] Increasing	[X] Stable	[ ] Declining
Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Oversupply
Marketing Time	[ ] Under 3 Mos.	[X] 4-6 Mos.	[ ] Over 6 Mos.

Present Land Use 50% 1 Family ___ % 2-4 Family ___ % Apts ___ % Condo 40 % Commercial ___ % Industrial 10 % Vacant ___ %
Change in Present Land Use [X] Not Likely [ ] Likely (*) [ ] Taking Place (*)
(*) From ______ To ______
Predominant Occupancy [ ] Owner [ ] Tenant 0-5 % Vacant
Single Family Price Range $ 8 to $ 45 Predominant Value $ 25-30
Single Family Age 15 yrs. to 70 yrs. Predominant Age 30-40 yrs.

	Good	Avg	Fair	Poor
Employment Stability		X		
Convenience to Employment		X		
Convenience to Shopping		X		
Convenience to Schools		X		
Adequacy of Public Transportation		X		
Recreational Facilities		X		
Adequacy of Utilities		X		
Property Compatibility		X		
Protection from Detrimental Conditions		X		
Police and Fire Protection		X		
General Appearance of Properties		X	X	
Appeal to Market		X	X	

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): SUBJECT IS LOCATED ON WEST 10TH STREET IN THE CITY OF ANNISTON. THERE IS COMMERCIAL/RETAIL ALONG THIS STREET, ALONG HIGHWAY 202, AND CLYDESDALE AVENUE WHICH BORDER THIS AREA. THE SLOW GROWTH RATE RELATES TO THE MATURITY OF THIS NEIGHBORHOOD. SEE ADDITIONAL COMMENTS...............

Dimensions 82Fx75LSx85Rx50RS = 5,219 Sq. Ft. or [ ] Corner Lot
Zoning Classification LIGHT MANUFACTURING Present Improvements [X] do [ ] do not conform to zoning regulations
Highest and best use: [X] Present Use [ ] Other (specify) RETAIL/SERVICE(GENERAL COMMERCIAL).

Public		Other (Describe)	OFF-SITE IMPROVEMENTS	
Elec.	[X]		Street Access: [X] Public [ ] Private	Topo LEVEL
Gas	[X]		Surface ASPHALT	Size APP.5,219 SF
Water	[X]		Maintenance: [X] Public [ ] Private	Shape ROUGH RECTANGULAR
San. Sewer	[X]		[ ] Storm Sewer [X] Curb/Gutter	View AVERAGE
[ ] Underground Elect. & Tel.			[ ] Sidewalk [X] Street Lights	Drainage APPEARS ADEQUATE .

CONFIDENTIAL

DSW 140749

Is the property located in a HUD Identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): THE SUBJECT HAS A BUILDING ON THE PROPERTY LAST USED IN A RETAIL CAPACITY. PER INSTRUCTIONS FROM CLIENT APPRAISE AS THOUGH VACANT AND CONSIDER NO DEMOLITION COST INCURRED WITH REMOVAL OF BUILDING. THERE IS AN ALLEY TO THE RIGHT OF THE SUBJECT. SEE ADDITIONAL COMMENTS................

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	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	1629 WEST 10TH STREET	315 EAST 19TH STREET ANNISTON		116 WEST 10TH STREET ANNISTON		107 WEST 10TH STREET ANNISTON	
Proximity to Subj.		APP. 1 MILE		APP. 1/2 MILE		APP. 1/2 MILE	
Sales Price	$ T.E.V.		$ 12,500		$ 12,000		$ 3,000
Price /SF	$		$ 1.51/SF		$ 1.42/SF		$ .73/SF
Data Source	INSPECTION	OLD REAL ESTATE FILE		LOCAL APPRAISER KK		LOCAL APPRAISER KK	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment
	N/A	5/90	NO ADJ	6/94	NO ADJ	12/92	NO ADJ
Location	URBAN/AVG	URBAN/GOOD	-3,125	URBAN/AVG		URBAN/AVG	
Site/View	5,219SF	8,250SF	-3,485	8,400SF	-4,517	4,080SF	831
ZONING	LGHT.MANUFT	R.I.P.		C.B.D.		C.B.D.	
UTILITIES	ALL	SIMILAR		SIMILAR		SIMILAR	
TOPO	FAIRLY LEVL	STEEP	1,000	SIMILAR		SIMILAR	
		OLD DWELLIN	NO ADJ	VACANT		OLD DWELLIN	NO ADJ
Sales or Financing Concessions							
Net Adj. (total)		[ ] Plus [X] Minus	$ 5,610	[ ] Plus [X] Minus	$ 4,517	[X] Plus [ ] Minus	$ 831
Indicated value of Subject			$ 6,890		$ 7,483		$ 3,831

Comments on Market Data: ALL SALES ARE CONFIRMED CLOSED AND BELIEVED TO BE ACCURATE INDICATIONS OF VALUE. SALE TWO IS THE MOST RECENT AND RECEIVED THE MOST CONSIDERATION. THERE ARE FEW VACANT PARCELS WITH SIMILAR ZONING FROM WHICH TO CHOOSE. SEE ADDITIONAL COMMENTS...

Comments and Conditions of Appraisal: THIS APPRAISAL ASSUMES NO ADVERSE ENVIRONMENTAL CONDITIONS. THIS REPORT IS CONSIDERED A LIMITED APPRAISAL ASSIGNMENT, AND A SUMMERY APPRAISAL REPORT ACCORDING TO STANDARD RULE NUMBER 2-2(B) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE. SEE ADDITIONAL COMMENTS.....

Final Reconciliation: I RELIED ENTIRELY ON THE MARKET APPROACH TO VALUE BECAUSE ADEQUATE SALES DATA WAS AVAILABLE. THE MEAN INDICATED VALUE FOR ALL THREE SALES AS SUGGESTED BY THIS FORM OF CENTRAL TENDENCY IS $6,068.00.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF OCTOOBER, 28 19 95 to be $ 7,400

Appraiser(s) Signature [signature] Review Appraiser (if applicable) [ ] Did [ ] Did Not Physically Inspect Property
Name STEVEN D. MARTIN R00185 Date 10/31/95 Signature Name Date

ADAD21-017911

HARTOLDMON0033369

File No. 1051

ADDITIONAL COMMENTS

Borrower/Client	MONSANTO
Property Address	1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39
City	ANNISTON County CALHOUN State ALABAMA Zip Code 36201
Lender	PRUDENTIAL RESOURCE MANAGEMENT

NEIGHBORHOOD

THERE ARE SOME RESIDENTIAL DWELLINGS TO THE REAR. THE MAJORITY OF PROPERTIES ALONG THIS AREA ARE RETAIL AND COMMERCIAL DWELLINGS. THERE IS A CAR WASH, SEVERAL AUTO REPAIR SHOPS, A VCR REPAIR SHOP, ICE HOUSE, SEVERAL GAS STATIONS AND VARIOUS OTHER COMMERCIAL APPLICATIONS.

SITE

THERE MAY POSSIBLY BE AN ENCROACHMENT OF THE ADJOINING PROPERTY OWNERS STEPS ON THE LEFT SIDE OF THE PROPERTY. THIS SHOULD BE CONFIRMED BY AN ACCURATE SURVEY. THIS POSSIBLE ENCROACHMENT IS NOT CONSIDERED AN ADVERSE CONDITION AS IT DOES NOT APPEAR TO HAMPER THE PRESENT USE OF THE PROPERTY. NO OTHERS WERE NOTED.

COMMENTS ON MARKET ANALYSIS

THEREFORE IT WAS NECESSARY TO USE SOME SALES OVER ONE YEAR. NO TIME ADJUSTMENT IS CONSIDERED APPLICABLE.

COMMENTS & CONDITION OF APPRAISAL

ALTHOUGH THE APPRAISER HAS NOT INVOKED THE DEPARTURE PROVISION ON ANY PARTICULAR ITEM, IT IS THE APPRAISERS OPINION THAT THE INSTRUCTIONS FROM THE CLIENT TO APPRAISE AS VACANT CONSIDERING NO DEMOLITION COST INCURRED IN REMOVING THE DWELLING CALLS FOR SOMETHING LESS THAN THE APPRAISER WOULD NORMALLY DO. THEREFORE THIS IS CONSIDERED A LIMITED APPRAISAL ASSIGNMENT.

F.I.R.R.E.A. ADDENDUM

1051

Borrower MONSANTO

Property Address 1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39

City ANNISTON County CALHOUN State ALA Zip Code 36201

Lender/Client PRUDENTIAL RESOURCE MANAGEMENT

Purpose of the Appraisal

THE PURPOSE OF THE APPRAISAL WAS TO ESTIMATE THE MARKET VALUE OF THE PROPERTY, FEE SIMPLE, UNENCUMBERED BY LIENS.... INSTRUCTIONS FROM CLIENT ARE TO APPRAISE AS VACANT ASSUMING NO DEMOLITION COST INCURRED IN REMOVING EXISTING BUILDING.

Scope of the Appraisal

THE APPRAISER HAS MADE A PHYSICAL INSPECTION OF THE SUBJECT PROPERTY AND HAS TAKEN SUFFICIENT PHOTOGRAPHS TO APPROPRIATELY REPRESENT THE PROPERTY. THE SUBJECT NEIGHBORHOOD HAS BEEN INSPECTED BY THE APPRAISER TO DETERMINE THE NEIGHBORHOOD CHARACTERISTICS. I HAVE CAREFULLY SEARCHED AVAILABLE M.L.S. AND LOCAL DATA SERVICE RECORDS FOR ALL OF CALHOUN COUNTY AND SELECTED SEVERAL OF THE MOST SIMILAR, VERIFIABLE SALES FOR WHICH ADEQUATE INFORMATION WAS AVAILABLE FOR MY CONSIDERATION. THREE OF THE MOST SIMILAR SALES WERE SELECTED ON THE BASIS OF CHARACTERISTIC SIMILARITIES AND HAVE BEEN SUBMITTED.

Report of the prior year sales history for the subject property.

Is the subject property currently listed? [ ] Yes [X] No List Price: $

Has the property sold during the prior year? [X] Yes [ ] No If yes, describe below.

PER MR. BLAIR, THE OWNER, THIS PROPERTY WAS PURCHASED WITHIN THE LAST 12 MONTHS. THE TERMS AND PRICE WERE NOT DISCLOSED BY OWNER WHEN REQUESTED BY APPRAISER.

Marketing time

What is your estimate of marketing time for the subject property? 179 DAYS Describe below the basis (rationale) for your estimate?

'ERAGE DAYS ON THE MARKET FOR COMMERCIAL/INDUSTRIAL PROPERTIES IN CALHOUN COUNTY YEAR TO .ATE IS 179 DAYS, SOURCE: CALHOUN COUNTY MULTIPLE LISTING SOLD BOOK DATED 06/30/94.

Non-real property transfers

Does the transaction involve the transfer of personal property, fixtures, or intangibles that are not real property? [ ] Yes [X] No

If yes, provide description and valuation below.

Additional Comments

SITE AREA CALCULATIONS STATED IN THIS REPORT SHOULD BE CONSIDERED APPROXIMATIONS. SITE AREA DIMENSIONS WERE FURNISHED BY THE CLIENT OR EXTRACTED FROM THE TAX MAPS. THE SOURCE OF THESE MEASUREMENTS IS CONSIDERED RELIABLE, BUT IS IN NO WAY GUARANTEED, THEY SHOULD NOT BE RELIED ON BY ANY PARTY, THEY ARE SUBMITTED FOR LENDING PURPOSES ONLY. THIS APPRAISAL ASSUMES ALL HEATING, COOLING, PLUMBING, ELECTRICAL, AND MECHANICAL EQUIPMENT IS IN GOOD WORKING ORDER AND THAT THERE ARE NO HIDDEN OR UNAPPARENT DEFECTS OR CONDITIONS OF THE PROPERTY, STRUCTURE, OR SUBSOIL THAT MAY ADVERSELY EFFECT THE SUBJECT PROPERTY VALUE. THE APPRAISER IS NOT AN EXPERT IN THESE SPECIALIZED AREAS AND ASSUMES NO LIABILITY FOR NOR GUARANTEES THE ABSENCE OF ANY SUCH CONDITIONS WHICH MIGHT BE DISCOVERED BY MORE ELABORATE TECHNICAL INSPECTIONS.

itional Certification

1. The acceptance of this appraisal assignment by the appraiser was not based on a requested minimum valuation, a specified valuation, or an approval of the loan.
2. The appraiser certifies that the compensation for this appraisal is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
3. This appraisal has been prepared to conform with the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation, except the Departure Provision, unless otherwise stated below.
4. The appraiser has disclosed within this appraisal report, or below, all steps taken that were neccessary or appropriate to comply with the Competency provision of the USPAP

THIS APPRAISAL HAS BEEN PREPARED FOR THE EXCLUSIVE BENEFIT OF THE LENDER. IT MAY NOT BE USED OR RELIED UPON BY ANY OTHER PARTY. ANY PARTY WHO USES OR RELIES UPON ANY INFORMATION IN THIS REPORT WITHOUT THE PREPARER'S WRITTEN CONSENT DOES SO "AT HIS OWN RISK"...THE FLOOD PANEL LISTED IN THIS REPORT IS FOR THE LENDER'S CONVENIENCE ONLY IN DETERMINING THE POSSIBILITY OF FLOOD INSURANCE. THE APPRAISER IS NOT RESPONSIBLE FOR NOR TRAINED TO FIND THE EXACT FLOOD STATUS OF THE SUBJECT PROPERTY. AN ACCURATE SURVEY SHOULD ALWAYS BE CONSULTED FOR EXACTNESS AND RELIANCE SAKE. IT IS THE CLIENTS RESPONSIBILITY TO ORDER ANY APPROPRIATE INSPECTIONS. "This assignment was made subject to regulations of the State of Alabama Real Estate Appraisers Board. The undersigned state certified appraiser has met the requirements of the board that allow this report to be regarded a a 'certified appraisal.'"

Date October 31, 1995 Appraiser(s): [signature]

STEVEN D. MARTIN R00185

Date ______ Review Appraiser(s) ______ CONFIDENTIAL ______ DSW 140751

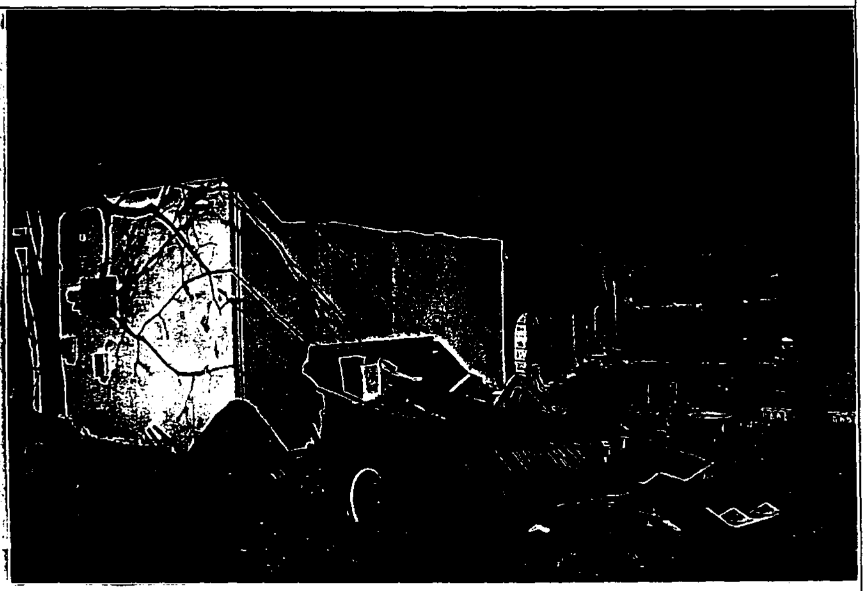
ADAD21-017913

HARTOLDMON0033371

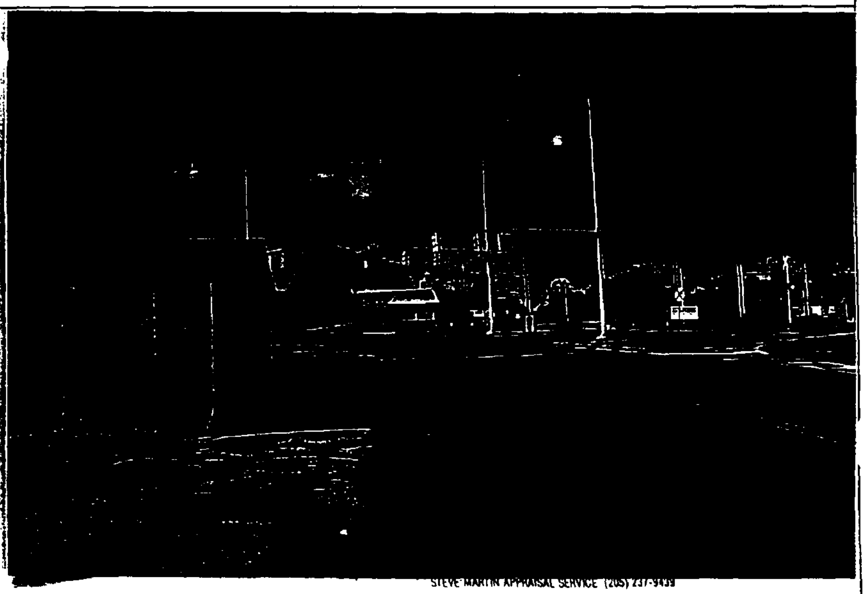
PHOTOGRAPH ADDENDUM

Borrower/Client	MONSANTO
Property Address	1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39
City	ANNISTON
County	CALHOUN
State	ALABAMA
Zip Code	36201
Lender	PRUDENTIAL RESOURCE MANAGEMENT

FRONT OF SUBJECT PROPERTY



REAR OF SUBJECT PROPERTY



STREET SCENE

CONFIDENTIAL

DSW 140752

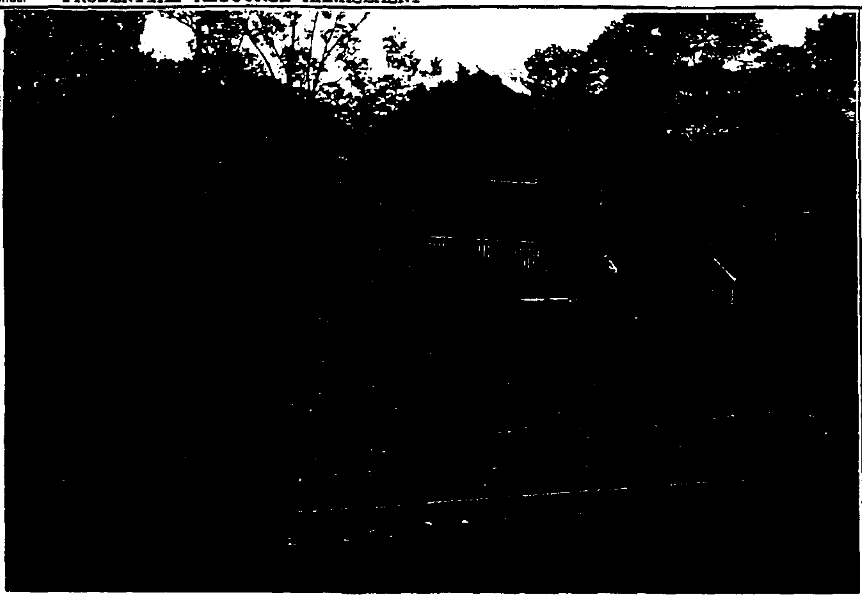
STEVE MARTIN APPRAISAL SERVICE (205) 237-9439

ADAD21-017914

HARTOLDMON0033372

PHOTOGRAPH ADDENDUM

Borrower/Client	MONSANTO
Property Address	1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39
City	ANNISTON County CALHOUN State ALABAMA Zip Code 36201
Lender	PRUDENTIAL RESOURCE MANAGEMENT

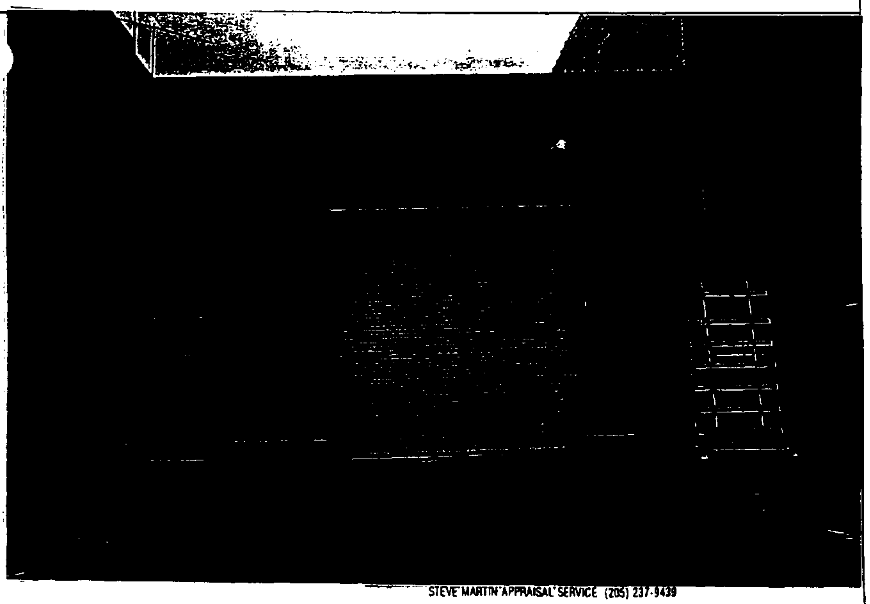


COMPARABLE #1

315 EAST 19TH STREET
ANNISTON

COMPARABLE #2

116 WEST 10TH STREET
ANNISTON



COMPARABLE #3

107 WEST 10TH STREET
ANNISTON

CONFIDENTIAL

DSW 140753

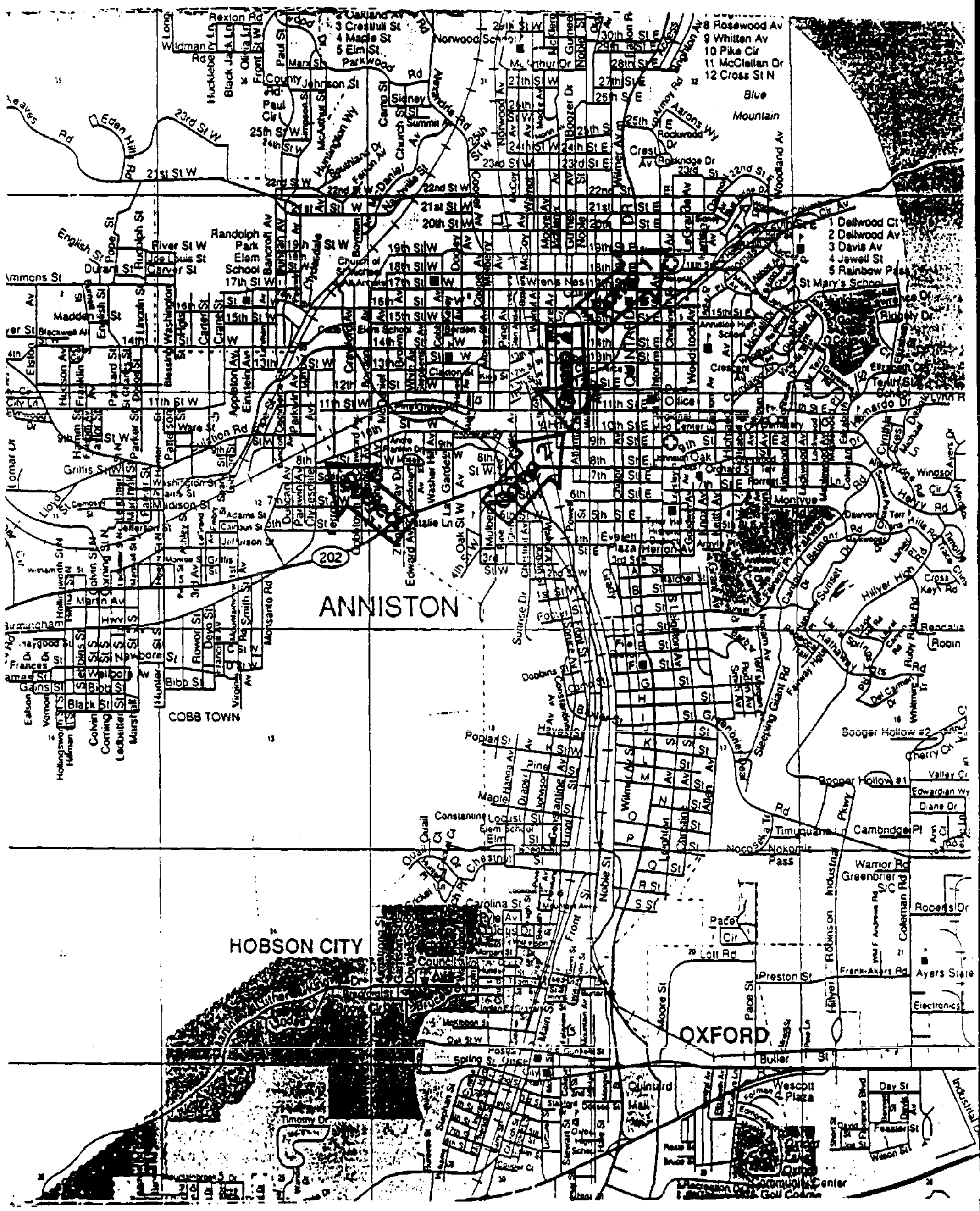
STEVE MARTIN APPRAISAL SERVICE (205) 237-9439

ADAD21-017915

HARTOLDMON0033373

Steve Martin Appraisal Service

Addendum



CONFIDENTIAL

DSW 140754

STEVE MARTIN APPRAISAL SERVICE
419 East 13th Street
Anniston, Alabama 36207

♦ 205-237-9439♦

SUPPLEMENTAL CERTIFICATION
UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE

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, unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of the stipulated result, or the occurrence of a subsequent event.

My analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

I have made a personal inspection of the property that is the subject of this report.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

No one provided significant professional assistance to the person signing this report, except as acknowledged herein.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Steven D. Martin

Steve Martin

State Certified Residential Real Property Appraiser
#R00185

CONFIDENTIAL

DSW 140756

STEVE MARTIN APPRAISAL SERVICE
419 East 13th Street
Anniston, Alabama 36207

♦ 205-237-9439 ♦

EDUCATION	B.S. Degree, Jacksonville State University - Management/Economics April, 1974
	Masters Degree, Jacksonville State University - Business Administration May, 1975
	Post Graduate Work, Birmingham School of Law - Juris Doctorate Program 1989-1990
WORK EXPERIENCE	1985 - Howell Realty Company - Sales $2,262,745
	1986 - Howell Realty Company - Sales $2,965,000
	1987 - Howell Realty Company - Sales $2,718,780
	Real Estate Appraisals since 1986
PROFESSIONAL TRAINING	Appraisal Institute - Reviewing Appraisals
	Appraisal Institute - Appraisal Reporting of Complex Residential Properties
	Appraisal Institute - Uniform Standards of Professional Appraisal Practice Part A, 1993 and 1995; Part B, 1995
	Appraisal Institute - Alabama Appraisal License Law & USPAP Update
	Appraisal Institute - 110 Appraisal Principals
	Appraisal Institute - 120 Appraisal Procedures - Challanged
	Appraisal Institute - 210 Residential Case Study
	Appraisal Institute - New URAR Form - Henry Harrison
	Appraisal Institute - Descriptions, Flood maps, Assessments
	Appraisal Institute - Fannie Mae Review
	Appraisal Institute - Limited Scope Appraisal
	Appraisal Institute - HUD/FHA Workshop
PROFESSIONAL CERTIFICATIONS/ LICENSES	State of Alabama - Certified Residential Real Property Appraiser #R00185
	State of Alabama - Real Estate Brokers License #014502
CLIENTS/ REFERENCES (Partial List)	SouthTrust Bank of Calhoun County
	Colonial Bank of Anniston/Oxford/Heflin
	Colonial Mortgage Company, Montgomery, Alabama
	First Alabama Bank of Anniston, Alabama
	AmSouth Bank/AmSouth Mortgage, Anniston, Alabama
	Collateral Mortgage Company, Anniston, Alabama
	HomeEquity Relocation Service - Danbury, CT

CONFIDENTIAL

DSW 140757

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; consultants; 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: 1629 WEST 10TH STREET PARCEL ID 11-22-01-12-1-3-39

APPRAISER:		**SUPERVISORY APPRAISER** (only if required):	
Signature:	[signature]	Signature:	
Name:	STEVEN D. MARTIN R00185	Name:	
Date Signed:	October 31, 1995	Date Signed:	
State Certification #:	R00185	State Certification #:	
or State License #:		or State License #:	
State:	AL	State:	
Expiration Date of Certification or License:	09/30/97	Expiration Date of Certification or License:	
		☐ Did ☐ Did Not Inspect Property	

CONFIDENTIAL

APPRAISAL OF REAL PROPERTY

LOCATED AT:

1620 WEST 10TH STREET
LOT 2 BLOCK 328 ANNISTON CITY LAND COMPANY
ANNISTON

FOR:
PRUDENTIAL RESOURCE MANAGEMENT

AS OF:
11/30/95

BY:
GEORGE J. PORTER III

PLAINTIFF'S EXHIBIT
13
Faust

CONFIDENTIAL

DSW 140736

JOSH PORTER APPRAISAL SERVICE

DECEMBER 2, 1995

PRUDENTIAL RESOURCE MANAGEMENT
2500 CITY W. BLVD. SUITE 400
HOUSTON, TEXAS 77042

JAMES L. BLAIR
1620 WEST 10TH STREET
ANNISTON, ALABAMA 36201

Dear Client,

Pursuant to your request, we have appraised the above referenced parcel of real estate, more particularly described as:

LOT 2 BLOCK 328 ANNISTON CITY LAND COMPANY
CALHOUN COUNTY

The full report of the appraisal is enclosed. All values reflect sale of the property in a reasonable period of time, adjusted on a cash equivalency basis.

After extensive research of the local and regional economy, with particular attention to value-influencing trends in the real estate market pertinent to the subject property, it is our professional opinion that the fair market value, as defined, of a fee simple estate in the subject property as of NOVEMBER 30, 1995 is:

$ 14,000
FOURTEEN THOUSAND DOLLARS

Respectfully submitted,

GEORGE J. PORTER III
R#00359

CONFIDENTIAL

DSW 140737

ADAD21-017922

HARTOLDMON0033380

File No.

DECEMBER 2, 1995

JOSH PORTER APPRAISAL SERVICE
P.O.BOX 2712
ANNISTON, AL 36202

PRUDENTIAL RESOURCE MANAGEMENT
2500 CITY WEST BLVD. SUITE 400
HOUSTON, TEXAS 77402

DEAR CLIENT,

Pursuant to your request, we have prepared an appraisal report of the property captioned in the "Summary of Salient Features" which follows.

The accompanying report is based on a site inspection of improvements, investigation of the subject neighborhood area of influence, and review of sales, cost, and income data for similar properties.

This appraisal has been made with particular attention paid to applicable value-influencing economic conditions and has been processed in accordance with nationally recognized appraisal guidelines.

The value conclusions stated herein are as of the effective date as stated in the body of the appraisal, and contingent upon the certification and limiting conditions attached.

Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Respectfully,

GEORGE J. PORTER III

CONFIDENTIAL

DSW 140738

SUMMARY OF SALIENT FEATURES

Subject Address	1620 WEST 10TH STREET
Legal Description	LOT 2 BLOCK 328 ANNISTON CITY LAND COMPANY
City	ANNISTON
County	CALHOUN
State	AL
Zip Code	36201
Census Tract	05
Map Reference	221121339

Sale Price	$ N/A
Date of Sale	N/A

Borrower / Client	JAMES L. BLAIR
Lender	PRUDENTIAL RESOURCE MANAGEMENT

Size (Square Feet)	VACANT LAND
Price per Square Foot	$ VACANT LAND
Location	URBAN/AVG
Age	VACANT LAND
Condition	VACANT LAND
Total Rooms	VACANT LAND
Bedrooms	VACANT LAND
Baths	VACANT LAND

Appraiser	GEORGE J. PORTER III
Date of Appraised Value	11/30/95

Final Estimate of Value	$ 14,000

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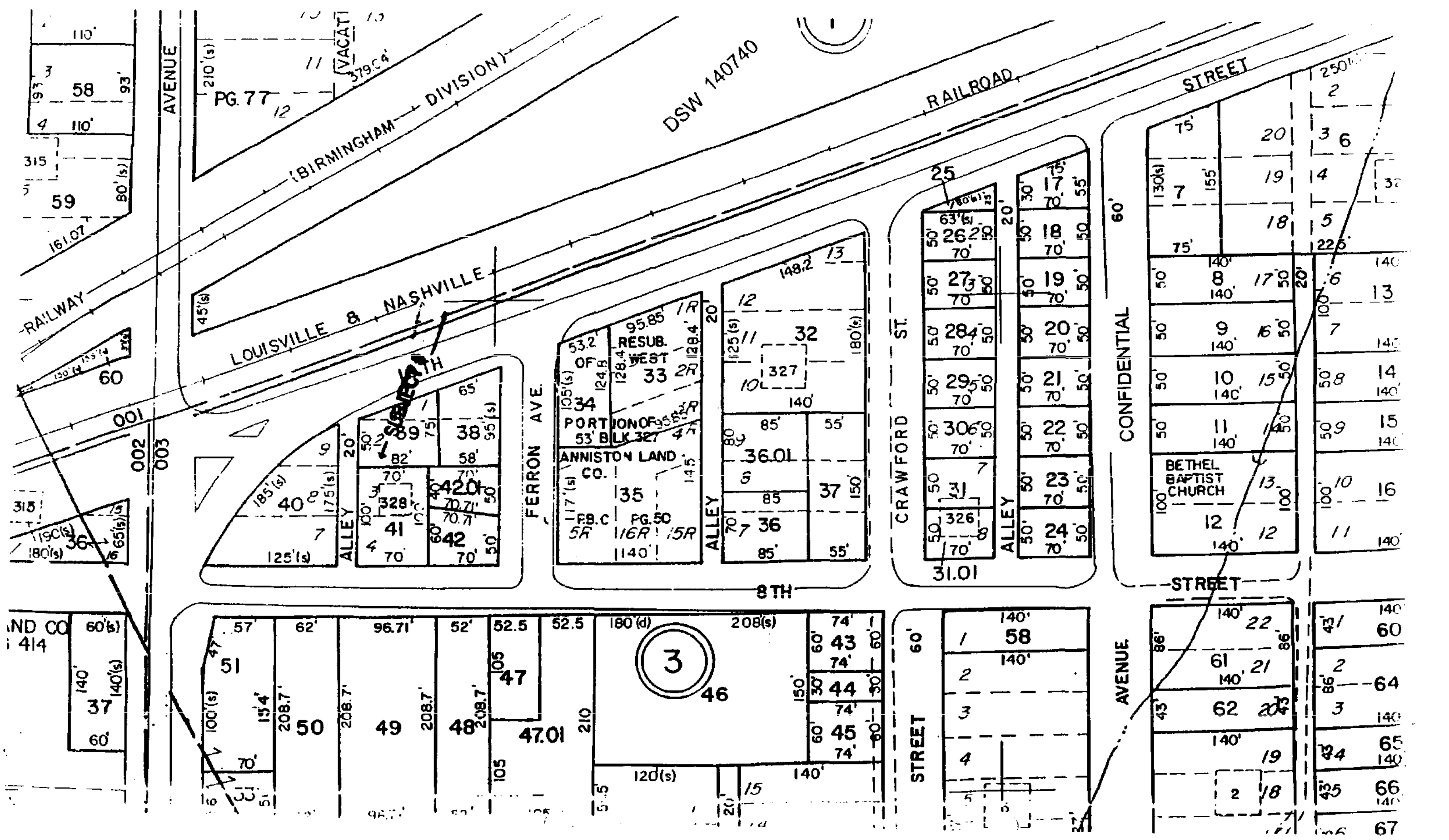
DSW 140739



ADAD21-017925

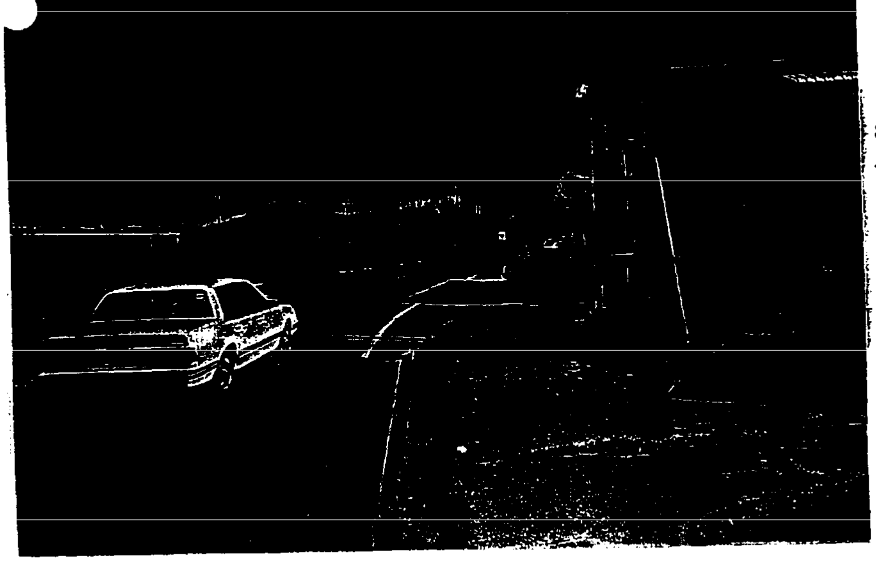
HARTOLDMON0033383

PHOTOGRAPH ADDENDUM

Borrower/Client JAMES L. BLAIR			
Property Address 1620 WEST 10TH STREET			
City ANNISTON	County CALHOUN	State AL	Zip Code 36201
Lender PRUDENTIAL RESOURCE MANAGEMENT			

SUBJECT - FRONT

SUBJECT - REAR



SUBJECT - STREET

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DSW 140741

LAND APPRAISAL REPORT

IDENTIFICATION

Borrower: JAMES L. BLAIR — Census Tract: 05 — Map Reference: 221121339
Property Address: 1620 WEST 10TH STREET
City: ANNISTON — County: CALHOUN — State: AL — Zip Code: 36201
Legal Description: LOT 2 BLOCK 328 ANNISTON CITY LAND COMPANY
Sale Price $ N/A — Date of Sale: N/A — Loan Term: N/A yrs. — Property Rights Appraised: [X] Fee [ ] Leasehold [ ] DeMinimus PUD
Actual Real Estate Taxes $ N/A (yr.) — Loan charges to be paid by seller $ N/A — Other sales concessions: NONE NOTED
Lender/Client: PRUDENTIAL RESOURCE MANAGEMENT — Address:
Occupant: OWNER — Appraiser: G.J. PORTER III — Instructions to Appraiser: SITE VALUE ONLY.
DISREGUARD THE STRUCTURE.

NEIGHBORHOOD

Location	[X] Urban	[ ] Suburban	[ ] Rural
Built Up	[X] Over 75%	[ ] 25% to 75%	[ ] Under 25%
Growth Rate [ ] Fully Dev.	[ ] Rapid	[X] Steady	[ ] Slow
Property Values	[ ] Increasing	[X] Stable	[ ] Declining
Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply
Marketing Time	[ ] Under 3 Mos.	[X] 4-6 Mos.	[ ] Over 6 Mos.

Present Land Use: 40 % 1 Family ___ % 2-4 Family ___ % Apts ___ % Condo ___ % Commercial
25 % Industrial 30 % Vacant 5 %
Change in Present Land Use: [X] Not Likely [ ] Likely [ ] Taking Place
From ___ To ___
Predominant Occupancy: [X] Owner [ ] Tenant 05 % Vacant
Single Family Price Range $ 10 to $ 45 — Predominant Value $ 25
Single Family Age Range 15 Yrs. to 75 Yrs. — Predominant Age 45 Yrs.

	Good	Avg	Fair	Poor
Employment Stability		X		
Convenience to Employment		X		
Convenience to Shopping		X		
Convenience to Schools		X		
Adequacy of Public Transportation		X		
Recreational Facilities		X		
Adequacy of Utilities		X		
Property Compatibility		X		
Protection from Detrimental Conditions		X		
Police & Fire Protection		X		
General Appearance of Properties		X		
Appeal to Market		X		

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): THE SUBJECT PROPERTY IS LOCATED IN AN OLDER BUSINESS DISTRICT THAT IS IN THE DECLINING STAGE OF THE NEIGHBORHOOD LIFE CYCLE. MOST BUILDINGS ARE ONLY FAIRLY WELL MAINTAINED AND THE NEIGHBORHOOD IN GENERAL IS SHOWING SIGNS OF CONTINUED DEFERRED MAINTANCE.

SITE

Dimensions: 100 X 70 & 82 X 62.5 = ___ Sq. Ft. or Acres [ ] Corner Lot
Zoning Classification: COMMERCIAL — Present Improvements [X] do [ ] do not conform to zoning regulations
Highest and Best Use: [X] Present Use [ ] Other (specify)

	Public	Other (Describe)
Electric	X	
Gas	X	
Water	X	
San. Sewer	X	
[ ] Underground Elect. & Tel.		

OFF SITE IMPROVEMENTS: Street Access: [X] Public [ ] Private; Surface: ASPHALT; Maintenance: [X] Public [ ] Private; [ ] Storm Sewer [X] Curb/Gutter; [X] Sidewalk [X] Street Lights

Topo: LEVEL
Size: AVERAGE
Shape: IRREGULAR
View: AVERAGE
Drainage: ADEQUATE
Is the property located in a HUD Identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): FLOOD ZONE X, DATE 3/93, FLOOD ZONE #010020 006 C.

MARKET DATA ANALYSIS

The undersigned has recited three recent sales of properties most similar and proximate to the 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	1620 WEST 10TH ST. ANNISTON	N/A		N/A		N/A	
Proximity to Subject							
Sales Price	$ N/A		$		$		$
Price	$		$		$		$
Data Source	INSPECTION						
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+ (-) $ Adjust	DESCRIPTION	+ (-) $ Adjust	DESCRIPTION	+ (-) $ Adjust
	N/A						
Location	URBAN/AVG						
Site/View	AVERAGE						
TOPOGRAPHY	LEVEL						
NK/ACCES	AVERAGE						
UTILITIES	AVERAGE						
SITE IMPRV	AVERAGE						
Sales or Financing Concessions	NONE NOTED						
	NONE NOTED						
Net Adj. (Total)		[ ] Plus [ ] Minus $		[ ] Plus [ ] Minus $		[ ] Plus [ ] Minus $	
Indicated Value of Subject			$		$		$

Comments on Market Data: NO SIMILAR COMPARABLES FOUND.

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Comments and Conditions of Appraisal: SEE ATTACHED ADDENDA FOR CONDITIONS AND ASSUMPTIONS.

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RECONCILIATION

Final Reconciliation: THE ATTACHED COST APPROACH AND INCOME APPROACH ARE THE ONLY FEASIBLE APPROACHS DUE TO THE LACK OF SIMILAR SALES IN THE AREA AND THIS CONSTITUTESA DEPARTURE FROM THE U.S.P.A.P..

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 11/30 19 95 to be $ 14,000

Appraiser(s): George J. Porter III — Review Appraiser (if applicable) [X] Did [ ] Did Not Physically Inspect Property

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JOSH PORTER APPRAISAL SERVICE

ADAD21-017927

HARTOLDMON0033385

SUPPLEMENTAL ADDENDUM

Borrower/Client	JAMES L. BLAIR					File No.	
Property Address	1620 WEST 10TH STREET						
City	ANNISTON	County	CALHOUN	State	AL	Zip Code	36201
Lender	PRUDENTIAL RESOURCE MANAGEMENT						

A. PRIOR SALE HISTORY AND/OR CURRENT TRANSACTION DISCLOSURE AND ANALYSIS. DETAIL AND ANALYSIS OF CURRENT AGREEMENT OF SALE, OPTION OF LISTING OF THE SUBJECT PROPERTY: NO CHANGE IN TITLE DURING THE LAST 12 MONTHS.

PRIOR SALE DISCLOSURE AND ANALYSIS (OCCURRING WITHIN 1 YEAR FOR 1-4 FAMYLY RESIDENTIAL OF 3 YEARS FOR ALL OTHER PROPERTY):

B. PERSONAL PROPERTY INDENTIFICATION AND EFFECT ON VALUE.
ITEMS INCLUDED: NONE
VALUE ALLOCATIONS: N/A

C. ENVIRONMENTAL RISK STATEMENT:
THE APPRAISER IS NOT AN EXPERT IN THE SPECIALIZED FIELD OF ENVIRONMENTAL HAZARDS AND NOT QUALIFIED TO PERFORM LABORATORY OR OTHER SCIENTIFIC TESTING. HOWEVER, THE IMPACT OF POTENTIAL ENVIRONMENTAL HAZARDS WERE CONSIDERED IN THIS APPRAISAL TO THE EXTENT OF ANY ADVERSE CONDITION OBSERVED DURING INSPECTION OR THROUGHT INFORMATION LEARNED IN THE COURSE OF RESEARCH ON THE APPRAISAL ASSIGNMENT. ROUTINE INQUIRY WAS MADE THAT SUGGESTED THE POTENTIAL OF ENVIRONMENTAL HAZARD. NO EFFORT WAS MADE TO DISMANTLE OR PROBE THE STRUCTURE TO OBSERVE ENCLOSED, ENCASED OR OTHERWISE CONCEALED ELEMENTS. HAZARD INQUIRY INCLUDED THE FOLLOWING:
-POTENTIAL FOR FRIABLE ASBESTOS
-UNDERGROUND STORAGE TANKS
-FLAKING, POTENTIALLY LEAD BASE PAINT
-USE OF FORMALDEHYDE INSULATION
-SETTLEMENT OF SOIL SUBSIDENCE
-FIRE RESISTANT TREATED PLYWOOD
-EVIDENCE OF CHEMICAL SPILLS OR SOIL C[illegible]AMINATION
-NEIGHBORHOOD AND/OR ADJACENT OFF SIT[illegible]ES WHICH PROVIDE APPROXIMATE HAZARD.

FLOOD HAZARD CONDITIONS ARE CITED ELS[illegible]E IN THE APPRAISAL. IF A PRIVATE WELL SERVICED THE PROPERTY QUESTIONS [illegible]RNING POTABILITY SHOULD BE ADDRESSED BY AN INDEPENDENT WATER QUALITY TEST. [illegible]ILARLY, IF REQUIRED, PERCOLATION TEST FOR ANY SEPTIC FIELD SHOULD BE OB[illegible]ED INDEPENDENTLY. NO RANDOM TESTING DETAILS WERE ASCERTAINED. THE APPRAIS[illegible]AS NOT INFORMED OF, AND NEITHER THE INSPECTION FOR OTHER NORMAL RESEARCH S[illegible]STED ANY APPARENT PRESENCE OF HAZARDOUS SUBSIDENCES OF DETRIMENTAL C[illegible]TIONS. ENUMERATION:

D. SUPPLEMENTAL CERTIFIC[illegible]N-UNIFO[illegible] STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE.
I CERTIFY THAT, TO THE [illegible]EST OF MY K[illegible]LEDGE AND BELIEF:
-THE STATEMENTS OF FAC[illegible] CONTAINED I[illegible]IS REPORT ARE TRUE AND CORRECT.
-THE REPORTED ANALYSI[illegible], OPINION, AN[illegible]NCLUSION ARE LIMITED ONLY BY THE REPORTED ASSUMPTION AND LIMITING CO[illegible]ION, AND ARE MY PERSONAL, UNBIASED PROFESSIONAL ANALYSIS, OPINION, AND [illegible]CLUSION.
-I HAVE NO PRESENT OR PROSPECTIVE IN[illegible]EST IN THE PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AND I HAVE NO PERSONA[illegible] INTEREST OR BIAS WITH RESPECT TO THE PARTIES INVOLVED.
-MY COMPENSATION IS NOT CONTINGENT UPO[illegible] THE REPORTING OF A PREDETERMINED VALUE OR DIRECTION IN VALUE THAT FAVORS THE CAUSE OF THE CLIENT, THE AMOUNT OF THE VALUE ESTIMATE THE ATTAINMENT OF THE STIPULATED RESULT, OR THE OCCURRENCE OF A SUBSEQUENT EVENT.
-MY ANALYSIS, OPINION, AND CONCLUSIONS WERE DEVELOPED, AND THIS REPORT HAS BEEN PREPARED IN CONFORMITY WITH THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE.
-I HAVE OR HAVE NOT, AS DESIGNATED BELOW, MADE A PERSONAL INSPECTION OF THE PROPERTY, IN THE SUBJECT OF THIS REPORT.
-THE APPRAISAL ASSIGNMENT WAS NOT BASED ON A REQUESTED MINIMUM VALUATION, A SPECIFIC VALUATION, OR THE APPROVAL OF A LOAN.
-NO ONE PROVIDED SIGNIFICANT PROFESSIONAL ASSISTANCE TO THE PERSON SIGNING THIS REPORT, EXCEPT AS ACKNOWLEDGED HEREIN.

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APPRAISER SIGNATURE
DATE OF DELIVERY
APPRAISER NAME: GEORGE J. PORTER III
DESIGNATION: CERTIFIED RESIDENTIAL
OFFICE NAME: JOSH PORTER APPRAISAL
ADDRESS: PO BOX 2712, ANNISTON, AL
X DID __ DID NOT PHYSICALLY INSPECT THE PROPERTY

REVIEW APPRAISER SIGNATURE ______ DATE __-__-__
APPRAISER NAME/ DESIGNATION ______
OFFICE NAME ______
ADDRESS ______
__ DID __ DID NOT PHYSICALLY INSPECT THE PROPERTY

APPRAISAL REPORT ADDENDUM

COST APPROACH ADDENDA

COST APPROACH

LAND VALUE ONLY

LAND VALUE --	$ 11,000
ESTIMATED SITE IMPROVEMENTS --------------------------	$ 3,500

	$ 14,500

INCOME APPROACH

ESTIMATED MARKET RENT $150 X GRM 90 = $ 13,500

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DSW 140744

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 the 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 concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The Appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property.
2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. The Appraiser has personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in the report).
5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser." No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in 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. Any sketch in the report may show approximate dimensions and is included to assist the reader visualizing the property. 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 therefor.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The 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 factors.
6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
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, professional designations, reference to any professional appraisal organizations, or the firm with which 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 same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, or any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or 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.
9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

ENVIRONMENTAL DISCLAIMER: The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value.

DSW 140745

ADDITIONAL CERTIFICATION: The appraiser further certifies that:

1. This appraisal conforms to the Uniform Standards or Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the Departure Provision of the USPAP does not apply.
2. Their compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
3. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Date: 11/30/95 Appraiser(s) GEORGE J. PORTER III

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APPRAISAL REPORT ADDENDUM

APPRAISER'S SUPPLEMENTAL CERTIFICATION & FIRREA

MY ANALYSIS, OPINION, AND CONCLUSIONS WERE DEVELOPED, AND THIS REPORT HAS BEEN PREPARED IN CONFORMITY WITH THE REQUIREMENTS OF UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICES (USPAP). I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE REPORTED ANALYSIS, OPINIONS AND CONCLUSIONS WERE DEVELOPED, AND THIS REPORT HAS BEEN PREPARED IN CONFORMITY WITH THE CODE OF PROFESSIONAL ETHICS AND THE STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE OF THE APPRAISAL INSTITUTE. ALTHOUGH I AM NOT YET AN SRA. THIS APPRAISAL ASSIGNMENT WAS NOT BASED ON A REQUESTED MINIMUM VALUATION, OR A SPECIFIC VALUATION, OR FOR THE APPROVAL OF A LOAN. NEITHER IS MY PAYMENT BASED ON THE VALUE OF THE LOAN OR WHETHER THE LOAN IS CLOSED. THIS APPRAISAL REPORT MAY BE USED IN A FEDERALLY RELATED TRANSACTION THAT IS SUBJECT TO THE REQUIREMENTS OF TITLE IX OF FIRREA. THIS APPRAISAL ASSIGNMENT WAS MADE SUBJECT TO THE STATE OF ALABAMA REAL ESTATE APPRAISERS BOARD. THE UNDERSIGNED STATE CERTIFIED APPRAISER HAS MET THE REQUIREMENTS OF THE BOARD THAT ALLOW THIS REPORT TO BE REGARDED AS A "CERTIFIED APPRAISAL".

GEORGE J. PORTER III
ALABAMA CERTIFIED RESIDENTIAL
REAL PROPERTY APPRAISER #R00359

POSSIBLE ECONOMIC MARKET CHANGE

ON JUNE 23, 1995, THERE WAS AN ANNOUNCEMENT IN REGARD TO THE CLOSING OF FORT MCCLELLAN ARMY BASE, WHICH MAY HAVE A NEGATIVE EFFECT ON THE REAL ESTATE MARKET IN SOME AREAS OF THE REGIONAL MARKET, HOWEVER THERE IS NOT SALES DATA AT THIS TIME TO SUPPORT THIS THEORY. THERE WAS ALSO AN ANNOUNCEMENT FOR THE EXPANSION OF ANNISTON ARMY DEPOT WHICH WOULD HELP OFFSET THE LOSS OF A PORTION OF THE JOBS LOST BY THE FORT CLOSING. THERE ARE SEVERAL FACTORS THAT IN MY OPINION, WILL HAVE A POSITIVE INFLUENCE ON THE MARKET TO HELP OFFSET THE NEGATIVE IMPACT TO THE MARKET, THE TIME TO CLOSE THE FORT IS EXPECTED TO BE EXTENSIVE, POSSIBLY 5 YEARS, THE NATURAL RETIREMENT OVER THAT TIME PERIOD WOULD HELP OFFSET THE LOSS OF JOBS. NO ADJUSTMENT TO ESTIMATED MARKET VALUES WILL BE MADE UNTIL THE MARKET INDICATES THERE HAS BEEN A DROP IN VALUES.

GEORGE J. PORTER III
ALABAMA CERTIFIED RESIDENTIAL
REAL PROPERTY APPRAISER #R00359

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DSW 140746

SPECIFICATIONS/EQUIPMENT AND FURNISHINGS/AMENITIES LISTING

Section I

ITEMS TO BE INCLUDED IN CONSTRUCTION CONTRACT

BETHEL MISSIONARY BAPTIST CHURCH
ANNISTON, ALABAMA

SITE
Grading for building pad and slope to lot edges:
Clear and grub banks along streets, asphalt, pave, and install concrete curbs according to site plan.
Landscape: Shrubs and grass

BUILDING

Tongue and groove ceiling in sanctuary (wood)
Concrete slab-on-grade floor
Wood frame walls with sheetrock (painted finish) or paneling
Brick veneer exterior finish
Wood roof trusses
Plywood roof deck
Fiberglass composition roof shingles
Vinyl roof fascia (eaves)
Insect screened eave vents to attic
Ridge vent on roof
R-19 insulation in attic
R-11 insulation in exterior walls
Laminated wood columns exposed in sanctuary exterior walls
Boxed wood beams exposed in sanctuary ceiling
Wood stairs to balcony and to baptistry (stairs to be carpeted)
Wood balcony front wall and choir loft front wall
Outside parking lights
Bell outside church (from current church)
Outside sign board
Bathroom walls: laminated decorative panels
Front porch and steps: brick pavers
Other entrances: concrete slab
Kitchen floor: seamless vinyl with integral base
Fellowship hall and corridor floors: seamless vinyl, set-on cove base
Floors in all other areas, including balcony and choir loft: carpet allowance (installed)

DOORS & DOOR HARDWARE:

Front doors: Solid wood panel doors
Outside entry doors: Insulated steel (steel frames)
Interior doors for sanctuary and lobby: wood panel doors, 1 3/4" steel frames with backbands
Other outside doors: Solid wood, 1 3/4" thick flush veneer stained, fire rated where required by building code, steel door frames
All hardware, except exit devices: antique brass finish, lever handles on locksets and latch sets.

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PLAINTIFF'S EXHIBIT
14
Faust

Exhibit "C"

DSW 140217

ADAD21-017932
HARTOLDMON0033390

Kitchen

Cabinets and countertops: Residential type with roll-formed plastic laminate top
Residential garbage disposal
Residential dishwasher
Electric hot food wells (6)
Roll-up counter door

Miscellaneous

Drinking water fountain in fellowship hall
Toilet partitions: Plastic laminate doors and wall panels, chrome pilasters
Baptistry Pool: Package to include tank, pump, water heater and glass front panel
Steeple: Fiberglass, prefabricated
Chalk/tack boards in classrooms

Electrical

Phone jacks in each room
Main service and base plugs to meet code
Interior lighting:
- Sanctuary: eight chandelier fixtures, hanging from ceiling
- Balcony: ceiling fan with light (3)
- Spot/flood lighting for pulpit, pulpit platform and choir area
- Other areas: surface mounted four -tube fluorescent fixtures
- Battery pack emergency lighting as required by code

Exterior lighting:
- Ceiling-recessed 75 watt metal halide fixtures with dusk-to-dawn controls (two at front entrance and two at covered side entrance)
- Wall pack 75-watt metal halide fixtures at each other exterior door
- Lighted exit signs as required by code

Intercom from sanctuary to pastor's office and fellowship hall
Security alarm system
Fire alarm system as required by code
Sound system:
3 microphones in choir loft
1 microphone at organ
1 microphone at piano
2 microphones at podium
1 microphone at pulpit
1 leslie for organ

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Exhibit "C"

DSW 140218

ADAD21-017933
HARTOLDMON0033391

Section II
ALLOWANCES

BETHEL MISSIONARY BAPTIST CHURCH
ANNISTON, ALABAMA

Allowance:		Item
		Appliances:
$700		Residential set-in range, electric
$900		Residential refrigerator
$600		Residential freezer
$200		Microwave
$700		Coke machine
$3,100	TOTAL	
		Church Furniture:
$3000		Choir chairs (50)
$400		Podium (2)
$650		Pulpit (1)
$1750		Pulpit Platform Chairs (5)
$1200		Brotherhood Chairs (4)
$500		Financial Table (2)
$400		Lords Supper Table (1)
$100		Organ Stools (2)
$50		Piano Stools (1)
$8,050	TOTAL	
		Pews:
		Oak/padded pews
		17' long (24)
		8' long (6)
		11' long (20)
		4' long (2)
$20,000	TOTAL	
		Classroom and fellowship furniture:
$5000		Classroom chairs (162)
$1500		Fellowship tables (25)
$3000		Fellowship chairs (200)
$150		Typewriters: Cannon Electric (2)
$800		Xerox machine: Royal 1803 (or equivalent) (1)
$2500		486 computer with printer (1)
$12,950	TOTAL	
		Musical Instruments:
$9000		Sanctuary organ (1) "25 petaboard"
$7500		Fellowship organ (1) "13 petaboard"
$5000		Sanctuary piano (1) " upright"
$21,500	TOTAL	

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Exhibit "C"

DSW 140219

Section II
ALLOWANCES

Allowance	Items
	Miscellaneous
	Dishes (3) sets
	Pots and Pans (inventory replaced)
	Electric coffee pots (3)
	Meat slicer (electric)
	Cookware (2 sets)
	Large 8 quart cooker
	Extra large black skillets (2)
	Hymnal (200)
	Choir Robes
	Janitorial Supplies
	Communion Assessments
	1. Cross
	2. Candle Holder
	3. Vases (2)
	Podium (Dining Room)
	Floral Stands (4)
	Record Players (2)
	Radio
	Bulletin Board (Dining Room)
	Church Convenant
	Lord's Supper Rugs (2) cleaned
	Clocks (3)
	Funeral Shrouds (2)
	Tables (3)
	Communion Sets (3)
	Finance Plates (5)
	Wheelchair
	Christmas Decorations
	Lamp in Sickroom
	Pulpit Pitcher Set
	Offering Boxes (2)
$15,000 - TOTAL	BED IN SICKROOM W/A EHJ
	JW Coleman

CONFIDENTIAL

DSW 140220

ID FOR MONSANTO

$80,600 - GRAND TOTAL

JWC OFFICE FURNITURE W/A EHJ
JWC - PASTOR OFFICE Furniture W/A EHJ
JWC - FINANCE ROOM FURNITURE W/A EHJ
JWC - TEACHER DESKS FOR CLASSROOMS W/A EHJ
JWC - CONFERENCE ROOM TABLE & CHAIRS W/A EHJ
EHJ JWC - BRIDAL ROOM FURNITURE Exhibit "C"
JWC - SICK ROOM FURNITURE W/A EHJ

COPY

FILE COPY

SUBJECT P.P.

SETTLEMENT AGREEMENT

ID NO. 0.2.2.09.1996-1

This Settlement Agreement is between Deortha Jo Lambert and Lambert Recycling, Inc. (collectively referred to herein as "Lambert") and Monsanto Company ("Monsanto"). Monsanto and Lambert agree as follows:

1. In exchange for the agreements of Lambert contained in this Settlement Agreement, Monsanto agrees:

A. Monsanto will purchase the real property as described in and in accordance with the terms and conditions of the Agreement of Purchase attached as Exhibit "A" and incorporated herein by reference (the "Agreement of Purchase") and will execute the Agreement of Purchase at the time of and as part of the execution of this Settlement Agreement.

B. Monsanto will sublease from Deortha Jo Lambert the real property subject to the lease agreement dated December 19, 1994 and as amended on or about January 20, 1995, by and between Jo Lambert, as lessee, and John E. Massey and Peggy J. Massey, as lessors, (the "Lease Agreement") attached as Exhibit "B" in accordance with the terms of the Sublease Agreement attached as Exhibit "C" and incorporated herein by reference (the "Sublease Agreement"), and will execute the Sublease Agreement at the time of and as part of the execution of this Settlement Agreement.

C. Lambert is allowed to retain any or all of the equipment used in the operation of Lambert Recycling, Inc.

D. Lambert is allowed to remove the metal building on the real property described in the Agreement of Purchase prior to the transfer of such real property to Monsanto.

194825.1

PLAINTIFF'S EXHIBIT 15 Faust

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DSW 140234

E. Upon the execution of this Settlement Agreement, the Agreement of Purchase, and the Sublease Agreement, Monsanto will pay Lambert the sum of Sixty Thousand and no/100 Dollars ($60,000.00).

F. Sixty days following the execution of this Settlement Agreement, the Agreement of Purchase, and the Sublease Agreement, Monsanto will pay Lambert the additional sum of Sixty Thousand and no/100 Dollars ($60,000.00).

G. Ninety days following the execution of this Settlement Agreement, the Agreement of Purchase, and the Sublease Agreement, Monsanto will pay Lambert the additional sum of Fifty Thousand and no/100 Dollars ($50,000.00).

H. Upon the closing of the sale of the real property described in the Agreement of Purchase in accordance with the terms and conditions of the Agreement of Purchase, Monsanto shall pay Lambert the additional sum of Two Hundred and Fifty Thousand and no/100 Dollars ($250,000.00).

I. After the transfer of title and possession of the real property to Monsanto in accordance with the provisions of the Agreement of Purchase, Monsanto agrees to assume all liabilities of Lambert for investigation or remediation of the environmental condition of the property described in the Agreement of Purchase and the Sublease Agreement and to indemnify, defend, and hold harmless Lambert from and against any and all claims for investigation or remediation of any environmental condition existing at, on or under the property described in the Agreement of Purchase and the Sublease Agreement.

2. In exchange for the agreements of Monsanto contained in this Agreement, Lambert agrees as follows:

A. Lambert acknowledges and agrees that prior to execution of this Settlement Agreement the Corporate Resolution attached as Exhibit "D" was duly adopted.

B. Deortha Jo Lambert will sell to Monsanto the real property as described in and in accordance with the terms and conditions of the Agreement of Purchase and will execute the Agreement of Purchase at the time of and as part of the execution of this Settlement Agreement.

C. Lambert Recycling, Inc. will execute the Quit Claim Deed attached as Exhibit "E" at the time of and as part of the Closing under the Agreement of Purchase.

D. Deortha Jo Lambert will execute the Sublease Agreement at the time of and as part of the execution of this Settlement Agreement.

E. Lambert will remove the merchandise, inventory (salvage and recycle material), equipment, tools, supplies, debris and trash from the real property described in the Agreement of Purchase and the Sublease Agreement prior to the transfer or sublease of such real property to Monsanto.

F. At Lambert's election, Lambert may remove the metal building on the real property described in the Agreement of Purchase. If Lambert elects to remove the metal building, Lambert will remove the building prior to the transfer of such real property to Monsanto under the terms of the Agreement of Purchase.

G. Lambert covenants not to sue and hereby completely releases and forever discharges Monsanto, its past, present, and future officers, directors, stockholders, attorneys, agents, servants, representatives, employees, contractors, distributors, dealers, subsidiaries, affiliates, insurance companies, partners, predecessors and successors in interest, and assigns and

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DSW 140236

all other persons, firms or corporations with whom any of the former have been, are now or may hereafter be affiliated, and all other persons, firms, or corporations of whatever kind (referred to herein collectively as the "Released Parties") from any and all past, present or future claims, demands, obligations, actions, causes of action, rights, damages, costs, expenses, attorney's fees, compensatory or punitive damages, which Lambert now has, or which may hereafter accrue or otherwise be acquired, on account of, or in any way growing out of, or which is the subject of any act or omission of the Released Parties including, without limitation, any and all known or unknown claims for bodily and personal injury, including, without limitation, any claims relating to skin rashes or other skin conditions, allergies or allergic reactions, disorders of the heart, liver or kidneys, and any other claims related to health, illness or physical condition, mental anguish, or emotional distress, any and all known or unknown claims for property damage, loss of profits, business interruption, business closing, damage to goodwill, other consequential damages, interest, punitive damages, and any and all claims which are or could have been brought by Lambert against the Released Parties. This Settlement Agreement constitutes a fully binding and complete settlement among Lambert, the Released Parties, their insurers, heirs, assigns, and successors.

H. Lambert acknowledges and agrees that the release and discharge set forth above is a general release. Lambert expressly waives any and all claims Lambert has or may have, but which Lambert does not know or suspect to exist, whether through lack of knowledge, oversight, error, negligence, or otherwise, and which, if known, may materially affect Lambert's decision to enter into this Settlement Agreement. Lambert further agrees that Lambert has accepted the payments and other agreements specified herein as a complete compromise of matters involving disputed issues of law and fact. It is understood and agreed by the parties that this settlement is a compromise of doubtful and disputed claims, and the payments and agreements specified herein are not to be construed as an admission of liability on the part of the Released Parties, by whom liability is expressly denied;

I. Lambert represents that the terms of this Settlement Agreement are fully understood and voluntarily accepted by Lambert.

3. This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of Alabama.

4. Monsanto and Lambert agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement, including, but not limited to, the execution of the Agreement of Purchase, the Quit Claim Deed, the Sublease Agreement, any additional document or instrument required for Lambert to sublease the real property subject to the Lease Agreement to Monsanto, and any other documents necessary for the parties to fulfill their respective obligations under this Settlement Agreement.

5. This Settlement Agreement and the attachments hereto contain the entire agreement between Lambert and the Released Parties with regard to the matters set forth herein and supersede all prior agreements relating to such matters, written or oral, and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each.

6. This Settlement Agreement may not be changed orally, but only by an agreement in writing signed by Lambert and Monsanto.

7. This Settlement Agreement shall become effective immediately following execution

by each of the parties. In the event that, through no fault of Monsanto, the transfer of the real property under the Agreement of Purchase does not occur on or before January 31, 1997, or by such other date as may be mutually agreed to by the parties, the obligations of Deortha Jo Lambert and/or Lambert Recycling, Inc. under Sections 2.B., 2.C. 2.D., and 2.E. and Monsanto's obligations under Sections 1.A., 1.B., 1.H., and 1.I. shall automatically terminate. In that event, the parties agree that Lambert may retain any payments previously made under this Settlement Agreement and that the agreements of the parties under this Settlement Agreement other than those stated in Sections 2.B., 2.C., 2.D., and 2.E. and Sections 1.A., 1.B., 1.H., and 1.I. shall remain in full force and effect.

Executed at MONSANTO ANNISTON PLANT 300 BIRMINGHAM HIGHWAY, this 19TH day of SEPTEMBER, 1996.

CONFIDENTIAL

DSW 140239

ADAD21-017941
HARTOLDMON0033399

CAUTION: READ BEFORE SIGNING BELOW

Witness

DEORTHA JO LAMBERT

Witness

LAMBERT RECYCLING, INC.
By: Deortha Jo Lambert
Its: President

Witness

MONSANTO COMPANY
By: Dr. J. S. Mayausky
Its: Plant Manager

STATE OF ALABAMA
COUNTY OF Calhoun

BEFORE ME, the undersigned, duly authorized to take acknowledgements in the State and County aforesaid, personally appeared Deortha Jo Lambert known to me to be the person designated in the foregoing Settlement Agreement and she acknowledged before me that she executed the same freely and voluntarily for the purposes described therein.

Cathy W. Scott
NOTARY PUBLIC

State of Alabama at Large
County of Calhoun

My Commission Expires: 5-28-98

194825.1

CONFIDENTIAL

DSW 140240

ADAD21-017942
HARTOLDMON0033400

STATE OF ALABAMA

COUNTY OF Calhoun

BEFORE ME, the undersigned, duly authorized to take acknowledgements in the State and County aforesaid, personally appeared Deortha Jo Lambert, President of Lambert Recycling, Inc., known to me to be the person designated in the foregoing Settlement Agreement as authorized agent for Lambert Recycling, Inc. and she acknowledged before me that she executed the same freely and voluntarily for the purposes described therein.

Cathy W. Scott

NOTARY PUBLIC

State of Alabama at Large
County of Calhoun

My Commission Expires: 5-28-98

STATE OF ALABAMA

COUNTY OF Calhoun

BEFORE ME, the undersigned, duly authorized to take acknowledgements in the State and County aforesaid, personally appeared Dr. J. S. Mayausky of Monsanto Company, known to me to be the person designated in the foregoing Settlement Agreement as authorized agent for Monsanto Company and acknowledged before me that he executed the same freely and voluntarily for the purposes described therein.

Cathy W. Scott

NOTARY PUBLIC

State of Alabama at Large
County of Calhoun

My Commission Expires: 5-28-98

194825.1

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DSW 140241

A. **Settlement Statement**

U.S. Department of Housing and Urban Development

OMB No. 2502-0265

B. Type of Loan

1. ☐FHA 2. ☐FmHA 3. ☐Conv. Unins 4. ☐VA 5. ☐Conv. Ins.	6. File Number 00011318.081	7. Loan Number	8. Mortgage Insurance Case Numb

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for information purposes and are not included in the totals. WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U. S. Code Section 1001 and Section 1010.

D. NAME OF BORROWER:	Solutia Inc
ADDRESS:	300 Birmingham Highway, Anniston, Alabama 36201
E. NAME OF SELLER:	Ricky A. Jones and Anniston Iron Works
ADDRESS:	931 Parkwin Avenue, Anniston, Alabama 36201 PROJECT P.P.
F. NAME OF LENDER:	
ADDRESS:	ID No. 0.7.5-070198-1
G. PROPERTY ADDRESS:	931 Parkwin Avenue, Anniston, Alabama 36201 Part Block 315 Anniston City Land Co
H. SETTLEMENT AGENT:	J.E. Whittington, Attorney At Law
PLACE OF SETTLEMENT:	1419 Leighton Avenue, Suite C, Anniston, Alabama 36207
I. SETTLEMENT DATE:	07/01/98

J. SUMMARY OF BORROWER'S TRANSACTION:		K. SUMMARY OF SELLER'S TRANSACTION:	
100. GROSS AMOUNT DUE FROM BORROWER		**400. GROSS AMOUNT DUE TO SELLER:**	
101. Contract sales price	430,000.00	401. Contract sales price	430,000.00
102. Personal Property		402. Personal Property	
103. Settlement charges to borrower (line 1400)	439.00	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		**Adjustments for items paid by seller in advan**	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	430,439.00	**420. GROSS AMOUNT DUE TO SELLER:**	430,000.00
200. AMOUNTS PAID BY OR ON BEHALF OF BORROWER		**500. REDUCTIONS IN AMOUNT DUE TO SELLER**	
201. Deposit or earnest money	337,932.21	501. Excess Deposit (see instructions)	337,932.21
202. Principal Amount of new loans		502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of First Mortgage Loan	
205.		505. Payoff of Second Mortgage Loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		**Adjustments for items unpaid by seller**	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes	
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	337,932.21	**520. TOTAL REDUCTION AMOUNT DUE SELLER**	337,932.21
300. CASH AT SETTLEMENT FROM OR TO BORROWER		**600. CASH AT SETTLEMENT TO OR FROM SELLER**	
301. Gross amount due from borrower (line 120)	430,439.00	601. Gross amount due to seller (line 420)	430,000.00
302. Less amounts paid by/for borrower (line 220)	337,932.21	602. Less reduction amount due seller (line 520)	337,932.21
303. **CASH FROM BORROWER**	92,506.79	603. **CASH TO SELLER**	92,067.79

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained herein is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. The Contract Sales Price described on line 401 above constitutes the Gross Proceeds of this transaction.

SELLER INSTRUCTIONS: If this real estate was your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040).

You are required by law to provide J.E. Whittington Attorney At Law with your correct taxpayer identification number. If you do not provide your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law, and Under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

TIN: ____________ / ____________ SELLER(S) SIGNATURE(S): ____________ / ____________
SELLER 1 SELLER 2 SELLER 1 SELLER 2

CONFIDENTIAL

PLAINTIFF'S EXHIBIT
14
Faust

DSW 140242

REV. HUD-1

ADAD21-017944

HARTOLDMON0033402

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT File Number: 00011318.081

SETTLEMENT STATEMENT PAGE 2

L. SETTLEMENT CHARGES	PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. **TOTAL SALES/BROKER'S COMMISSION** based [illegible] @ 0.000 =		
Division of commission (line 700) as follows:		
701. $ to		
702. $ to		
703. Commission paid at Settlement		
800. **ITEMS PAYABLE IN CONNECTION WITH LOAN**		
801. Loan Origination Fee %		
802. Loan Discount %		
803. Appraisal Fee		
804. Credit Report		
805. Lender's Inspection Fee		
806. Mortgage Application Fee		
807. Assumption Fee		
808. Legal & Tax Assistance to Ricky A. Jones (P.O.C.) 500.00 Buyer		
809.		
810.		
811.		
900. **ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE**		
901. Interest From to @$ /day		
902. Mortgage Insurance Premium for to		
903. Hazard Insurance Premium for to		
904.		
905.		
1000. **RESERVES DEPOSITED WITH LENDER FOR**		
1001. Hazard Insurance mo. @ $ /mo		
1002. Mortgage Insurance mo. @ $ /mo		
1003. City Property Taxes mo. @ $ /mo		
1004. County Property Taxes mo. @ $ /mo		
1005. Annual Assessments mo. @ $ /mo		
1009. Aggregate Analysis Adjustment		
1100. **TITLE CHARGES**		
1101. Settlement or closing fee		
1102. Abstract or title search		
1103. Title examination		
1104. Title insurance binder		
1105. Document Preparation		
1106. Notary Fees		
1107. Attorney's fees		
(includes above items No:)		
1108. Title Insurance		
(includes above items No:)		
1109. Lender's Coverage $		
1110. Owner's Coverage $ 430,000.00 -		
1111.		
1112.		
1113.		
1200. **GOVERNMENT RECORDING AND TRANSFER CHARGES**		
1201. Recording Fees Deed $ 9.00 ; Mortgage $; Release $	9.00	
1202. City/County tax/stamps Deed $ 430.00 ; Mortgage $	430.00	
1203. State Tax/stamps Deed $; Mortgage $		
1204.		
1205.		
1300. **ADDITIONAL SETTLEMENT CHARGES**		
1301. Survey		
1302. Pest Inspection		
1303.		
1304.		
1305.		
1306.		
1307.		
1308.		
1400. **TOTAL SETTLEMENT CHARGES** (enter on lines 103, Section J and 502, Section K)	439.00	

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Solutia Inc

By [signature]

[signature]

Ricky A. Jones

Anniston Iron Works

By [signature]

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause funds to be disbursed in accordance with this statement.

[signature]

Settlement Agent

7/1/98

Date

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U. S. Code Section 1001 and Section 1010.

DSW 140243

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REV. HUD 1

Itemization of Prior Disbursements
Line 201 HUD 1
Ricky A. Jones/Solutia Inc. July 1, 1998

Date:	Amount	To Whom:
January 12, 1998	$161,371.52	J. E. Massey
January 12, 1998	11,560.69	J. E. Massey
January 14, 1998	50,000.00	Ricky A. Jones
March 10, 1998	50,000.00	Ricky A. Jones
April 30, 1998	50,000.00	Ricky A. Jones
June 11, 1998	15,000.00	Ricky A. Jones
Total Disbursements	$337,932.21	

Solutia Inc.
By: [signature]

[signature]
Ricky A. Jones

Anniston Iron Works
[signature]
By: Ricky A. Jones

CONFIDENTIAL

DSW 140244

ADAD21-017946
HARTOLDMON0033404

ACKNOWLEDGMENT AND RECEIPT OF SETTLEMENT DOCUMENTS (SELLER)

Seller acknowledges that he/she received, reviewed, and approved all entries appearing on the itemization.

Seller warrants the correctness of all payoff amounts (if applicable) for outstanding liens and encumbrances. Seller acknowledges that Settlement Agent have relied in Good faith on the information so obtained from the holders of said liens and encumbrances in disbursing the settlement proceeds. Seller acknowledges that such payoff amounts have been hand delivered to lender. If any deficiency in such payoff amounts occur for any reason, Seller agrees to promptly remit the same to the Settlement Agent.

Seller agrees that should any inadvertent errors or omissions later be discovered in any documents executed at settlement, they shall promptly execute such corrective documents and remit such sums as may be required to adjust or correct such errors or omissions.

DATE: July 1, 1998 ~~**June 30, 1998**~~

PROPERTY: **931 Parkwin Avenue**
Anniston, Alabama 36201

7-1-98
Ricky A. Jones, individually

7-1-98
Ricky A. Jones d/b/a Anniston Iron Works

WITNESS

PREPARED BY: J.E. WHITTINGTON, ATTORNEY AT LAW, P. O. BOX 2701, ANNISTON, ALABAMA 36202, (205) 238-1831

CONFIDENTIAL

Seller's FIRPTA TAX AFFIDAVIT

STATE OF ALABAMA
COUNTY OF CALHOUN

Seller is aware that Section 1445 of the Internal Revenue Code provides that a transferee (herein Solutia Inc.) of a U.S. real property interest must withhold tax if the transferor (herein Ricky A. Jones, individually and d/b/a Anniston Iron Works) is/are a foreign person or entity. To inform the transferee that withholding of tax is not necessary upon the within disposition of a U.S. real property interest transferor makes the following certification.
The above Transferor, being duly sworn, depose and say under the penalties of perjury:

1. He/she is an individual residing in Calhoun County and is the owner (hereinafter "Seller") of the property described as follows:

> **Lots 7, 8, 9, 10 and the south 52 feet of lot 11, all in Block 315, as shown on the map of Anniston City Land Company, recorded in Plat Book A, Page 414, Probate Office, Calhoun County, Alabama. Also that part of Lot 6, in Block 315, lying north of the Southern Railway Company right-of-way as recorded in Plat Book A, Page 414, Probate Office, Calhoun County, Alabama**

2. Seller is not a nonresident alien or foreign corporation, partnership, trust or estate; and
3. Seller (s) name, address and taxpayer ID number or social security number are as follows:

NAME:	**Ricky A. Jones**
ADDRESS:	**931 Parkwin Avenue**
	Anniston, Alabama 36201
NAME:	**Anniston Iron Works**
ADDRESS:	**931 Parkwin Avenue**
	Anniston, Alabama 36201
SS# or ID NUMBER	416 86 3862
	63 0926423

4. Seller is not subject to withholding under The Foreign Investment in Real Property Tax Act of 1980 (**"FIRPTA"**).
5. Seller understands that, Solutia Inc., ("Transferee") shall rely upon the truth and accuracy of this affidavit in connection with any obligations it may have under FIRPTA, relative to his/her/its purchase from Seller of the property described in Exhibit "A" hereto.

Ricky A. Jones

Ricky A. Jones, Individually

Ricky A. Jones

Ricky A. Jones d/b/a Anniston Iron Works

STATE OF ALABAMA
COUNTY OF CALHOUN

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Ricky A. Jones, individually and d/b/a Anniston Iron Works whose name is signed to the foregoing affidavit and who is known to me, acknowledged before me on this day that, being informed of the contents of this affidavit, executed the same voluntarily on the day the same bears date.

Given under my hand, this the 1st day of July, 1998.

Notary Public

MY COMMISSION EXPIRES MAY 30, 1999

PREPARED BY: J.E.WHITTINGTON, ATTORNEY AT LAW, P. O. BOX 2701, ANNISTON, ALABAMA 36202, (205) 238-1831

CONFIDENTIAL

DSW 1 ...

STATE OF ALABAMA

CALHOUN COUNTY

Owners'/Sellers' Affidavit and Solicitation

The undersigned, who being first duly sworn upon oath, deposes and says under penalty of perjury:

1. That undersigned is the transferor of the property described as follows:

Lots 7, 8, 9, 10 and the south 52 feet of lot 11, all in Block 315, as shown on the map of Anniston City Land Company, recorded in Plat Book A, Page 414, Probate Office, Calhoun County, Alabama. Also that part of Lot 6, in Block 315, lying north of the Southern Railway Company right-of-way as recorded in Plat Book A, Page 414, Probate Office, Calhoun County, Alabama.

2. That the undersigned's United States Taxpayer Identification Number is __________________.
and that my United States address is: 931 Parker Avenue, Anniston, Alabama 36201.
It is understood that undersigned is required by law to provide the closer of the subject transaction with our correct taxpayer identification number. If undersigned does not provide same to the closer, undersigned may be subject to civil or criminal penalties imposed by law.

3. That undersigned is not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code.

4. All labor, material or services, if any were furnished, completed, and in place not less than 6 months prior to the date of this affidavit and all charges for any material or labor whenever furnished have been paid in full, and the undersigned has not received notice from any materialman, laborer, or subcontractor.

5. The property is free and clear of all recorded and unrecorded liens. encumbrances and claims of every nature, kind and description whatsoever, including water and sewer charges, broker's fees, except for those shown in the commitment for Title Insurance issued in connection with this transaction.

6. The undersigned is in exclusive possession of said property, and no other parties other than None have any claim to possession of the property. I am not aware of any objections by adjoining land owners to encroachments, if any.

7. The personal property, if any, being transferred is not subject to any unpaid personal property tax liens or liens under the Uniform Commercial Code in favor of others.

8. The undersigned has not entered into any agreements or allowed any agreements to be entered in for or on the undersigned's behalf which would create an interest in the property which remain unrecorded as of the date of the deliver of the instruments in the subject transaction.

This affidavit is given to the closing agent for delivery to the transferee of the property described in paragraph 1 above for the purpose of, among other things, establishing and documenting the non-foreign status exemption to the withholding requirement of Section 1445 of the Internal Revenue Code.

Additionally, under penalties of perjury, the undersigned certify that the number shown on this statement is the undersigned's correct taxpayer identification number.

DATE: July 1, 1998

________________(SEAL)
Ricky A. Jones, Individually

________________(SEAL)
Ricky A. Jones d/b/a
Anniston Iron Works

SWORN TO AND SUBSCRIBED before me this
1st day of July, 1998

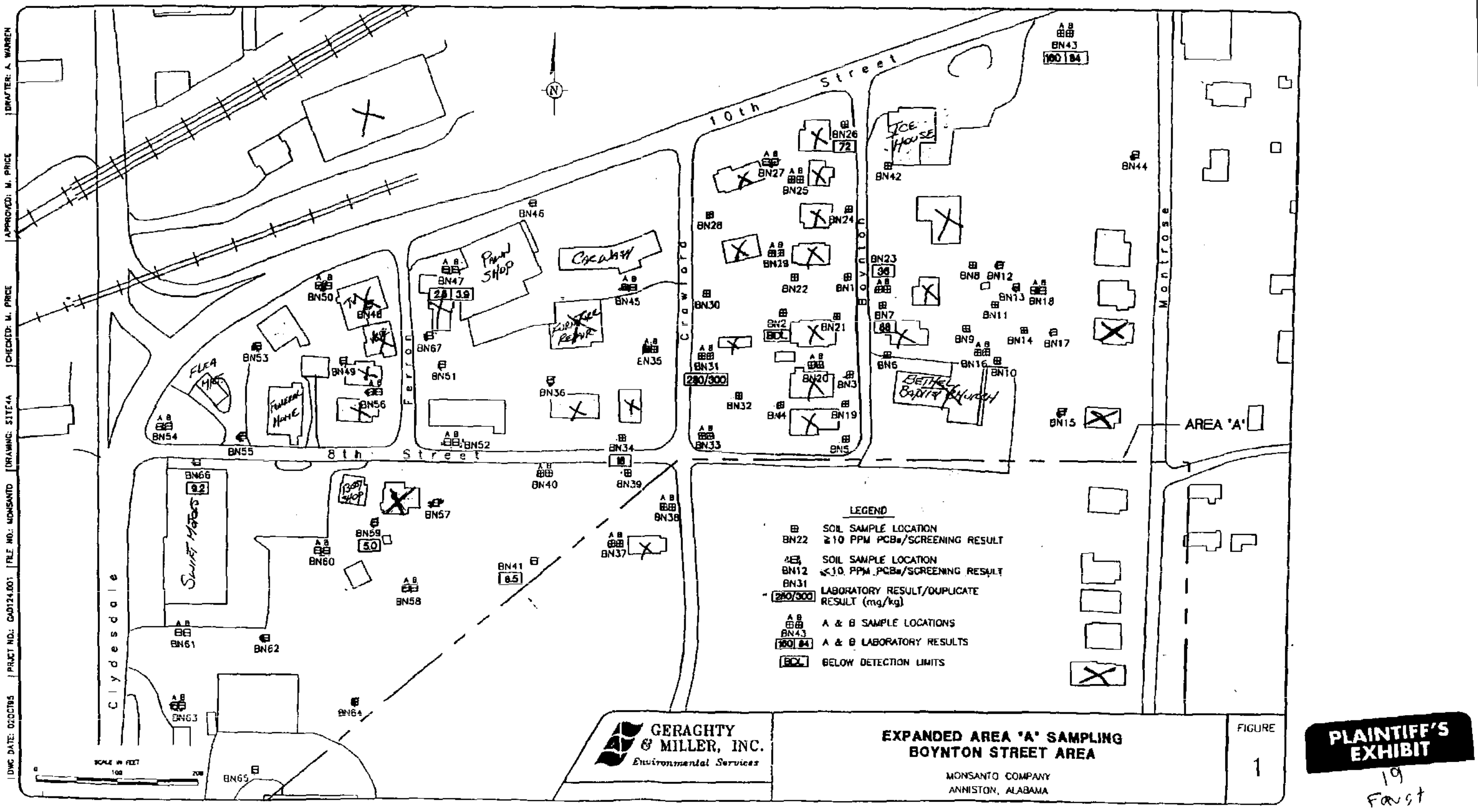
____
Notary Public

My Commission Expires: MY COMMISSION EXPIRES MAY 30, 1999

(Notary Seal)

CONFIDENTIAL

DSW 140247



HINDS-000380

ADAD21-017950

HARTOLDMON0033408

ANNISTON STAR 5/16/96

Judge expands suit against Monsanto

Ruling is reversal of earlier decision

By Elizabeth Pezzullo
Star Health Writer

Reversing an earlier ruling, a St. Clair County judge has expended a lawsuit filed against Monsanto by several Logan Martin Lake property owners to include other waterfront residence.

Circuit Judge Robert Austin granted class-action status Wednesday to the 1993 lawsuit, which was filed by about a dozen owners of lakefront property after state health officials issued warnings against eating fish in Choccolocco Creek because of PCB contamination. Attorneys for the plaintiffs said the ruling could open the door for thousands more people to join the lawsuit.

In August, Austin refused to grant class-action status to the lawsuit, ruling that although there was evidence of contamination in the creek, evidence was not sufficient that the contamination extended into the lake. Attorneys for the plaintiffs pushed for class-action status again after the Alabama Department of Public Health last month extended its no-consumption advisory already existing on fish caught in Choccolocco Creek to fish in Logan Martin.

"We're very pleased at long last to get class certification," said Dwight Blair, a Pell City attorney representing the plaintiffs. "It gives us leverage to start clearing up some of this mess."

Plaintiffs in the original lawsuit accuse Monsanto of creating the contamination, which they say could endanger their health and devalue their property. Monsanto manufactured PCBs — or polychlorinated biphenyls — at its Anniston plant for 40 years until they were banned in the late 1970s when the chemical was linked to environmental hazards and cancer in laboratory animals.

Austin ruled that if the allegations by the plaintiffs are proven, "it would establish that defendants have engaged in a course of conduct that affects the entire property class and gives each of them a cause of action."

Monsanto attorney Adam Peck said he was disappointed with Wednesday's ruling.

"The judge had already denied this before," Peck said. "And we don't believe that the new fish advisory was enough evidence to change that."

Peck also said that the data on fish in the lake warrant further study.

"The data from the lake have been surprising and contradictory," he said. "The readings have been inconsistent."

Wednesday's ruling means that a federal lawsuit making similar claims is not likely to be certified as a class action. But David Sullivan, an attorney for 450 former and current west Anniston residents who intervened in the federal lawsuit, said the claims will be heard by a federal judge.

"It doesn't affect us at all," Sullivan said. "It just puts us in a holding pattern for awhile."

The west Anniston residents became concerned last spring when Monsanto found PCBs in the soil of a ditch running through neighborhoods east of its plant off Alabama 202. Since then, four lawsuits involving Anniston residents have been filed against Monsanto.

Sullivan's lawsuit seeks unspecified damages. The other lawsuits seek a total of more than $770 million in damages.

Will Chandler/The Anniston Star

Workers for Monsanto demolish a home on 10th street. Some area residents say they are worried that dust raised from the demolition may be contaminated.

Since discovering the contamination, Monsanto has implemented a program to buy up some property around the plant. As part of that program, on Wednesday Monsanto demolished a vacant home it purchased at West 10th Street and Clydesdale Avenue.

Some residents in the area complained that dust generated from the demolition would lead to further contamination. And according to Sullivan, a number of his clients believe the work was in retaliation for a meeting Sullivan and other attorneys held Monday night at Mars Hill Baptist Church to discuss the status of the case with the plaintiffs.

Peck denied the charge.

"That's absolutely untrue," he said. "We tore (the house) down

See Judge/13A

Judge

From Page 9A

after the owner of a pawn shop nearby asked us to do so."

Peck said the company followed health department regulations in doing the work. Those regulations require that an area be sprayed with water before demolition begins to reduce dust and that dust levels be monitored during the work.

"There was absolutely no health risk to residents," Peck said.

*

PLAINTIFF'S EXHIBIT
17
Faust

DSW 139185

ADAD21-017951
HARTOLDMON0033409

THE BIRMINGHAM NEWS
METRO/STATE

BIRMINGHAM NEWS
5/16/96

NEWSBRIEFS

Judge OKs class-action in Monsanto suit

PELL CITY (AP) — A St. Clair County judge has reversed a ruling he made last August denying class-action status in a lawsuit filed against Monsanto by Lake Logan Martin residents. Judge Robert Austin ruled Wednesday that class-action status was justified after a hearing on contamination of fish.

Lakefront property owners sued Monsanto in 1993 after state officials posted consumption advisories on fish taken from the lake. The advisories said the fish were contaminated with chemicals. The residents sued Monsanto because it produced some of the polychlorinated biphenyls, or PCBs, that found their way into the lake.

Austin reversed his August ruling after hearing evidence that contamination in the lake may be more widespread than previously believed. The state recently posted additional consumption advisories covering the lake and some of the streams that feed it.

Former Turner aide: 'Know he's innocent'

MONTGOMERY — A former aide said she expects to testify on Dan Turner's behalf [illegible]

To:	Christy Beckmann	G4WA
	Tom Bistline	E2NP
	Kevin Cahill	C2SB
	Bruce Eley	A2ND
	Alan Faust	F2EA
	Mike Foresman	F2EA
	Garth Fort	G5NL
	Jo Hanson	F2EP
	Rita Hartmann	C2SB
	Pat Hyland	F2EB
	Bob Kaley	A2NE
	Rashmi Nair	A3NF
	Larry O'Neill	B2NG
	Mike Pierle	A3NA

From: Diane Herndon

Date: 5/17/96

Subj: Anniston clips

Attached are the latest newspaper clippings related to the Anniston issues.

Diane Herndon

DSW 139187

ADAD21-017953
HARTOLDMON0033411

Page 2A Friday, May 17, 1996

U.S. intelligence: Unified Bosnian state won't hold

By Steven Erlanger
New York Times

WASHINGTON — A draft intelligence report circulating in the American government warns that the chances are poor that Bosnia will hold together as the multiethnic, unified state called for in the Bosnian peace agreement, senior American officials say.

The National Intelligence Estimate — a classified effort to pull together a consensus view of the American intelligence agencies — questions the public position of the Clinton administration that the civilian effort in Bosnia is on schedule and going well.

The report comes as American allies are expressing concern that the United States, which has 20,000 troops in Bosnia as part of a NATO-led peacekeeping force, is being overly optimistic about the chances for a fair election there this fall so long as Radovan Karadzic, the Bosnian Serb leader who has been indicted by the international war crimes tribunal in The Hague, retains power and influence.

Senior American officials have predicted regularly that Karadzic will soon be gone as the Bosnian Serb leader, undermined by the Serbian president in Belgrade, Slobodan Milosevic. But Milosevic has been slow to act.

Under the peace agreement reached in Dayton, Ohio, last November, both Karadzic and the Bosnian Serb military leader, Gen. Ratko Mladic, are supposed to give up their positions and be handed over to the tribunal in The Hague for trial.

✓For the record

In a story on a PCB lawsuit Wednesday, Monsanto attorney Adam Peck incorrectly stated that the owners of the West 10th Street Pawn Shop had requested that Monsanto demolish a house across from the pawn shop. Pawn shop co-owner Cecil E. Hinds said — and Monsanto officials confirmed — that the pawn shop never made such a request.

PLAINTIFF'S EXHIBIT
18
Faust

DSW 139190

ADAD21-017954
HARTOLDMON0033412

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ALABAMA
EASTERN DIVISION

CECIL HINDS and RICHARD HINDS,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	**Civil Action NO. CV-98-C-0118-E**
	)	
MONSANTO COMPANY,	)	
	)	
Defendant.	)	

RE-NOTICE OF DEPOSITION OF MONSANTO COMPANY

TO: Warren B. Lightfoot
Adam K. Peck
William S. Cox, III
LIGHTFOOT, FRANKLIN & WHITE, L.L.C.
The Clark Building
400 20th Street North
Birmingham, Alabama 35203

You are hereby notified that the plaintiffs, CECIL AND RICHARD HINDS, pursuant to Rule 30 of the Federal Rules of Civil Procedure, will take the deposition of **Monsanto Company,** on Thursday, October 7, 1999 commencing at 9:30 a.m., at the offices of Burr & Forman LLP, SouthTrust Tower, 420 North Twentieth Street, Suite 3100, Birmingham, Alabama 35203.

The aforesaid deposition will be taken before an officer duly authorized to swear witnesses and take depositions, and will continue from day to day until completed. You are invited to attend and cross-examine the deponent.

Pursuant to Rule 30(b)(5) of the Federal Rules of Civil Procedure, deponent is requested to produce the documents described in Exhibit A attached hereto.

PLAINTIFF'S EXHIBIT
1
Faust

Pursuant to Rule 30(b)(6) of the Federal Rules of Civil Procedure, deponent is requested to designate one or more persons who can testify as to the following:

1. Monsanto's property purchase program in Calhoun County, Alabama.

2. Monsanto's remediation of its Anniston, Alabama plant site and the surrounding area (for PCBs).

3. Monsanto's communications with either Cecil or Richard Hinds.

4. Monsanto's construction of settling ponds or other construction work in the area near or adjacent to plaintiffs' the property on West 10th Street in Anniston, Alabama..

5. Any testing of plaintiffs' West 10th Street property in Anniston, Alabama for PCBs.

6. Monsanto's purchase of any property in Calhoun County, Alabama since 1995.

7. Monsanto's communications with residents and/or business owners in the area known as Cobb Town and other areas near or adjacent to its Anniston plant site.

8. The maintenance as business records of the documents produced pursuant to this deposition notice.

Respectfully submitted,

D. Frank Davis (DAVID1043)
Gary L. Howard (HOWAG5019)
Rebecca W. Block (BLOCR3714)
Attorneys for Plaintiffs

Of Counsel:

Burr & Forman LLP
P.O. Box 830719
Birmingham, Alabama 35283-0719
(205) 251-3000

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of September, 1999, I served a copy of the above and foregoing pleading on all counsel of record by hand delivering a copy of same as follows:

Warren B. Lightfoot, Esq.
Adam K. Peck, Esq.
William S. Cox, III, Esq.
Lightfoot, Franklin & White, L.L.C.
The Clark Building
400 20th Street North
Birmingham, Alabama 35203

Of Counsel

EXHIBIT "A"

1. Any and all documents which relate to or pertain in any way to the presence of PCBs in storm water runoff on or near the Anniston plant.

2. Any and all documents which relate to or pertain in any way to communications with residents or owners of property of an areas adjacent to Monsanto' Anniston plant, including but not limited to an areas known as "Cobb Town," regarding the presence of PCBs in the area.

3. Any and all documents recording or reflecting in any way the testing after November, 1993, of soil or storm water in or around the area adjacent to Monsanto's Anniston plant, including but not limited to an area known as Cobb Town.

4. Produce all documents identified or referenced in response to plaintiffs' Interrogatories.

5. Produce any documents provided to or received from experts you expect to call as witnesses in this case.

6. Produce any correspondence to or from Cecil and/or Richard Hinds or any documents memorializing or relating to any communications or contract with Cecil and/or Richard Hinds.

7. Produce any documents evidencing the purchase by Monsanto of any real property in Calhoun County, Alabama since 1993. This request includes but is not limited to deeds, appraisals and contracts.

8. Produce any documents relating to Monsanto's Calhoun County, Alabama property purchase program.

9. Produce any documents evidencing the amount of money paid by Monsanto to Mars Hill Baptist Church.

10. Produce any notes or other documents memorializing or describing any visits by Jack

Mayausky to the residents and/or owners of property in neighborhoods adjacent to the Anniston plant, including but not limited to the area known as Cobb Town.

11. Produce any documents relating to any meetings or discussions of Cecil and/or Richard Hinds and any property owned by Richard and/or Cecil Hinds.

12. Produce any documents evidencing any loss of or discharge of PCBs from Monsanto's Anniston plant.

13. Produce any documents relating to any work done or proposed to be done on a settling pond or ponds on Monsanto property in Anniston. This request includes, but is not limited to, work protocol procedures, safety procedures, plans, diagrams, blueprints, cost sheets and contracts.

14. Produce test results of tests for PCBs conducted on property owned by Cecil and/or Richard Hinds or any property within the area of the Calhoun County, Alabama Monsanto property purchase program.

ADEM DISCHARGE MONITORING REPORT
SOLUTIA INC.
ANNISTON, ALABAMA

MONTH: APR - JUN 1998 NPDES PERMIT AL0001201

DSN012

PARAMETER	FLOW	pH	BOD	COD	O&G	TDS	TSS
DAILY MIN.	—	—	—	—	—	—	—
DAILY MAX.	—	—	—	—	—	—	—
MON AVG	—	—	—	—	—	—	—
SAMPLE	1.65	6.9	6	6	<5	151	616
UNITS	MGD	s.u.	mg/l	mg/l	mg/l	mg/l	mg/l
FREQ	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr

PARAMETER	PCB1016	PCB1221	PCB1232	PCB1242	PCB1248	PCB1254	PCB1260	TOTAL PCB
DAILY MIN.	—	—	—	—	—	—	—	—
DAILY MAX.	—	—	—	—	—	—	—	—
MON AVG	—	—	—	—	—	—	—	—
SAMPLE	0	0	0	0	0.9	0.64	0	1.5
UNITS	ug/l	ug/l	ug/l	ug/l	ug/l	ug/l	ug/l	ug/l
FREQ	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr	1/qtr

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Blake E Hamilton
SIGNATURE OF RESPONSIBLE OFFICIAL

7/9/98
DATE

PLAINTIFF'S EXHIBIT
2
Faust

ADAD21-017960
HARTOLDMON0033418

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ALABAMA
EASTERN DIVISION

CECIL HINDS and RICHARD HINDS,	)	
Plaintiffs,	)	
v.	)	CV-98-C-0118E
MONSANTO COMPANY,	)	
Defendant.	)	

DEFENDANT MONSANTO COMPANY'S RESPONSES TO PLAINTIFFS' INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

Pursuant to Fed. R. Civ. P. 33 and 34, Defendant, Monsanto Company ("Defendant"), hereby responds to plaintiffs' interrogatories and requests for production to Monsanto as follows:

GENERAL OBJECTIONS

1. Defendants generally object to any and all requests to the extent that they seek the production of documents protected from discovery by any privilege, including the attorney-client privilege, the insured-insurer privilege, the attorney work-product doctrine or any other applicable privilege or immunity, including the privileges and rights of privacy applicable to employees' medical histories, personnel records, and health histories protected by common law, state statutes, state constitutions, and the United States Constitution.

PLAINTIFF'S EXHIBIT
3
Faust

2. Defendants object to any and all requests to the extent that they seek confidential financial or business information without the protection of an acceptable form of stipulation and protective order adequate to preserve the confidentiality of such information.

3. Defendants object to reviewing records other than those kept in the ordinary course of business with respect to the manufacture and sale of polychlorinated biphenyls, insofar as such documents exist and can be identified and located through the exercise of reasonable efforts.

4. Defendants object to any and all discovery requests to the extent that they seek information or the identification of documents, writings, records, or publications in the public domain since such information is equally available to the plaintiffs

5. Defendants object to any and all requests to the extent that they prematurely seek expert discovery and seek expert discovery other than as provided for under the provisions of Rule 26 of the Federal Rules of Civil Procedure and any applicable scheduling order or pretrial order.

6. Defendants object to any and all requests to the extent that they are overly broad, are not specific as to time, seek irrelevant information, and are not reasonably calculated to lead to the discovery of relevant, admissible or discoverable evidence. In particular, Defendants object to any and all interrogatories to the extent that they do not refer or relate to polychlorinated biphenyls (PCBs), the only substance allegedly at issue in this action, on the grounds that such requests are overbroad and seek irrelevant and immaterial information.

7. In providing responses to plaintiffs' discovery requests, Defendants will undertake a reasonable effort to locate records and to provide information. However, these interrogatories

and document requests seek information and documents about events occurring as much as sixty or more years ago. Documents and persons with relevant knowledge are quite often no longer available after the passage of so many years, and other persons who may have had relevant knowledge or information at one time may now have little or no specific recall of such knowledge or information. Defendants' investigation is continuing, and the following responses are based upon such information as is reasonably available to Defendants and susceptible to retrieval through reasonable efforts. Defendants reserve the right to supplement any or all of these responses.

8. These "General Objections" are applicable to and incorporated in each of Defendants' responses, infra, as if specifically set forth therein. The stating of specific objections to a particular request shall not be construed as a waiver of the "General Objections." Additionally, unless otherwise specifically stated, the objections to each request apply to the entire request, including each and every subparagraph of the request. Defendants reserve the right to supplement these responses and to make further objections.

RESPONSES TO INTERROGATORIES

Interrogatory No. 1:

Did Monsanto ever notify Cecil and/or Richard Hinds or any other private property owner in Calhoun County, Alabama about the possible presence of PCBs on their property? If so, describe in detail those efforts and identify any relevant documents.

Response to Interrogatory No. 1:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents it has previously produced to plaintiffs' counsel, including documents regarding community meetings, soil sampling access agreements, correspondence regarding soil sampling results, and Monsanto's Property Purchase Program; Defendant's responses to Interrogatories Nos. 2 and 10; deposition testimony of Jack Mayausky in the deposition taken by plaintiffs' counsel in Wilson, et al v. Monsanto, et al (for example, pp. 118-140, 188-191, 222-226, 236-245, and 252 in 11-22-95 transcript and pp. 8-95 in 12-11-95 transcript) and plaintiffs' counsels' opportunity to depose Mr. Alan Faust and Mr. Bruce Eley pursuant to Plaintiffs' Rule 30(b)(6) Notice of Deposition in this case.

Interrogatory No. 2:

Has Monsanto or anyone acting on Monsanto's behalf ever contacted Richard or Cecil Hinds in regard to PCBs, testing for PCBs, removing or remediating any PCBs located on property owned by Cecil and/or Richard Hinds, or the purchase of any property owned by Cecil and/or Richard Hinds? If so, describe in detail those contacts, any witnesses to said contacts and identify any documents evidencing those contacts.

Response to Interrogatory No. 2:

Without waiving its objections, and subject thereto, Defendant responds as follows:

Jack Mayausky's recollection is that he had a conversation with Cecil Hinds in March, 1995 during which he discussed with Mr. Hinds the sampling being conducted by Monsanto in the area east of the plant and requested permission to sample the West 10th Street Pawn Shop property. Defendant believes that either Dr. Mayausky or Joe E. Whittington provided Mr. Hinds with a License Agreement to allow access to the property for sampling for the presence of PCBs. See HINDS 000382. Mr. Mayausky also had a telephone conversation with Cecil Hinds relating to an application for a loan to the Pawn Shop by the Colonial Bank, and Mr. Hinds sent a letter to Mr. Mayausky regarding that matter. See HINDS 000381. Alan G. Faust sent a letter to Colonial Bank regarding sampling for the presence of PCBs at the Pawn Shop location, results of that sampling, and remediation activities undertaken by Monsanto on that property. Cecil Hinds was copied on this letter. See HINDS 000384.

Robert Jones believes that he may have had one conversation with Cecil Hinds regarding transmitting the results of soil sampling on the Pawn Shop property, but has no current recollection of the substance of the conversation.

Jo Hanson believes that she went into the Pawn Shop on the morning that a house purchased by Monsanto near the Pawn Shop was to be demolished and had a conversation with Cecil Hinds about the demolition. Her recollection is that Mr. Hinds was pleased that the house was to be demolished. Ms. Hanson believes she may also have had a conversation with Cecil Hinds when Monsanto was later paving the area on which that house had been located prior to demolition.

Mr. Faust also recalls talking to Cecil Hinds about paving the West Yard area of the Pawn Shop and the vacant lot immediately west of the Pawn Shop and conversations with Cecil Hinds about placing barriers in the paved area to keep trucks from using the paved area as a turnaround area. Mr. Faust also recalls discussing the results of soil sampling for the presence of PCBs on the Pawn Shop property and that Monsanto would like to take more soil samples in the rear area of the Pawn Shop property. See also the following discussion of Bruce Eley's recollection of conversations with Cecil or Richard Hinds.

Bruce Eley's recollection is that the first meeting he had with Cecil and Richard Hinds occurred on or around April 2, 1996 when Mr. Eley, accompanied he believes by Mr. Faust, visited the Pawn Shop to brief Mr. Hinds on the remediation construction activity either ongoing or planned in the area. Copies of two soil sampling maps – "Expanded Area A Sampling, Boynton Street Area" (DSW 139674) and "G&M Sediment/Soil Sampling Results, Area A" – were reviewed with particular attention to the results of any sampling performed on or near the Pawn Shop property. A copy of the "Expanded Area A Sampling" map was left with Mr. Hinds. Mr. Hinds had several questions on the scope of the east side Property Purchase Program and eligibility for the program. Mr. Eley and Mr. Faust explained that the program was focused on the local residential community which was impacted by drainage from the east side ditch and did include some properties on Ferron Ave. that were residential properties. Mr. Eley told Mr. Hinds that he would kept him informed of Monsanto's remediation progress.

Mr. Eley recalls that the next day on April 3, 1996, he called Mr. Hinds to say that several of the local commercial owners wanted to have additional soil sampling taken on their property and to offer similar sampling to Mr. Hinds. Mr. Hinds accepted the offer and Mr. Eley arranged for the sampling team to be at the Pawn Shop later that day.

On the afternoon of April 3, 1996, Mr. Eley and Mike Price, sampling team leader, met with Mr. Hinds to tour the Pawn Shop property and identify areas to be sampled. The sampling procedure was explained to Mr. Hinds. Five soil samples were collected for PCB screening by Mr. Price – two samples in the rear of the property (inside a fenced area), one sample on the northeast corner of the property, and two samples in a grassy area next to the west side of the building. Mr. Eley told Mr. Hinds he would be contacted once the results were received. Mr. Eley recalls that at some point Mr. Hinds mentioned he had had a recent conversation with the plant manager (Dr. Mayausky) regarding plans for the house now owned by Monsanto and located just west of the Pawn Shop.

On May 15, 1996, Mr. Eley (and he believes with Mr. Faust) met with Mr. Hinds to communicate the results of soil sampling on the Pawn Shop property. Mr. Eley noted that two of the five samples exceeded the screening level of 5 ppm and were more definitively analyzed. Mr. Hinds was concerned that he would have problems securing a new business loan from his bank [Colonial Bank] if his property were contaminated with PCBs. Mr. Eley recalls that either he or Mr. Faust told Mr. Hinds that Monsanto would remediate that area of his property and would work with him to resolve specific PCB issues raised by his lender.

Mr. Eley recalls that several weeks later (late May 1996) he visited Mr. Hinds at his Pawn Shop in response to Mr. Hinds' complaint regarding a recent Anniston Star article. The article quoted a Monsanto spokesperson as saying that Monsanto had demolished the house next to the Pawn Shop and paved the area with asphalt at the request of Mr. Cecil Hinds. Mr. Hinds was upset since this had created animosity among several persons in the neighborhood who opposed the demolition. Mr. Hinds said that he had recently received some telephone calls expressing anger with what was perceived as his [Mr. Hinds'] cooperation with Monsanto. He indicated he felt betrayed by Monsanto. Mr. Eley apologized for any problems Monsanto's work may have caused him and told Mr. Hinds he would investigate what actions could be taken to set the record straight. It is Mr. Eley's understanding that the demolition/paving had been carried out with Mr. Hinds' knowledge and approval, but not based on any specific request from Mr. Hinds.

Around June 26, 1996, Mr. Eley met with Mr. Cecil Hinds at the Pawn Shop to review Monsanto's proposal to vacate several streets east of the Anniston plant in preparation for construction of a stormwater detention basin. A map showing the proposed fenced area south of W. 8th Street along with those street sections to be vacated was shown to Mr. Hinds. (DSW 139675). Mr. Eley recalls that Mr. Hinds had no problems with what was being proposed. At some point, Mr. Hinds did share his concern that, due to Monsanto's purchase of the properties on the west side of Ferron Ave., security in the rear of his property was being compromised since he no longer had nearby neighbors who might help deter possible vandalism. Mr. Hinds used this fenced rear area to store various equipment and automobiles.

Mr. Eley recalls that on or around August 29, 1996, he visited Mr. Hinds at the Pawn Shop to discuss the status of east-side remediation construction and to show him an enlarged photo depicting how the east side area (south of W. 10th St.) would appear once the remediation project was complete. Mr. Hinds remarked that the whole area would certainly look better than at present and in the past.

Later in 1996 (uncertain of month/date), Mr. Eley recalls a conversation he had with Mr. Hinds in the Pawn Shop during which Mr. Hinds inquired about blood testing for PCBs for him and his family. Mr. Eley stated that Monsanto was not conducting such blood tests but that Mr. Hinds could contact several individuals who could perhaps arrange for such testing. Mr. Eley recalls then referring him to both Dr. Brian Hughes at the Alabama Department of Public

Health and Dr. Brian Forrester at the Division of Occupational and Environmental Health at the University of Alabama Birmingham.

On March 25, 1997, Mr. Eley met with Mr. Hinds to notify him of the structure demolition project scheduled to commence mid-April in the area near the Pawn Shop (corner of W. 10th St. and Ferron Ave.). Mr. Eley reviewed the project scope including the asbestos abatement work required prior to demolition. Actual demolition in the area began the week of April 14, 1997, and Mr. Eley recalls again visiting Mr. Hinds on April 14 to inform him of the impending work.

On or around May 15, 1997, Mr. Eley and Mr. George Inlow (construction project manager) met with Mr. Cecil Hinds to determine if the shutting off of water to a commercial building directly southeast of his property would impact the Pawn Shop's water supply. The building in question was being readied for demolition. Mr. Ricky Hinds checked the connections and determined that the work would not impact their service.

At some point in the summer of 1997 Mr. Eley recalls that Mr. Cecil Hinds asked Mr. Eley whether Monsanto would allow him to install a fence around a portion of the property located just west of the Pawn Shop for use as a secured storage area for cars and other equipment. This property, now paved with asphalt and being used by the Pawn Shop for customer parking (with Monsanto's permission), was now owned by Monsanto. Mr. Eley took the request forward to remediation management and reported back to Mr. Hinds that Monsanto did not want fencing installed on the property at that time, but he could continue to use the area for off-street parking.

On August 20, 1997, Mr. Eley telephoned Mr. Cecil Hinds in response to an earlier call Mr. Hinds had made to the Anniston plant regarding Pawn Shop security and possible leakage from an underground storage tank at the corner of W. 10th St. and Ferron Ave., property then owned by Monsanto. Mr. Hinds indicated he was having second thoughts on staying in the area since he felt his pawn shop business was declining, and he was more concerned about security in the area. There was also an issue of the air intake filters on the Pawn Shop HVAC system being clogged with dust. Mr. Eley said he would be in Anniston the next week and would drop by the Pawn Shop to discuss his concerns.

Subsequently, Mr. Eley met with Mr. Hinds on August 26, 1997 at the Pawn Shop at which time Mr. Hinds raised several issues of concern that are noted in notes recorded by Mr. Eley at the time. (DSW 139676). The issues included a lack of dust suppression on W. 10th St. to minimize dust generated by trucks hauling dirt to the Monsanto construction area east of Crawford Ave., lack of security in the rear of the Pawn Shop, a decline in Pawn Shop business of 15-20% in 1997 (which Mr. Hinds implied was due in large part to Monsanto's purchase program and general area construction activity), high stormwater flow in front of the Pawn Shop during heavy rain, possible leakage from some underground storage tanks thought to be associated with operation of a service station some 30 years ago at the corner of Ferron Ave. and W. 10th St. (property now owned by Monsanto), and the general long term viability of business in the West Anniston area given Monsanto's remediation activity. Mr. Eley then recalls touring the rear of the property with Mr. Ricky Hinds and suggesting that security might be improved in the area by removing the brush/other vegetation from the south and west side fence and installing a "true" security fence and gate on the east side.

Mr. Eley again met briefly with Mr. Cecil Hinds on August 27, 1997 to report that Monsanto planned to increase the frequency of washing the street in front of the Pawn Shop (to minimize dust generation). Mr. Eley also stated that he and a Monsanto hydrologist would review the pattern of stormwater flow in front of the Pawn Shop during a heavy rain event and determine what actions, if any, could be taken to lessen the flooding near his front entrance.

Interrogatory No. 3:

Identify all properties purchased or acquired by Monsanto in Calhoun County, Alabama since 1993. In responding to this interrogatory state the parcel identification number of said property, from whom the property was purchased, the purchase price of said property and whether Monsanto still owns said property.

Response to Interrogatory No. 3:

Without waiving its objections, and subject thereto, and subject to applicable protective orders in this and other cases and applicable confidentiality agreements, Defendant refers to documents previously produced to plaintiffs' counsel by Defendant.

Interrogatory No. 4:

Describe Monsanto's Calhoun County, Alabama property purchase program. In answering this interrogatory, state the factors considered by Monsanto in choosing to purchase properties and identify how the price to be paid for the properties was determined.

Response to Interrogatory No. 4:

Without waiving its objections, and subject thereto, Defendant refers to documents previously produced to plaintiffs' counsel, including booklets describing the Property Purchase Program, documents from community meetings announcing the Property Purchase

Program and, subject to applicable protective orders in this and other cases, documents regarding purchases made pursuant to the Property Purchase Program.

<u>**Interrogatory No. 5**</u>:

Describe all testing for PCBs conducted since 1993 at Monsanto's Anniston plant and on any property purchased or acquired by Monsanto in Calhoun County, Alabama since 1993. In responding to this interrogatory, identify the location from which said sample was taken, the medium in which the sample test was taken (i.e. soil, sediment, water, dust, etc.), the level of PCBs found in each sample and the detection limit for each sample. Also, identify any relevant documents relating to said testing.

<u>**Response to Interrogatory No. 5**</u>:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

<u>**Interrogatory No. 6**</u>:

Why has Monsanto chosen not to purchase the property owned by Cecil and Richard Hinds on West 10th Street in Anniston, Alabama?

<u>**Response to Interrogatory No. 6**</u>:

Without waiving its objections, and subject thereto, Defendant responds as follows: Defendant did not need the Pawn Shop property to facilitate remediation activities in the area immediately east of the Anniston facility; the Pawn Shop property is not in an area of drainage pathways or flooding from ditches in the area immediately east of the Anniston facility; and the levels of PCBs detected by sampling on the Pawn Shop property were levels that could be remediated to eliminate the potential for any exposure without heavy or lengthy construction activity at the site and are at levels and locations that do not present a risk of recontamination of other remediated properties.

Interrogatory No. 7:

Describe in detail all testing for PCBs conducted by Monsanto on property owned by Cecil and Richard Hinds on West 10th Street in Anniston, Alabama. In answering this interrogatory, state the medium in which the sample was taken (soil, sediment, dust, etc.), the results of each sample and the date each sample was taken. Also, identify all relevant documents.

Response to Interrogatory No. 7:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Interrogatory No. 8:

State the date and amount of each loss of PCBs measured by Monsanto at each of its outfalls or discharge points and attach any pertinent records or documents.

Response to Interrogatory No. 8:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Interrogatory No. 9:

Describe in detail all measures, if any, employed by Monsanto (i) to make certain that it did not contaminate or further contaminate with PCBs the plaintiffs' property on West 10th Street in Anniston, Alabama during any remediation or construction work on or around Monsanto property since 1993 and/or (ii) to make certain that plaintiffs, their employees, or business patrons were not exposed to PCBs during any remediation or construction work on or around Monsanto property since 1993.

Response to Interrogatory No. 9:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Interrogatory No. 10:

Identify all contacts that were made with Cecil or Richard Hinds by Robert Jones, Jack Mayausky, Robert Kaley or any other employee, agent or contractor for Monsanto and identify that date of said contact, the reason for said contact, the substance of all communications, the place of said contact, the means by which the contact took place (telephone, letter, in person, etc.), any witnesses to said contact, and any documents memorializing said contact.

Response to Interrogatory No. 10:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel and to the responses to Interrogatories Nos. 1 and 2.

REQUEST FOR PRODUCTION OF DOCUMENTS

Request No. 1:

Produce all documents identified or referenced in response to plaintiffs' Interrogatories.

Response to Request No. 1:

Without waiving its objections, and subject thereto, Defendant refers to its responses to plaintiffs' interrogatories and responsive documents previously produced to plaintiffs' counsel.

<u>Request No. 2</u>:

Produce any documents provided to or received from experts you expect to call as witnesses in this case.

<u>Response to Request No. 2</u>:

Without waiving its objections, and subject thereto, Defendant refers to the reports and documents to be produced to plaintiffs pursuant to Rule 26 of the Federal Rules of Civil Procedure and the Scheduling Order on or before October 19, 1999 and to responsive documents previously produced to plaintiffs' counsel.

<u>Request No. 3</u>:

Produce any correspondence to or from Cecil and/or Richard Hinds or any documents memorializing or relating to any communications or contact with Cecil and/or Richard Hinds.

<u>Response to Request No. 3</u>:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

<u>Request No. 4</u>:

Produce any documents evidencing the purchase by Monsanto of any real property in Calhoun County, Alabama since 1993. This request includes but is not limited to deeds, appraisals and contracts.

Response to Request No. 4:

Defendant further objects to Request No. 4 to the extent it seeks confidential documents without the protection of an adequate protective order and to the extent it seeks documents regarding any settlement on the grounds that such documents are irrelevant and inadmissible and such request is not reasonably calculated to lead to the discovery of relevant, admissible or discoverable evidence. Without waiving its objections, and subject thereto, and subject to protective orders entered in this and other cases and any applicable confidentiality agreements, Defendant states that it has produced or will produce responsive documents to plaintiffs' counsel.

Request No. 5:

Produce any documents relating to Monsanto's Calhoun County, Alabama property purchase program.

Response to Request No. 5:

Without waiving its objections, and subject thereto, Defendant states that it has produced or will produce responsive documents subject to the various protective orders entered in this and other cases.

Request No. 6:

Produce any documents evidencing the amount of money paid by Monsanto to Mars Hill Baptist Church.

Response to Request No. 6:

Defendant further objects to this request to the extent it seeks confidential documents without the protection of an adequate protective order and to the extent it seeks documents relating to settlements, on the grounds that documents relating to a settlement are irrelevant and inadmissible and the request is not reasonably calculated to lead to the discovery of relevant, admissible or discoverable evidence. Without waiving its objections, and subject thereto, Defendant has produced or will produce responsive documents subject to the provisions of the protective orders entered in this and other cases.

Request No. 7:

Produce any notes or other documents memorializing or describing any visits by Jack Mayausky to the residents and/or owners of property in neighborhoods adjacent to the Anniston plant, including but not limited to the area known as Cobb Town.

Response to Request No. 7:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Request No. 8:

Produce any documents relating to any meetings or discussions of Cecil and/or Richard Hinds and any property owned by Richard and/or Cecil Hinds.

Response to Request No. 8:

Without waiving its objections, and subject thereto, Defendant refers to responses to Interrogatories Nos. 1, 2 and 10 and to responsive documents previously produced to plaintiffs' counsel.

Request No. 9:

Produce any documents evidencing any loss of or discharge of PCBs from Monsanto's Anniston plant.

Response to Request No. 9:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Request No. 10:

Produce any documents relating to any work done or proposed to be done on a settling pond or ponds on Monsanto property in Anniston. This request includes, but is not limited to, work protocol procedures, safety procedures, plans, diagrams, blueprints, cost sheets and contracts.

Response to Request No. 10:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Request No. 11:

Produce test results of tests for PCBs conducted on property owned by Cecil and/or Richard Hinds or any property within the area of the Calhoun County, Alabama Monsanto property purchase program.

Response to Request No. 11:

Without waiving its objections, and subject thereto, Defendant refers to responsive documents previously produced to plaintiffs' counsel.

Suzanne Alldredge
One of the Attorneys for
Defendant Monsanto Company

OF COUNSEL:
Warren B. Lightfoot
Adam K. Peck
William S. Cox, III
Suzanne Alldredge
Robin H. Graves
LIGHTFOOT, FRANKLIN, & WHITE, L.L.C.
The Clark Building
400 20th Street North
Birmingham, AL 35203-2706
205/581-0700

Edward M. Newsom
SMITH HELMS MULLISS & MOORE, L.L.P.
1355 Peachtree Street, N.E.
Suite 750
Atlanta, GA 30309
(404) 962-1000

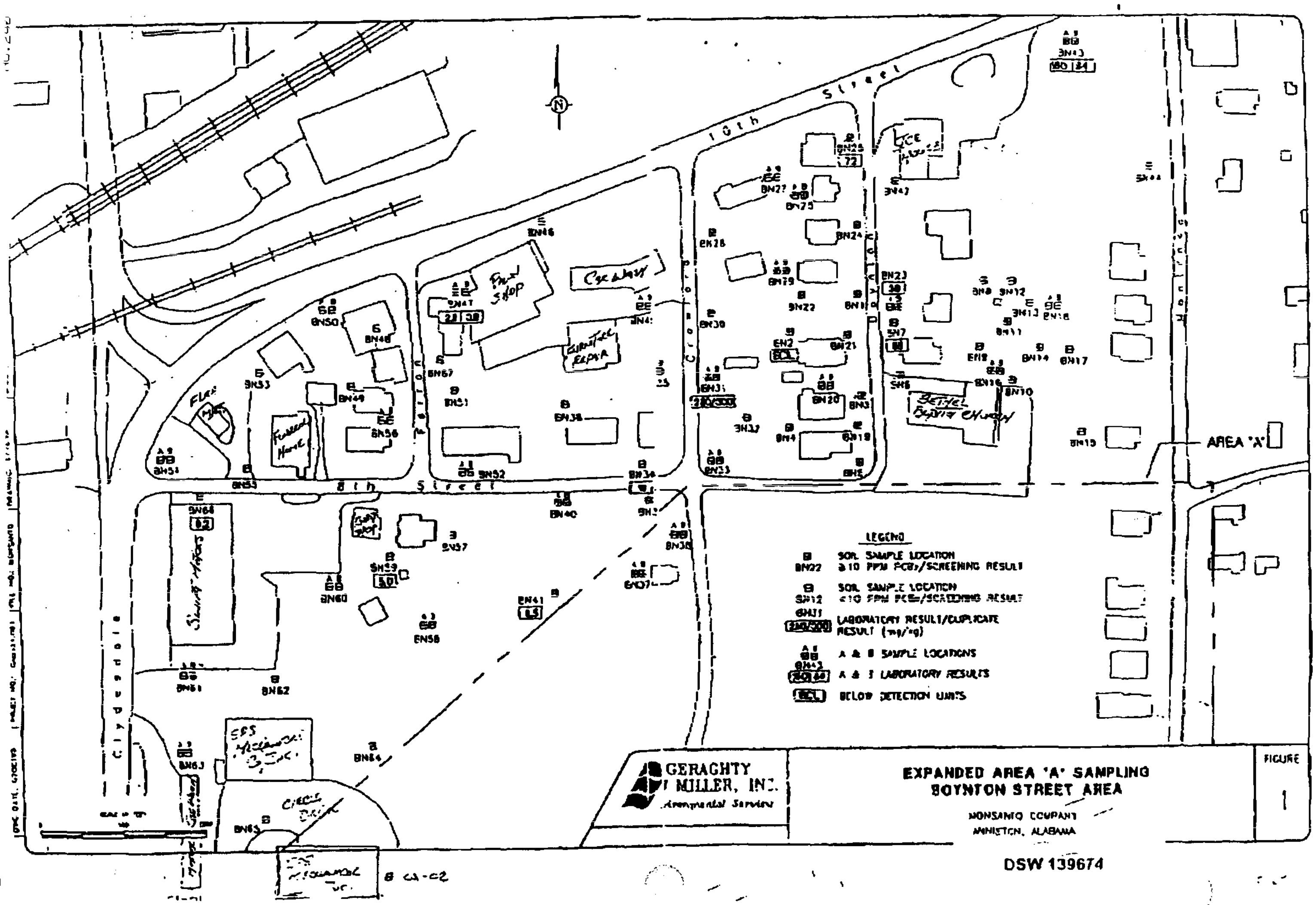
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon the following counsel of record by facsimile and United States Mail, postage pre-paid and properly addressed as follows:

Gary L. Howard, Esq.
BURR & FORMAN, LLP
420 North 20th Street
3000 SouthTrust Tower
Birmingham, AL 35203

This the 29th day of September, 1999.

Suzanne Alldredge
OF COUNSEL

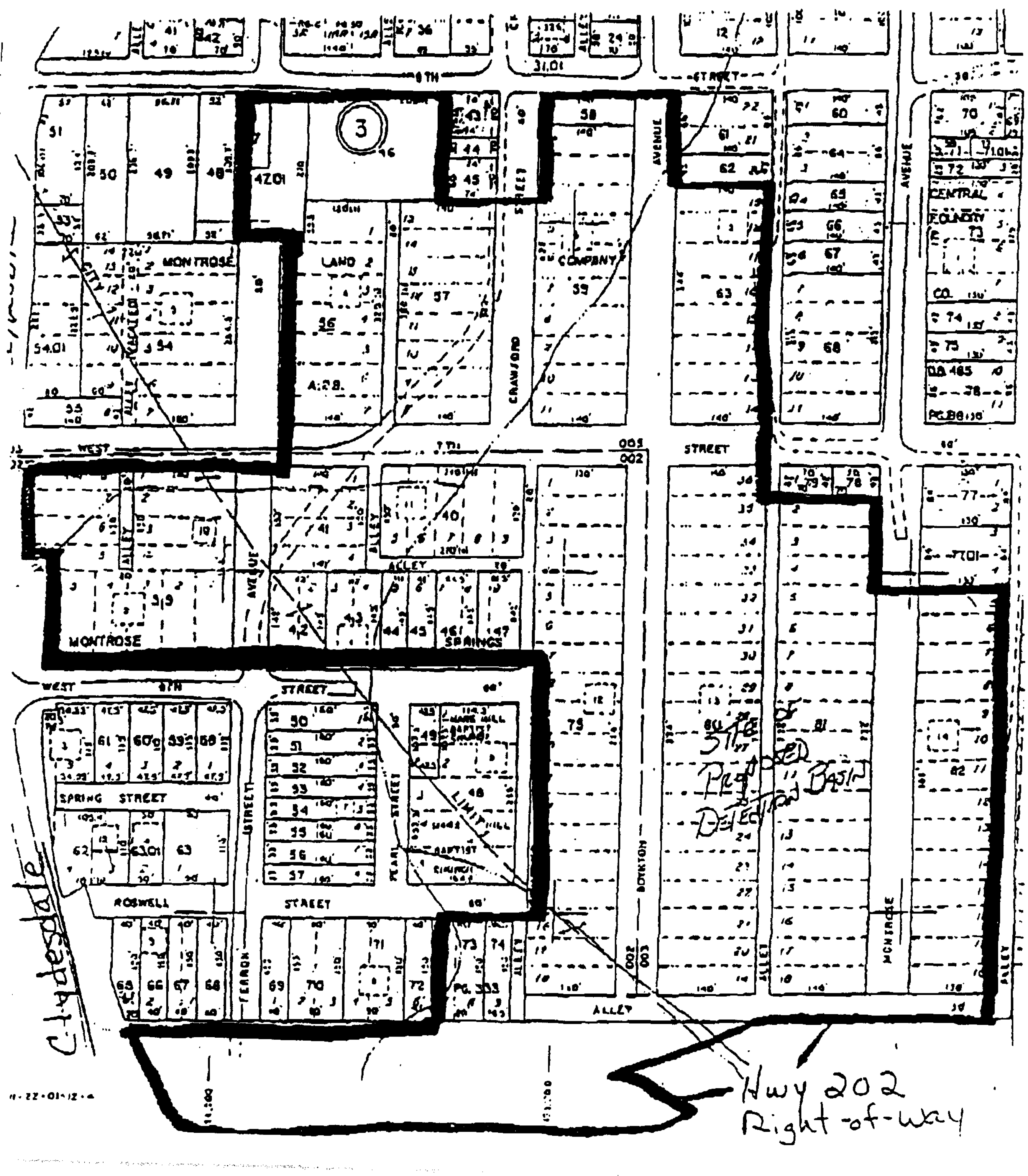


DSW 139674

ADAD21-017981

HARTOLDMON0033439

AREA AND STREETS TO BE VACATED FOR FENCING OF A PORTION OF MONSANTO PROPERTY FOR CONSTRUCTION OF STORMWATER DETENTION BASIN.



Pawn Shop
8/26-27/97

Air Conditioning off
Filters/Coils Clogged

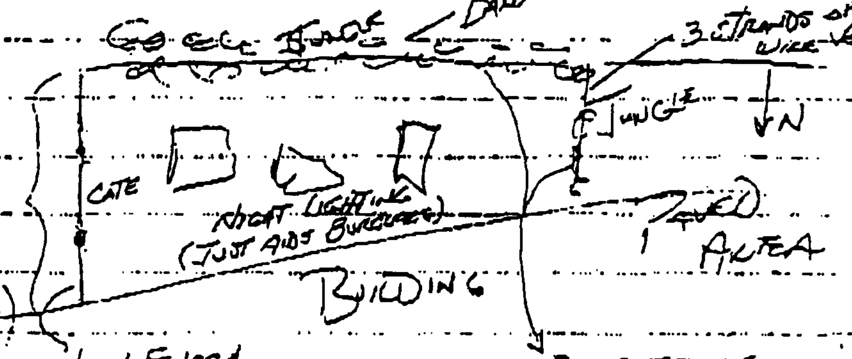
(1) 1) No Dust Suppression — Work on other side of Fenton w/o water truck. Breaking up concrete slag across street, no dust suppression. (occurred month ago)

Remember
Demolition Procedure

(5) 2) Service Station. 30 yrs ago -- Probably 2 tanks at corner of 10th St & Fenton.
Concerned about leaking UST on old station property? Service station gone 30 yrs ago in 1960's. Why now concern?

(2) 3) Security in Back — Quote on Security TV in process.

Barbed wire?? Cannot view top of fence
3 strands of barb wire vertical



(Not Secure)
Too Easy to Breach!

Go to remove vegetation ~~along~~ fence - natural sight barrier!

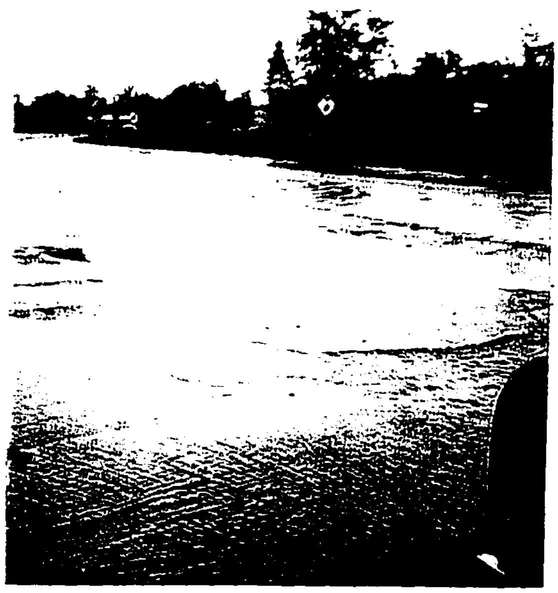
Need angled strands of barb wire ~~on top of fence~~

(3) 4) Business in Decline? Most profit from "Interest on Loans" to his customers. He says other pawn businesses ~~are holding their own~~. His business is down 15-20% this year. Implies it is due to Monsanto buyout & area activity.

(4) 5) Stormwater washes over his property in heavy rain. From 10th St, across Fenton and paved area next door.

6) ≈ Few Visibility of Buyout in This Area Given the Monsanto Activity - Cleanup?

ADAD21-017983
HARTOLDMON0033441



PLAINTIFF'S EXHIBIT
4
Faust

HINDS-000484

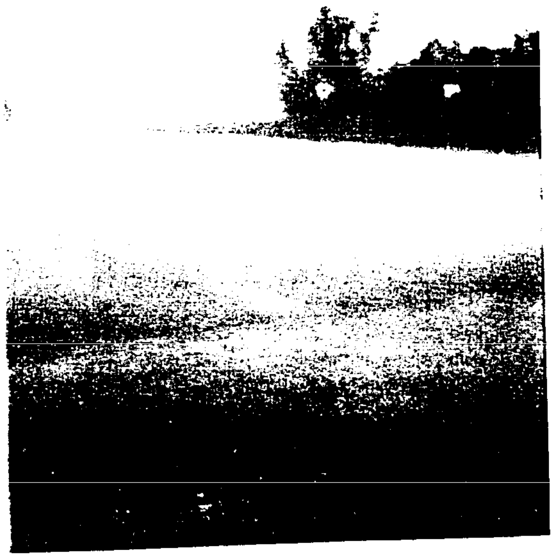
ADAD21-017984
HARTOLDMON0033442

HINDS-000485

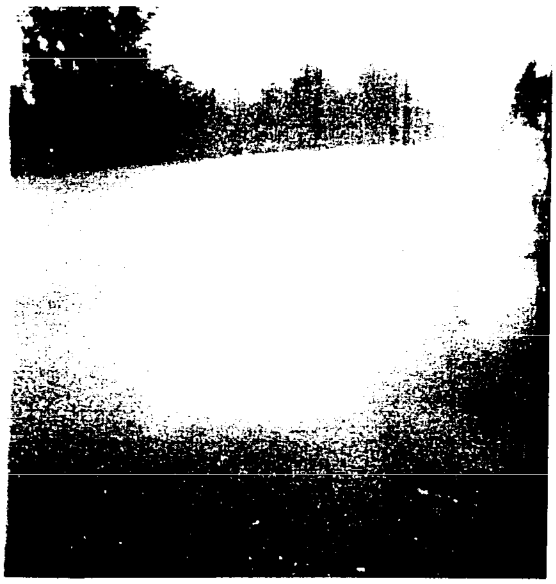
HINDS-000486

HINDS-000487

HINDS-000488



HINDS-000489



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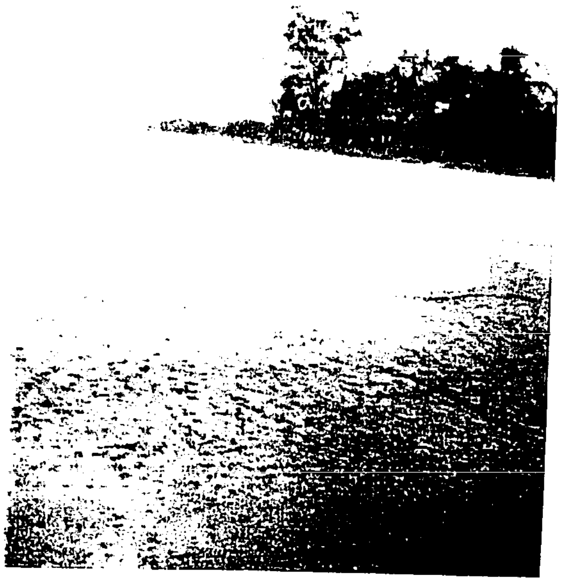
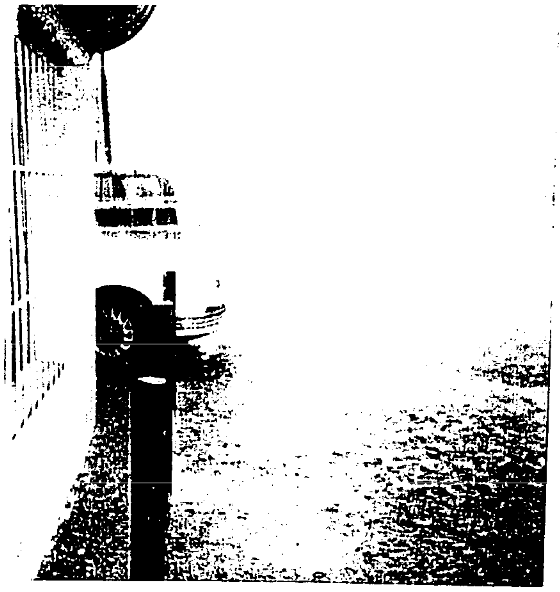
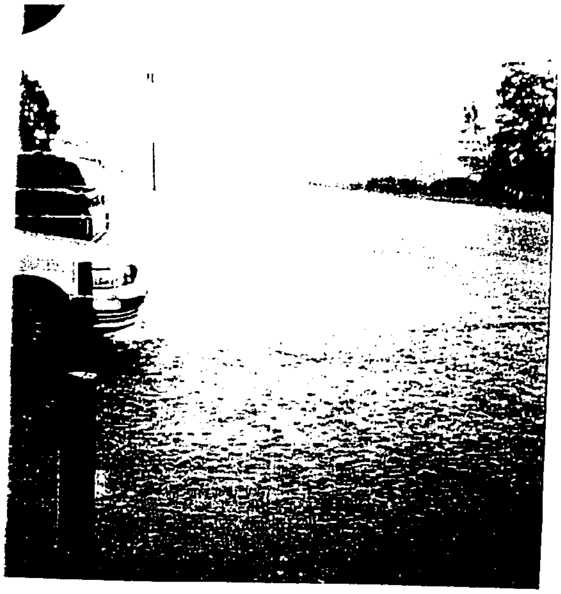


4-28-97



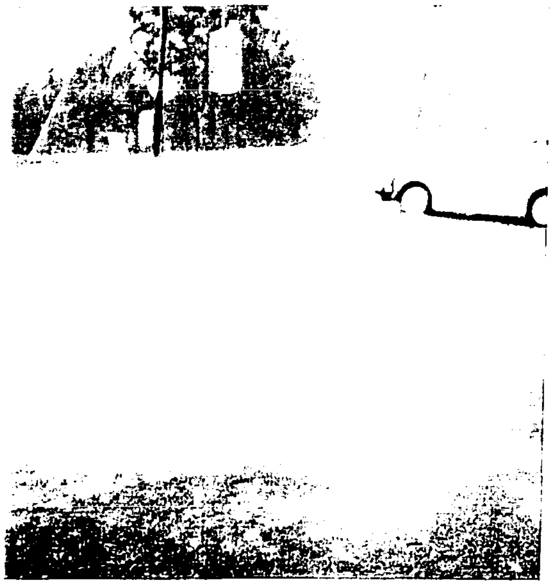
4-28-97

HINDS-000414



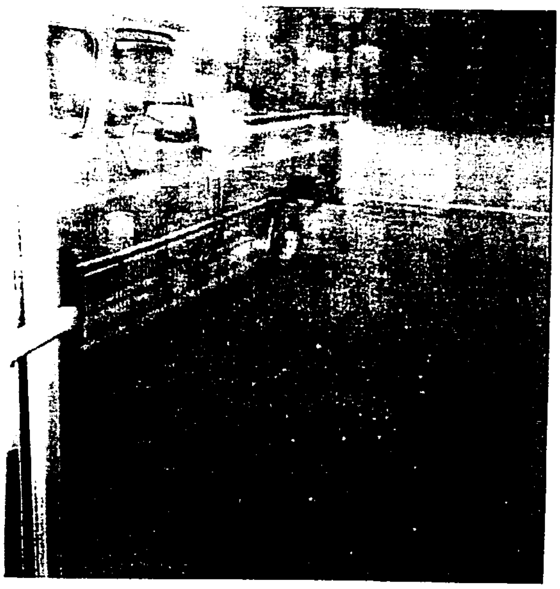
4-28-97

HINDS-000415



4-28-97

HINDS-000416

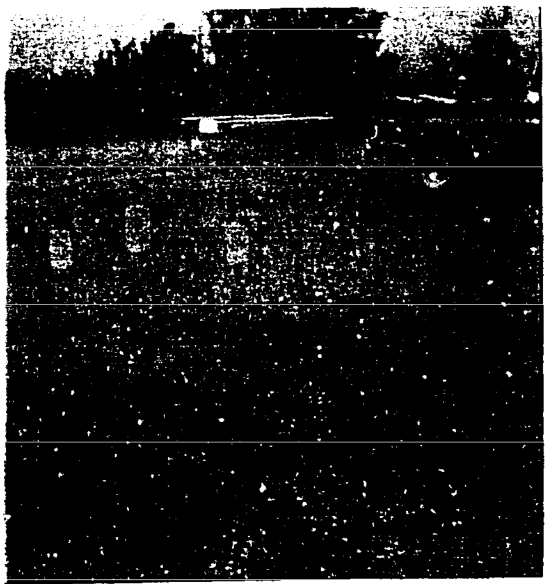


HINDS-000417

HINDS-000418

HINDS-000419

HINDS-000420



HINDS-000421

HINDS-000422

MONSANTO PROPERTY PURCHASE PROGRAM

Phase II

Monsanto Company **Anniston, Alabama**

PLAINTIFF'S EXHIBIT
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Faust

DSW 133449

Contents

The information contained in this booklet provides a description of the Monsanto Property Purchase Program for the 600, 700, 800 and 900 blocks of Montrose Avenue. It is not an offer to buy property.

DSW 133450

Introduction

The Monsanto Property Purchase Program (Program) for the 600, 700, 800 and 900 blocks of Montrose Avenue is a program provided by Monsanto to enable you to sell your property and relocate, if you so choose. The details of the Program are contained in this booklet.

Easy access to the Program is provided through our Information Center, staffed by Prudential Residential Services, located in the trailer set up in the Monsanto parking lot. The Information Center will be staffed by a representative who is available to meet with you privately to go over all of the features of the Program and will assist you in understanding Program options available to you.

The Information Center will also provide you with information about homes for rent or purchase in the area. A representative can put you in touch with local real estate professionals who can help you identify your housing options.

A representative will be at the Information Center starting March 18, 1996. The Center will be open Monday through Friday from 8:30am to 5:00pm and evenings and weekends by appointment. Please feel free to contact the Information Center at (205) 231-8508. After March 29, a representative will be available at the Center one day each week and by telephone at other times via the Center number.

DSW 133451

Summary of Program Benefits

Home Owners and Rental Property Owners

- Appraised value for your property
- Premium payment (an amount in addition to the appraised value)
- Miscellaneous expense allowance
- Early appraisal sign-up bonus
- Legal assistance and tax advisor allowance
- Full payment of normal and reasonable closing costs
- An option to remove some property improvements
- Equity advance assistance
- Relocation services

Vacant Lot Owners

- Appraised value for your vacant lot(s)
- Premium payment (an amount in addition to the appraised value)
- Early appraisal sign-up bonus
- Legal assistance and tax advisor allowance
- Full payment of normal and reasonable closing costs

Renters

- Miscellaneous expense allowance
- Relocation services

DSW 133454

The Offer
The offer applies to home owners living in the Program Area and landlords owning habitable rental property in the Program Area. Unoccupied, habitable residences will be treated as rental property. The offer consists of four payments and one potential bonus:

payments
- the appraised value
- the premium over appraised value
  - . 75% of the appraised value for owner-occupied home owners
  - . 50% of the appraised value for rental property owners
- the miscellaneous expense allowance
  - . $4,000 for owner-occupied home owners
  - . $1,000 for rental property owners
- the legal assistance and tax advisor allowance, $150

potential bonuses
- the early appraisal sign-up bonus, $3,500

Appraised Value
If you are a home owner or landlord, the first part of your offer is an "appraised value" for your property and the improvements on it (such as a home, garage, outbuilding, etc.). The appraisals are done by local independent appraisers and are arranged by the Information Center. The list of approved appraisers includes local, actively practicing appraisers who are certified by the Alabama State Real Estate Commission.

The first step is for you to meet with a representative at the Information Center so you can select two appraisers from the approved list. The Information Center will then contact the appraisers and have them visit your property. Each appraiser will independently develop a value for your property using a standard format (URAR 1004 6/93).

When the two appraisal amounts are calculated, your appraised value will equal the average of the two appraisals -- provided the lower appraisal is within 10% of the higher appraisal. If the difference is greater, the Information Center will arrange for a third appraisal. Then, the two highest appraisals will be averaged to make the appraised value offer.

DSW 133455 57

Closing and Vacating
The Program pays for all normal and reasonable closing costs on the sale of your home. Real estate broker commissions and the cost to correct title problems are not covered.

Closing should be scheduled within two (2) months after you accept the offer. However, by prior agreement, and on a case-by-case basis, you may delay closing. The Information Center staff will arrange a mutually acceptable closing date once you have accepted the offer. You are required to vacate the property prior to closing, removing all possessions and leaving the property "broom clean" and in a neat and safe condition.

Calculating Your Total Offer
Example calculations are provided below for home owners and for owners of rental property.

Home Owner Sample Offer

Appraised Value	$15,000
75% Premium Payment	11,250
Misc. Expense Allowance	4,000
Early Appraisal Sign-Up Bonus	3,500
Total Offer	**$33,750**

Rental Property Owner Sample Offer

Appraised Value	$15,000
50% Premium Payment	7,500
Misc. Expense Allowance	1,000
Early Appraisal Sign-Up Bonus	3,500
Total Offer	**$27,000**

DSW 133458

Offer for Vacant Lot Owners

The Offer
This offer applies to private owners of a vacant lot or a group of contiguous vacant lots (parcel) in the program area. Condemned residences will be treated as vacant lots. The offer consists of three payments and one potential bonus:

payments
- the appraised value
- the premium over appraised value -- 50%
- the legal assistance and tax advisor allowance

potential bonus
- the early appraisal sign-up bonus, $500 per lot or parcel

Appraised Value of Vacant Lot or Parcel
If you own a vacant lot or parcel, the first part of your offer is an "appraised value" for the vacant land. The appraisals are done by local independent appraisers and are arranged by the Information Center. The list of approved appraisers includes local, actively practicing appraisers who are certified by the Alabama State Real Estate Commission.

The first step is for you to meet with a representative at the Information Center so you can select two appraisers from the approved list. The Information Center will then contact the appraisers and have them visit your property. Each appraiser will independently develop a value for your property using a standard format (URAR 1004 6/93).

When the two appraisal amounts are calculated, your appraised value will equal the average of the two appraisals -- provided the lower appraisal is within 10% of the higher appraisal. If the difference is greater, the Information Center will arrange for a third appraisal. Then, the two highest appraisals will be averaged to make the appraised value offer.

DSW 133459

Offer for Vacant Lot Owners

Appraisal Process - Examples
In the chart below you can see how sample appraisal calculations are made.

In example #1, the higher appraisal is $2,100. This means that the lower appraisal must be within 10% or $210. Since the two appraisals are only $100 apart, a third appraisal is not required. The two appraisals are averaged to make the appraised value offer of $2,050.

In example #2, the higher appraisal is $2,500. This means that the lower appraisal must be within 10% or $250. But the appraisals are $500 apart. This means a third appraisal must be done. Now, out of the three appraisals, the two highest are averaged to make the appraised value offer.

	Appraisal #1	Appraisal #2	Appraisal #3	Appraised Value Offer
Example #1	$2,000	$2,100	not required	$2,050
				Average of $2,000 and $2,100
Example #2	$2,000	$2,500	$2,300	$2,400
				Average of $2,500 and $2,300

Premium Payment
The premium payment is made at closing and is intended to help you to purchase property elsewhere. The premium payment equals 50% of the appraised value.

Early Appraisal Sign-Up Bonus
If you request an appraisal on your property on or before April 1, 1996, you are eligible to receive at the closing of the sale an Early Appraisal Sign-Up Bonus equaling $500 per lot or parcel.

Vacant Lot Owner Sample Offer

Appraised Value	$2,400
50% Appraisal Premium Payment	1,200
Early Appraisal Sign-Up Bonus	500
Total Offer	**$4,100**

DSW 133460

Monsanto

The Chemical Group
300 Birmingham Highway
Anniston, Alabama 36201
Office: (205) 231-8447

June 7, 1996

Ms. Melissa Craven
Colonial Bank
404 East Hamric Drive
Oxford, AL 36203

Dear Ms. Craven:

With the permission of Mr. Cecil Hinds, Monsanto Company arranged for soil samples to be taken on the commercial property located at 1514 W. 10th Street, Anniston, AL, for analysis for the presence of polychlorinated biphenyls (PCBs). The West 10th Street Pawn Shop operates in a building on this property. Five soil samples were taken. Those samples were first analyzed by an immunoassay procedure to determine if PCBs were present at a level of 5 parts per million (ppm) or more. A part per million is one tenthousanth of one percent. The results of those analyses indicated that PCBs were detected at the 5 ppm level or above in two of the samples. To verify the immunoassay results, all five samples were then submitted for more definitive analyses by a technique called gas chromatography. The results of those tests showed that two samples taken from the yard area west of the Pawn Shop building contained PCBs at levels of 6.1 ppm behind the southwest corner of the building, at the southwest corner of the property, and at the northeast corner of the property confirmed that the concentrations of PCBs were below 5ppm.

Subsequent to these analyses, Monsanto has placed asphalt over the entire west yard area of the West 10th Street pawn Shop, as well as the vacant lot immediately west of the Pawn Shop. In preparation for laying the asphalt, a geotextile fabric layer was placed on the area, and the fabric was then covered with crushed rock. The asphalt was then placed on top of this base. Monsanto is confident that this covering of fabric, crushed rock, and asphalt has effectively remediated this area.

Yours truly,

Alan G. Faust
Manager, Remedial Projects

cc: Mr. Cecil Hinds - West 10th Street Pawn Shop

PLAINTIFF'S EXHIBIT
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Faust

HINDS-000384

8/13/96

Alan Faust
Monsanto Chemical Co.

Dear Sir.

This letter is a follow up to our phone conversation two wks. ago. about my request to fence part of the lot belonging to Monsanto. I only ask to do this for security reasons.

If we can not do this I will have to discontinue part of my business. I discussed in detail with you on the phone what problems your company has created for our business. I have not ask for any financial help even though Monsanto has cost us both problems and money.

Please respond as soon as possible since we are still experincing breakins.

Thanks

[signature]

West 10th st. Pawn
Anniston, Al. 36201
236-7696

PLAINTIFF'S EXHIBIT
7
Faust

HINDS-000386

ADAD21-018010
HARTOLDMON0033468

Monsanto

The Chemical Group
300 Birmingham Highway
Anniston, Alabama 36201
Office: (205) 236-6381

HAND DELIVERED: Date May 15, 1996

Mr. Cecil Hinds
West 10th St. Pawn Shop
1514 West 10th Street
Anniston, AL 36201

Dear Mr. Hinds:

With your permission, Monsanto Company arranged for soil samples to be taken on your commercial property at 1514 West 10th Street. Five (5) samples were taken on your property. Those samples were first analyzed by an immunoassay procedure to determine if PCBs (polychlorinated biphenyls) were present at a level of 5 parts per million (ppm) or more. A part per million is one ten-thousandth of one percent. The results of that analysis indicate that PCBs were detected at the 5 ppm level or above in two (2) samples taken on your property. To verify the immunoassay results, all five samples were then submitted for more definitive analysis by a technique called gas chromatography. The results from those tests were:

6.1 ppm (west side yard area - north end) and
9.9 ppm (west side yard area - south end).

Results for the other three samples taken directly behind the southwest corner of the building, at the southwest corner of the property, and at the northeast corner of the property confirmed that the concentrations of PCBs were below 5 ppm.

We appreciate your cooperation. As we discussed today, if you have further questions or would like further information, please contact me at 205-231-8510.

Yours truly,

Bruce W. Eley

PLAINTIFF'S EXHIBIT
Faust

VPP OSHA VOLUNTARY PROTECTION PROGRAMS

HINDS-000389

A Unit of Monsanto Company

ISO 9002 DNV QUALITY ASSURED FIRM

CASSON & COMPANY

APPRAISAL REPORT

FOR

MR. BRUCE ELEY
SOLUTIA, INC.
ANNISTON, ALABAMA
36201

PROPERTIES LOCATED AT

THE PAT PACE PROPERTIES
903,931, & 931A CLYDESDALE AVENUE
ANNISTON, ALABAMA

AS OF

OCTOBER 7, 1998

CONFIDENTIAL

Real Estate Appraisal, Brokerage And Consulting
329 Hale Street
Oxford, Alabama 36203
Telephone: (256) 835-1112
FAX: (256) 835-5051

PLAINTIFF'S EXHIBIT
9
Faust

DSW 139696

Roger D. Casson
Appraiser, Broker & Consultant

Real Estate Appraisal
Real Estate Brokerage
Real Estate Consultant
329 Hale Street
Oxford, Alabama 36203
Telephone: (256) 835-1112
FAX: (256) 835-5051

CASSON & COMPANY

November 2, 1998

Roger D. Casson
Appraiser, Broker & Consultant

Mr. Bruce Eley
Solutia, Inc.
Anniston, Alabama 36201

Dear Mr. Eley:

At your request I have inspected and appraised land and improvements located at:

The Pat Pace Properties
903, 931, & 931A Clydesdale
Anniston, Alabama

The value stated in this report is a current value. Please note that the appraisal has been completed without a survey, engineering, or environmental report and is subject to all reports.

Please take note of the special conditions section of this report. Recently enacted legislation, the Americans with Disabilities Act, has probable significant impact on existing real estate values and the cost to convert existing structures to comply with this law. This report DOES NOT measure either compliance with the law or the related costs involved with compliance and the cost to comply should be deducted with any value stated in this report..

The report contains strict conditions and limitations as well as certain special conditions which are critical to the value. Please read the report carefully.

Sincerely,

Roger D. Casson
Appraiser and Consultant

CONFIDENTIAL

DSW 139697

SUMMARY OF IMPORTANT FACTS & CONCLUSIONS

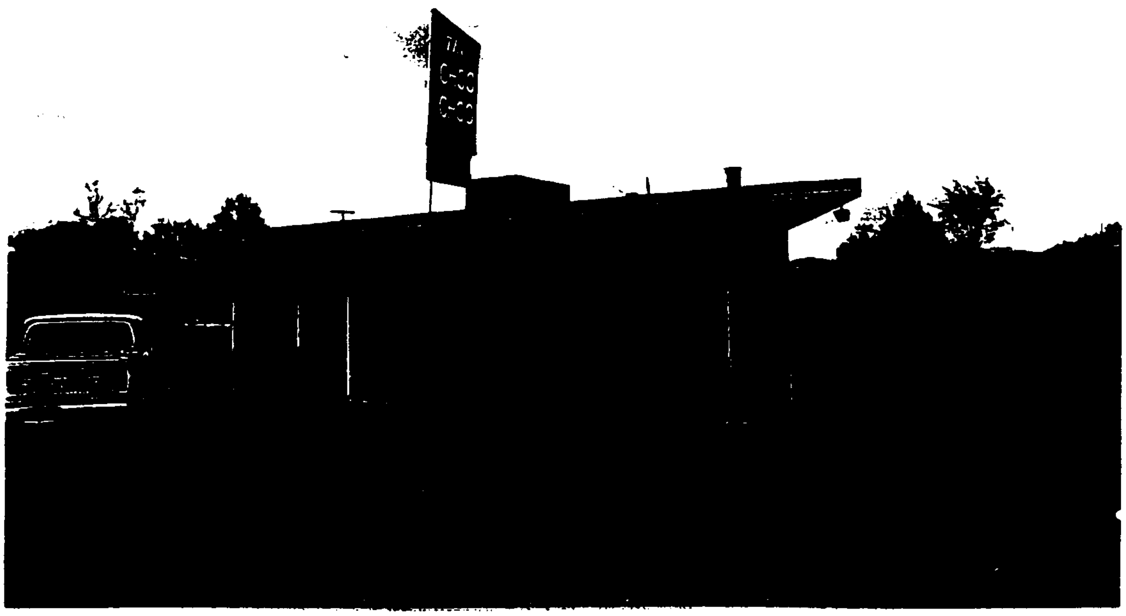
VALUATION DATE:	October 7, 1998
PROPERTY LOCATION:	(1) CHOO CHOO RESTAURANT (2) OLD BAKERY STORE (3) FREIGHT WAREHOUSE 903,931,& 931A CLYDESDALE ANNISTON, ALABAMA
TAX PARCEL ID #:	22112101074
PROPERTY RIGHTS APPRAISED:	FEE SIMPLE
ZONING:	GENERAL BUSINESS
LAND SIZE:	1.3 ACRES APPROX.
IMPROVEMENTS:	1,048 S.F. RESTAURANT 2,168 S.F. BAKERY 1,797 S.F. F. WAREHOUSE
VALUE TYPE:	CURRENT VALUE
HIGHEST AND BEST USE:	CURRENT USE
LEASES:	NONE
VALUE BY COST APPROACH:	**SEE BODY OF REPORT**
VALUE BY INCOME APPROACH:	**SEE BODY OF REPORT**
VALUE BY MARKET APPROACH:	**SEE BODY OF REPORT**
FINAL VALUE CONCLUSION:	**SEE BODY OF REPORT**
F,F,&E	**$ NONE**
NORMAL MARKET TIME ESTIMATE:	**12 to 24 MONTHS**

CONFIDENTIAL

SUBJECT PHOTOGRAPHS

903 Clydesdale Avenue
Anniston, Alabama

Choo Choo Restaurant



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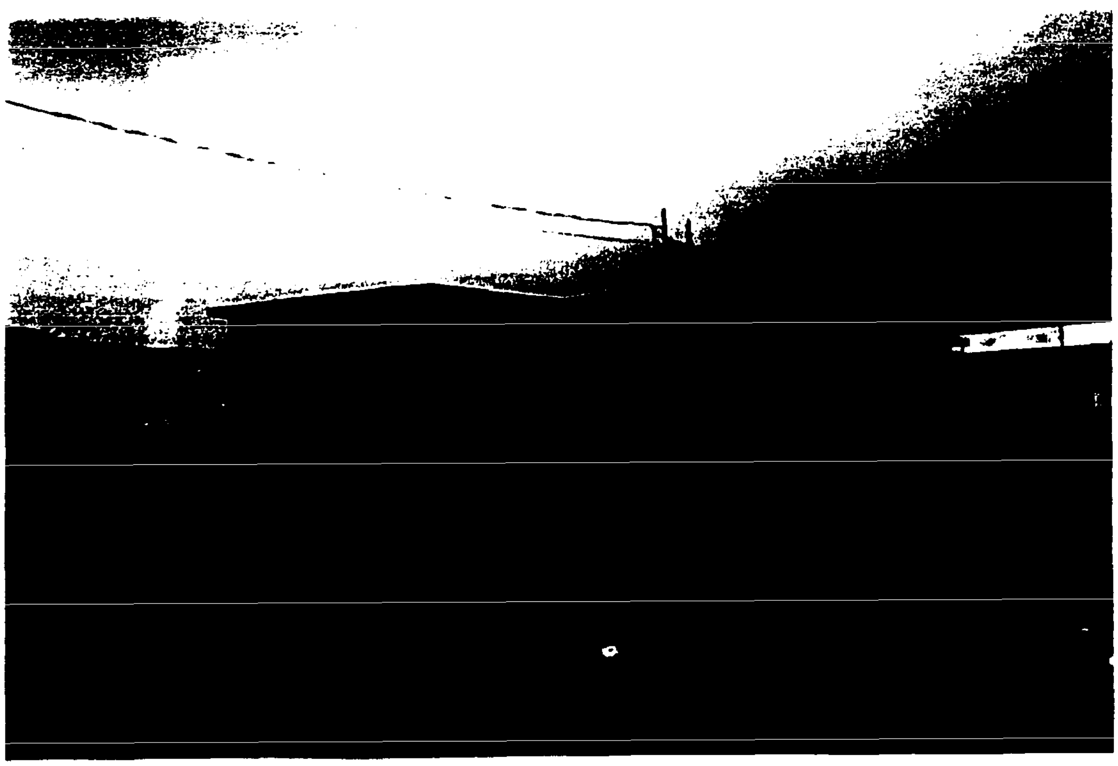
SUBJECT PHOTOGRAPHS

931 Clydesdale Avenue
Anniston, Alabama

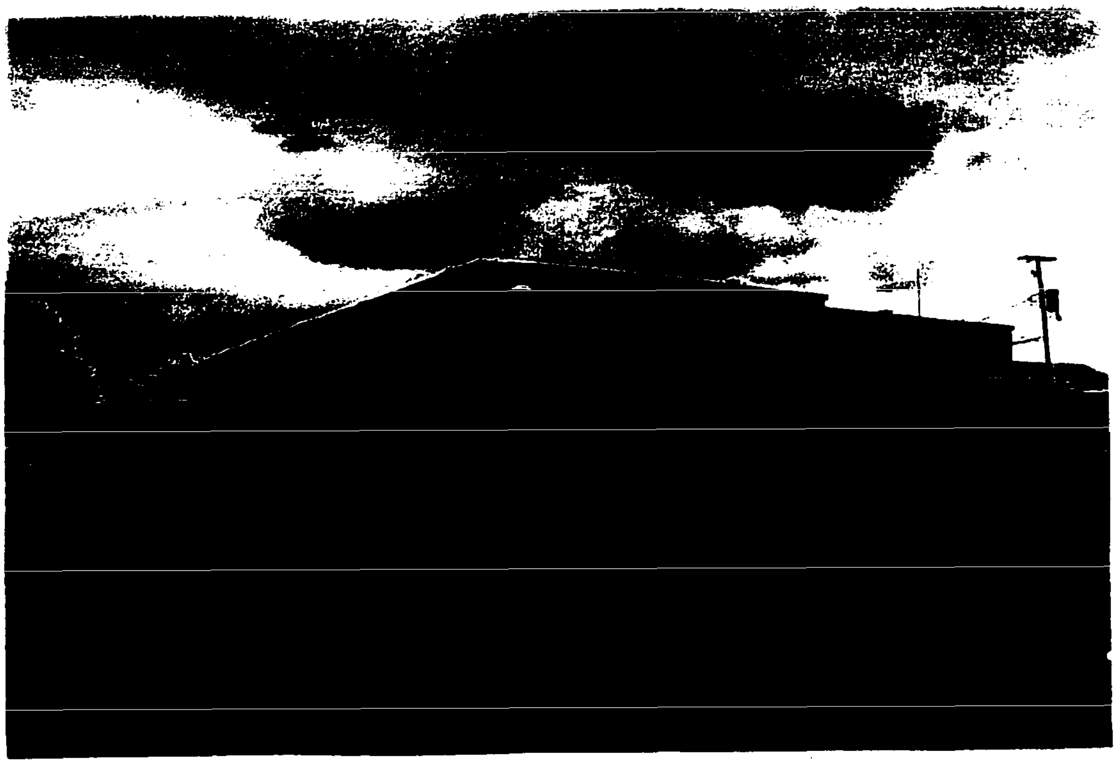
Old Bakery Property



SUBJECT PHOTOGRAPHS

931 Clydesdale Avenue
Anniston, Alabama

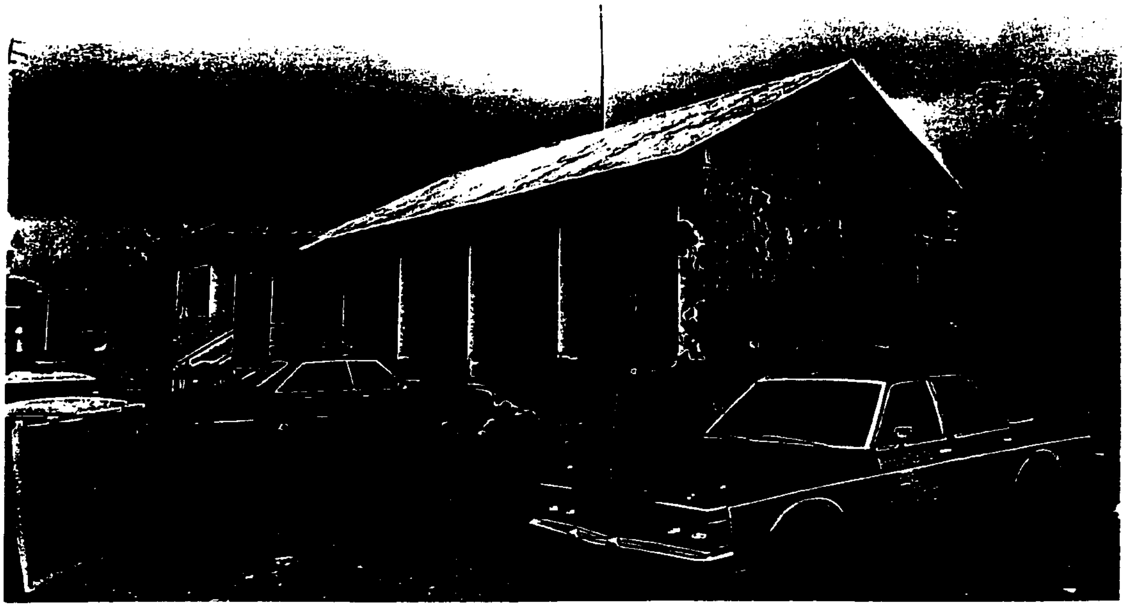
Old Bakery Property



SUBJECT PHOTOGRAPHS

931-A Clydesdale Avenue
Anniston, Alabama

Freight Warehouse



SUBJECT PHOTOGRAPHS

931-A Clydesdale Avenue
Anniston, Alabama

Freight Warehouse

CASSON & COMPANY

CONFIDENTIAL

DSW 139703

ADAD21-018019
HARTOLDMON0033477

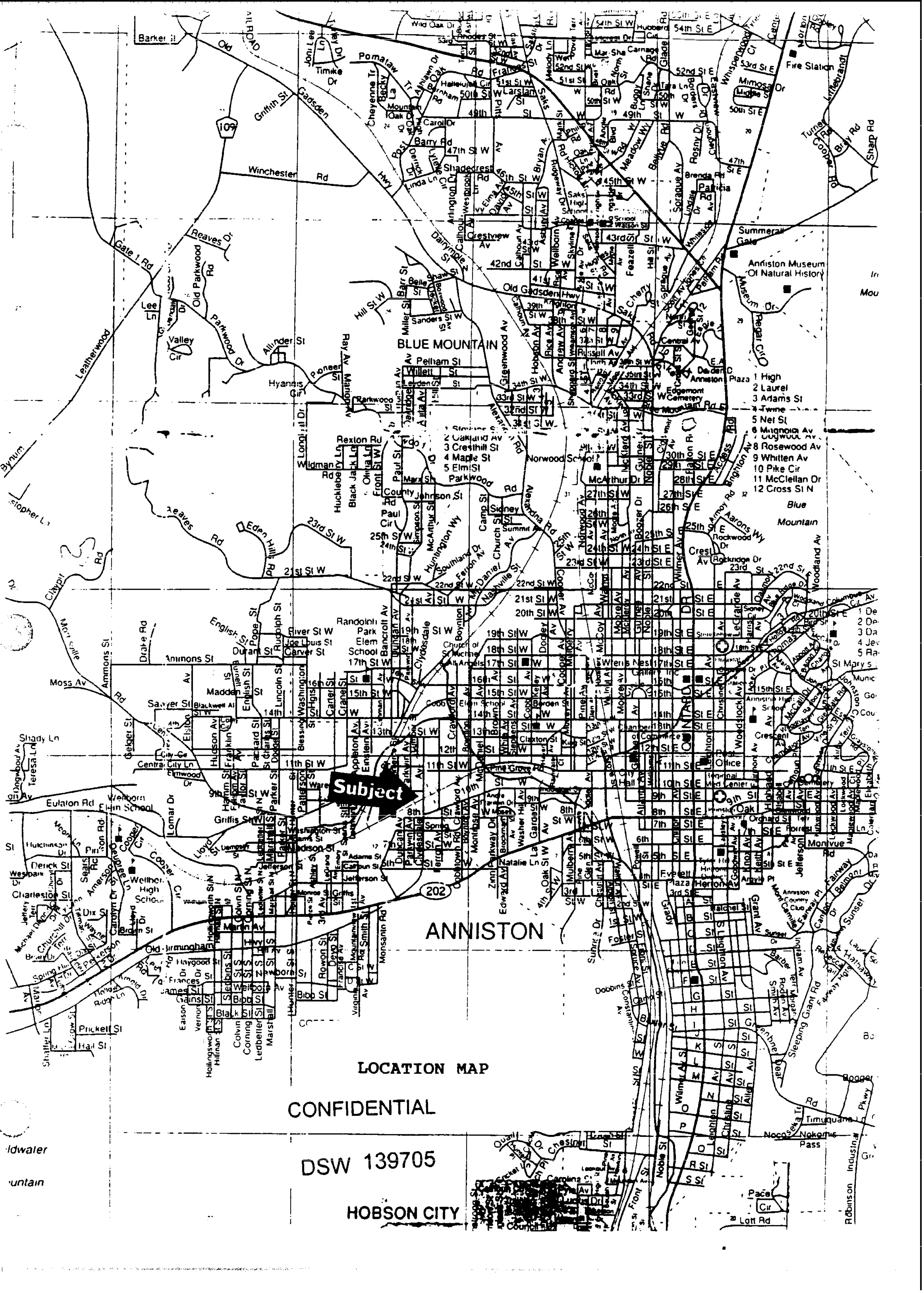
SUBJECT PHOTOGRAPHS

931-A Clydesdale Avenue
Anniston, Alabama

Freight Warehouse

CONFIDENTIAL

DSW 139704


Subject
BLUE MOUNTAIN
ANNISTON
HOBSON CITY
LOCATION MAP
CONFIDENTIAL
DSW 139705
Anniston Museum Of Natural History
Fire Station
Blue Mountain
1 High
2 Laurel
3 Adams St
5 Net St
6 Magnolia Av
8 Rosewood Av
9 Whitten Av
10 Pike Cir
11 McClellan Dr
12 Cross St N
1 Stevens St
2 Oakland Av
3 Cresthill St
4 Maple St
5 Elm St

\BLE OF CONTENTS

SPECIAL CONDITIONS OF THE APPRAISAL

In addition to the assumptions and limiting conditions set forth previously in this report, the appraiser assumes no liability for hidden defects of physical nature or sub-soil conditions of the subject property which could affect value. These are considered matters of geological or engineering nature and should be thusly certified by qualified engineers, including location of sewer lines and other public utilities which in many cases are not located as indicated to the appraiser. It is further noted that the Federal Environmental Agency has determined that hazardous conditions may exist in certain buildings, especially with reference to materials such as asbestos being present or inground fuel tanks. These conditions are generally more prevalent with older structures. Also, radon gas may be present and emitted which may also be hazardous.

The undersigned appraisal firm and the individual appraisers are not experts in detecting these conditions. If these conditions are suspected, the client is advised to have complete reports made by qualified inspectors. Such reports should be supplied to the appraiser since they may materially affect value or use of the subject property, otherwise the appraiser assumes no liability.

SPECIAL CONDITIONS OF THE APPRAISAL

On July 26, 1990, the Americans With Disabilities Act (ADA) was signed into law which became effective July 26, 1991, for employers with twenty-five or more employees and on July 26, 1994, for employers with 15 or more employees. One of the primary purposes of the ADA is to provide enforceable standards addressing discrimination against individuals with disabilities. The ADA has far reaching effects on real estate and real estate values since employers will be required to alter existing buildings to accommodate the disabled. Due to the complex nature of the ADA, compliance of the law and how it affects or alters value as it is expressed in this report should be addressed by a separate legal analysis which addresses the specific requirements of the law and how it applies to this specific property.

Compliance with the ADA lies outside the realm of this report. However, consultation is available to the client upon completion of an analysis of specific alterations which may be required to the subject property to comply with ADA.

CONFIDENTIAL

EXTRAORDINARY CONDITIONS

The owner of the subject property has supplied a copy of a soil sampling report from Monsanto, Inc. to the owner which indicates that high levels of PCB's are located on the subject property. While the values in the subject report are as if there is no soil contamination, a copy of this report is included in the addendum to this report. Any third party reader should be aware of this contamination.

CONFIDENTIAL

SCOPE, FUNCTION, AND PURPOSE OF THE APPRAISAL

FUNCTION AND PURPOSE OF THE APPRAISAL

The purpose of the subject appraisal is to estimate the market value of the fee simple title of the subject property. The appraisal has been requested by Solutia, Inc. for market value estimation purposes. Accordingly, the report may be relied upon by Solutia, Inc. for this purpose. The date of inspection is October 7, 1998, and the effective date of the appraisal is October 7, 1998.

SCOPE OF THE APPRAISAL

The subject property consists of three free standing buildings that have operated as independent businesses for many years. In order to estimate the value of this property under the highest and best use, the property will be divided into three separate valuations. This division would yield the highest value to the owner. The site is suitable for division. The appraisal assumes competent engineering and surveying to achieve this division. This appraisal is subject to an environmental statement. This appraisal assumes no environmental contamination. A copy of the PCB soil sampling report performed on the property by Monsanto is included in the addendum of this report. Comparable sales of similar properties were few in number in the neighborhood.

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DSW 139712

ADAD21-018026
HARTOLDMON0033484

CERTIFICATION OF APPRAISER

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

- the statements to 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, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report nor am I biased with respect to the parties involved.
- my compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Institute of Real Estate Appraisers.
- The use of this report is subject to the requirements of the Institute of Real Estate Appraisers.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant professional assistance to the person signing this report.

Roger D. Casson

Roger D. Casson

Date

October 7, 1998

CONFIDENTIAL

DSW 139713

ADAD21-018027

HARTOLDMON0033485

CERTIFICATION ADDENDUM

This assignment was made subject to regulations of the State of Alabama Real Estate Appraisers Board. The undersigned state certified appraiser has met the requirements of the board that allows this report to be regarded as a "certified appraisal".

Certificate No. CG00001

Roger D. Casson

HAZARDOUS MATERIALS: In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by; nor do I have knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde insulation or other potentially hazardous waste material may have an effect on the value of the property. I urge the client to retain an expert in the field if desired.

CONFIDENTIAL

APPRAISAL ADDENDUM

THIS APPRAISAL REPORT HAS BEEN PREPARED UNDER THE FOLLOWING APPRAISAL STANDARDS:

_________ THIS APPRAISAL WAS DEVELOPED AS A "COMPLETE APPRAISAL IN ACCORDANCE WITH STANDARDS RULE 1 OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THIS APPRAISAL IS BEING REPORTED AS A "SELF CONTAINED APPRAISAL REPORT" IN ACCORDANCE WITH STANDARDS RULE 2-2(a) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP).

___X___ THIS APPRAISAL WAS DEVELOPED AS A "COMPLETE APPRAISAL" IN ACCORDANCE WITH STANDARDS RULE 1 OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THIS APPRAISAL IS BEING REPORTED AS A "SUMMARY APPRAISAL REPORT" IN ACCORDANCE WITH STANDARDS RULE 2-2(b) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP).

_________ THIS APPRAISAL WAS DEVELOPED AS A "COMPLETE APPRAISAL" IN ACCORDANCE WITH STANDARDS RULE 1 OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THIS APPRAISAL IS BEING REPORTED AS A "RESTRICTED APPRAISAL REPORT" IN ACCORDANCE WITH STANDARDS RULE 2-2(c) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP).

_________ THIS APPRAISAL WAS DEVELOPED AS A "LIMITED APPRAISAL" IN ACCORDANCE WITH STANDARDS RULE 1 OF THE UNIFORM STANFARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THIS APPRAISAL IS BEING REPORTED AS A "SELF-CONTAINED APPRAISAL REPORT" IN ACCORDANCE WITH STANDARDS RULE 2-2(a) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). (NOTE: THE APPRAISER IS ALSO REQUIRED TO PROMINENTLY ITEMIZE ALL DEPARTURES FROM (USPAP).

_________ THIS APPRAISAL WAS DEVELOPED AS A "LIMITED APPRAISAL" IN ACCORDANCE WITH STANDARDS RULE 1 OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). THIS APPRAISAL IS BEING REPORTED AS A "SUMMARY APPRAISAL REPORT" IN ACCORDANCE WITH STANDARDS RULE 2-2(b) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP). (NOTE: THE APPRAISER IS ALSO REQUIRED TO PROMINENTLY ITEMIZE ALL DEPARTURES FROM (USPAP).

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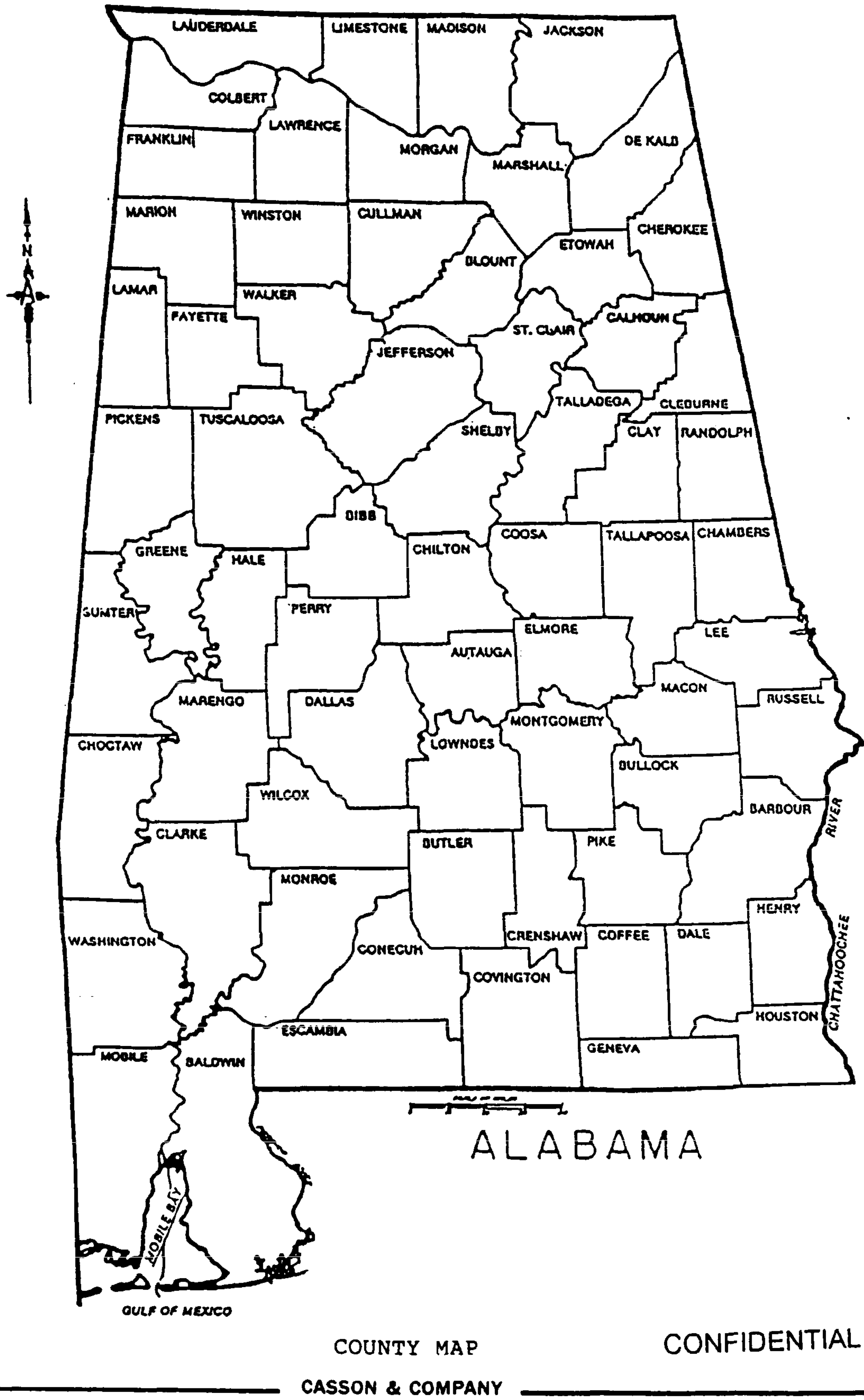
PURPOSE OF APPRAISAL AND DEFINITION OF MARKET VALUE

The purpose of this appraisal is to estimate a market value of the subject property as of the date stated in this report given the underlying assumptions as expressed in the report. The purpose of this report is to present the data and reasoning that the appraiser has used to form the opinion of value the following definition is from the Federal Reserve System CFR # 225.62 (f).

The term " market value " is defined for this report as:

> " 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:
>
> a. buyer and seller are typically motivated;
>
> b. both parties are well informed or well advised, and each acting in what he considers his own best interest;
>
> c. a reasonable time is allowed for exposure in the open market;
>
> d. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
>
> e. 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."



COUNTY MAP

CONFIDENTIAL 2

CASSON & COMPANY

DSW 139717

ADAD21-018031
HARTOLDMON0033489

AREA DATA:

NOTE: FT. MCCLELLAN, THE AREA'S SECOND LARGEST EMPLOYER, IS SCHEDULED FOR BASE CLOSURE IN 1999. THE IMPACT OF THE BASE CLOSURE IS NOT COVERED IN THIS REPORT. THERE IS A POTENTIAL FOR ADVERSE IMPACT IN THE REGION FOR REAL ESTATE VALUES DUE TO DECLINING EMPLOYMENT OPPORTUNITIES. ANY READER OF THIS REPORT SHOULD REQUEST AN IMPACT STUDY TO DETERMINE THE POTENTIAL IMPACT OF THE CLOSING OF THIS BASE ON THE SUBJECT PROPERTY.

LOCATION:

All properties being appraised in this appraisal are located in Calhoun County. Calhoun County is located in the east central portion of the state.

DISTANCE TO MAJOR CITIES

	Miles
Atlanta, Georgia	94
Birmingham, Alabama	60
Chattanooga, Tennessee	111
Dallas/Ft. Worth, Texas	716
Mobile, Alabama	289
Montgomery, Alabama	93
New Orleans	418
Savannah, Georgia	337

POPULATION:

The population growth pattern of Calhoun County over the past 33 years has been as follows:

Year	Population	% of Change
1960	95,878	
1970	103,092	7.5
1980	119,761	16.0
1985	125,700	4.7
1990	116,034	10.0
1993	116,158	.1

* Census bureau projections/Source: U.S. Census Bureau and Calhoun County Chamber of Commerce

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DSW 139718

ADAD21-018032
HARTOLDMON0033490

POPULATION CONTINUED

The most recent available study reveals a diversified population base for the Calhoun County area.

Population	116,158
Urban Population	82,721
Black Population	21,292
Hispanic Population	1,289
Median Age	34.97
Total Households	44,369
Per Capita Income	12,592
Median Household Income	27,133

Sources: Calhoun County Chamber of Commerce

CLIMATE:

Calhoun County has a temperate climate with seasonal mean temperatures of 41 F in the winter, 57 F in the spring, 80 F in the summer, 63 F in the autumn. The annual mean temperature is 61 F.

Calhoun County receives an abundance of rainfall with an annual average amount of 52 inches.

CLIMATE

Month	Average Temperature	Precipitation	Relative Humidity 6 a.m.	6 p.m.
January	40.6	3.26	80	66
April	56.6	8.28	84	52
July	80.3	0.30	90	67
October	63.0	3.67	87	71

Source: U.S. Department of Commerce National Climatic Center

TOPOGRAPHY:

Being located in the foothills of the Appalachian Mountains, the county consists of both hilly and level terrain. The central business districts of Anniston and Oxford are located on both level and hilly terrain in a manner which is in some ways restrictive to development. Natural boundaries are formed by mountains and valleys.

GOVERNMENT:

Calhoun County is governed by a three man county commission. Commissioners are elected by district within the county and serve four year terms. The commission is responsible for all county agencies with the exception of the school system which is governed by a separate board. The cities of Anniston and Oxford are both governed by the Mayor - Council form of government.

TAXES:

A schedule of taxes countywide are as follows: (Provided by Calhoun County Chamber of Commerce).

AD VALOREM (GENERAL PROPERTY) TAX

All non-exempt property is assessed for taxation at fair market value and is classed as follows:

Class I	All property of utilities used in such utilities	30%
Class II	All property not otherwise classified	20%
Class III	Farm property and owner occupied residential property	10%
Class IV	Motor vehicles	15%

CONFIDENTIAL

DSW 139720

ADAD21-018034
HARTOLDMON0033492

TAXES CONTINUED:

SCHEDULE OF TAXES

State Tax			6.5 mills
	General	2.5	
	Special Soldier	1.0	
	Special School	3.0	
County Tax			15.0 mills
	General	6.5	
	Road & Bridge	3.0	
	Special School	5.5	

Municipal Tax

Anniston	19.0 mills
Oxford	10.0 mills
Jacksonville	10.0 mills
Piedmont	6.9 mills
Blue Mountain	5.0 mills
Hobson City	5.0 mills
Ohatchee	5.0 mills
Weaver	5.0 mills

School District Tax

D32	Anniston	8.0 mills
D24	Oxford	13.0 mills
D53	Jacksonville	13.0 mills
D54	Piedmont	14.0 mills
D11	County North	14.5 mills
D21	County South	15.5 mills

TAXES CONTINUED:

Property Tax
Per $100 Assessed

$4.85	Anniston
4.45	Oxford
4.45	Jacksonville
4.20	Weaver
4.20	Hobson City
4.20	Blue Mountain
3.70	Piedmont
4.10	Ohatchee
3.60	District 1 North
3.70	District 2 South

Sales Tax

State	Municipality	Total
4%	3%	7% county-wide

TRANSPORTATION:

Calhoun County is adequately served by highway, air, railroad, bus, and freight lines. Calhoun County is served by Alabama Highways 21 and 202 and by U.S. Highway 78 and interstate route I-20.

The Anniston/Calhoun County airport, with a 7,000 foot runway, is located just south of I-20 in Oxford, about 3 miles south of the Anniston central business district. Commercial service is provided by Atlantic Southeast Airlines which connects with major airlines in Atlanta and Birmingham.

Amtrak passenger service is provided by the Norfolk-Southern Railroad.

Freight service to the area is provided by 43 truck lines, 17 of which have local terminals, and by the Norfolk-Southern and the Seaboard Coast Line Railroads.

Parcel delivery service is provided by Emery Worldwide, Federal Express, Greyhound Package Express, Purolator Courier, Trailways Bus System and UPS.

Bus service is provided by Greyhound, Trailways Bus System, and Alabama Limousine, Inc.

EDUCATION:

Calhoun County is served by five elementary and secondary school systems. Several private and parochial schools are also available in the county. Enrollment for the 1992-93 school term exceeded 30,580.

College curriculum for the area is provided by Jacksonville State University and Gadsden State Junior College. In addition, technical and business schools are Ayers State Technical College, Gadsden Business College, and New World Business College.

EDUCATION CONTINUED:

Educational enrollment and graduation for the 1992-93 year are as follows:

Institution	# Students
Public Pre-primary	893
Private Pre-primary	434
Public Elem/High	19,305
Private Elem/High	1,187
Enrolled in College	8,761

Source: Calhoun County Chamber of Commerce

MEDICAL:

Calhoun County and the surrounding outlying areas are served by four hospitals having bed capacity of more than 625 beds. More than 125 physicians and 45 dentists practice medicine in Calhoun County.

The four hospitals located in the county are:

(1) Northeast Alabama Regional Medical Center

(2) Stringfellow Memorial Hospital

(3) Jacksonville Hospital

(4) Piedmont Hospital

RECREATION:

Recreational facilities and activities for Calhoun County are typical for a population base of its size. Activities are structured for the family unit.

Available activities include two country clubs, a local YMCA, movie theaters, a skating rink, a bowling alley, swimming pools, tennis courts, golf courses, and four community centers. In addition, numerous athletic programs for the youth are well supported year round.

Other recreational points of interest located in and near Calhoun County are: the Anniston Museum of Natural History, the Olde Mill Antique Mall, Cheaha State Park, and the Alabama International Motor Sports Hall of Fame.

SHOPPING:

The County is adequately served by local shopping malls and downtown shopping areas. Also, Birmingham and Atlanta, Georgia are located nearby for metro shopping areas.

UTILITIES:

Utilities for the county are provided as follows:

Alabama Gas Company	Natural gas
Alabama Power Company	Power
Local Water Authority	Water and Sewer
South Central Bell	Telephone

CHURCHES:

There are two Catholic Churches, one Jewish Synagogue, and over one hundred Protestant Churches located in the county.

LABOR AND EMPLOYMENT:

Until recent years, Calhoun County relied heavily upon soil pipe foundries and military employers for an economic base. The current trend is towards a more diversified employer base. While progress towards diversification continues, military employment continues to be a major force in the labor economy of Calhoun County as evidenced by the following statistics:

EMPLOYER	EMPLOYEES	PAYROLL
A.O.D.	4,500	129.5 Million

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NEIGHBORHOOD DATA

The subject is located in an area of Anniston known as West Anniston. Area boundaries include Coldwater Mountain on the south; the Wellborn community on the west; the downtown Anniston on the east; and 22nd Street on the north. Numerous industrial buildings surrounded with low value dwellings characterize this section of town.

Demand for commercial real estate in the subject neighborhood is weak with little new commercial construction having taken place in several years. Alabama Highway 202 is now the primary east-west traffic corridor in the area and is located approximately one mile southeast of the subject. Industrial purchasers have made recent acquisitions in the area for expansion or remediation purposes. Solutia, Inc. has recently purchased tracts of land in the area for cleanup purposes. The subject property is being appraised assuming the property to be absolutely free of any contaminants.

The subject is located on Clydesdale Avenue which is heavily traveled. Access to the neighborhood is considered good. Being located approximately two miles from downtown Anniston, the subject has all supporting amenities with two local hospitals, banks, and shopping readily available.

NEIGHBORHOOD DATA

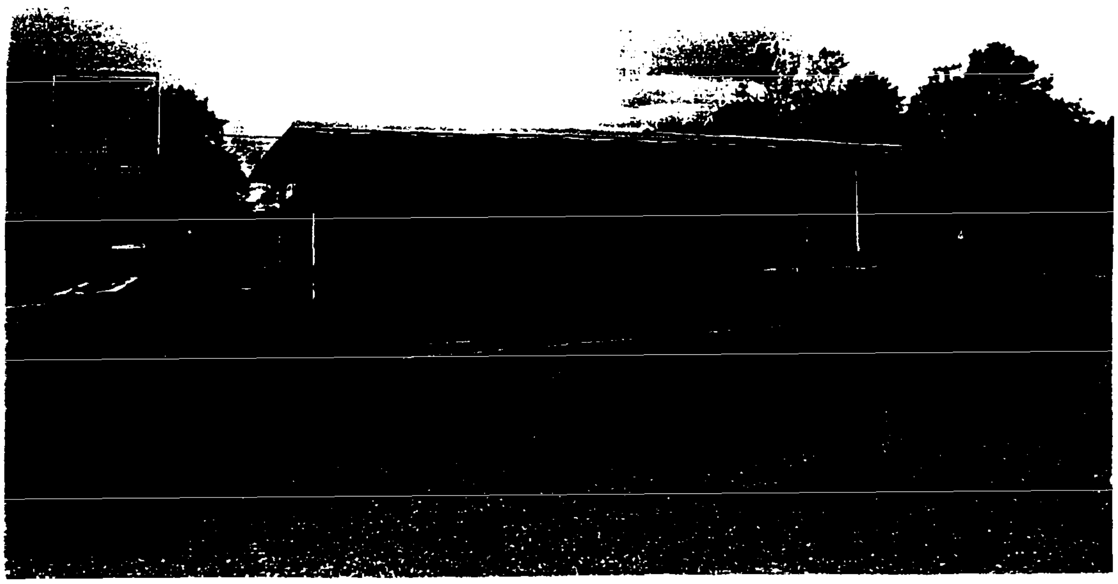
In summary, the subject neighborhood is currently in the declining stage with steady market demand from commercial users with current demand moving to the newly completed Highway 202. However, the subject is part of a stable core of commercial businesses which have historically operated profitably. Market demand for commercial real estate in the subject neighborhood is weak and projected to be weak for the foreseeable future.

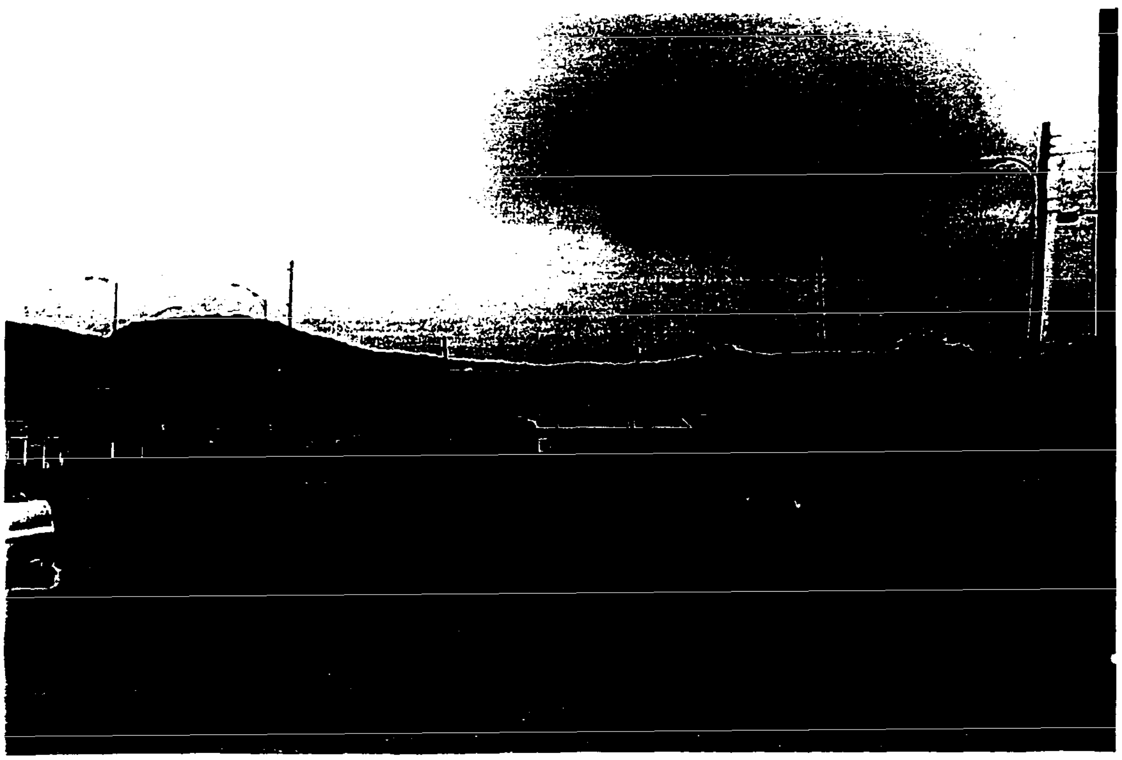
CONFIDENTIAL

NEIGHBORHOOD PHOTOGRAPHS

CONFIDENTIAL

NEIGHBORHOOD PHOTOGRAPHS



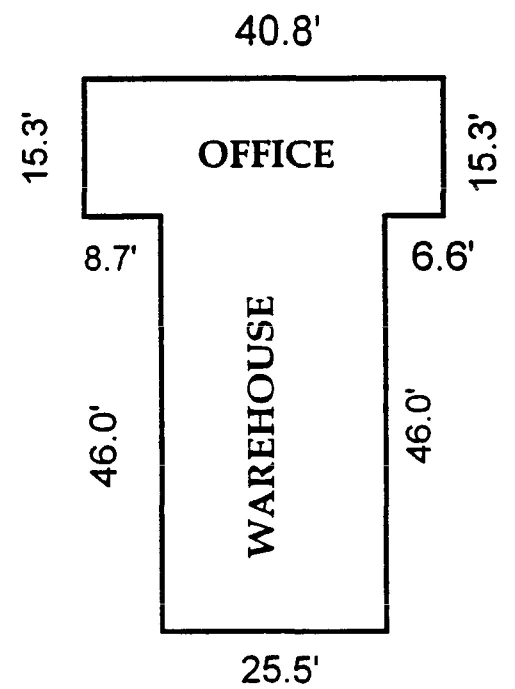


SKETCH AREA/TABLE ADDENDA

SUBJECT

Property Address 931-A CLYDESDALE AVENUE
City ANNISTON County CALHOUN State AL Zip Code
Borrower FREIGHT WAREHOUSE
Lender/Client
Appraiser RODGER CASSON Address 329 HALE

IMPROVEMENTS SKETCH



Comments:

Scale: 1 = 20

CALCULATIONS

AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
GBA1	First Floor	1797.24	1797.24

BUILDING AREA BREAKDOWN	
Breakdown	Subtotals
First Floor	
15.3 x 40.8	624.24
25.5 x 46.0	1173.00

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CONFIDENTIAL

DSW 139730

ADAD21-018044
HARTOLDMON0033502

LEGAL DESCRIPTION OF PROPERTY APPRAISED

The legal description for the subject property as furnished to me is as follows:

SEE THE FOLLOWING PAGE FOR THE LEGAL DESCRIPTION. THIS APPRAISAL IS SUBJECT TO AN ACCURATE SURVEY OF THE PROPERTY.

CC: 22 1998 HS: 00

VIRGINIA B. DOTHARD, TAX COLLECTOR
1702 NOBLE STREET, SUITE 104
ANNISTON, ALABAMA 36201

TAX NOTICE

PARCEL ID NO. 22112101074
MANUF. HOMES:
PROP. ADD: CLYDESDALE AVE

LEGAL DESCRIPTION:
SEC 12 TSP 16S RNG 07E
ANNISTON CITY LAND CO RE SUB BL
& 314 BEING BLK 314 S 5 LOT 9 &
LOTS 10 11 12 13 14 & 15 & ALSO

TOTAL TAX DUE: 1145.57

SEND STAMPED SELF ADDRESSED ENVELOPE FOR RECEIPT

KEEP THIS STUB FOR YOUR RECORDS

1998 040702 [illegible]

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
ANNISTON, AL
PERMIT NO. 506

PRESORTED

P.ID. NO. 22112101074
MANUF. HOMES:
PROP. ADD: CLYDESDALE AVE

TO: PACE JAMES PATTERSON

400 KEITH AVE
ANNISTON AL
36207

TOTAL TAX DUE: 1145.57

RETURN THIS STUB WITH PAYMENT

LEGAL DESCRIPTION

CONFIDENTIAL 17

DSW 139732

ADAD21-018046
HARTOLDMON0033504

ZONING AND UTILITIES:

The subject property is zoned light manufacturing. The subject property is a conforming use.

All public utilities appear to be available to the subject site. However, the location and existence of utilities should be verified by engineering and local utility company verification.

RIGHTS APPRAISED

The subject property defined herein is being appraised under the fee simple title since no known lease exist on the property.

TAX ASSESSMENT

The annual real estate taxes for the subject are currently $ 1,145.57.

SITE DATA

The subject site is a rectangular shaped parcel of land which measures approximately 1.3 acres in size. The site is gently sloping ongrade with Clydesdale Avenue. Drainage appears to be adequate. Streets are asphalt with curb and gutters. Access is considered good with the site fronting along Clydesdale Avenue approximately 224 feet. The subject has good traffic visibility and heavy traffic flow.

Onsite parking and customer access are good with adequate onsite asphalt paving.

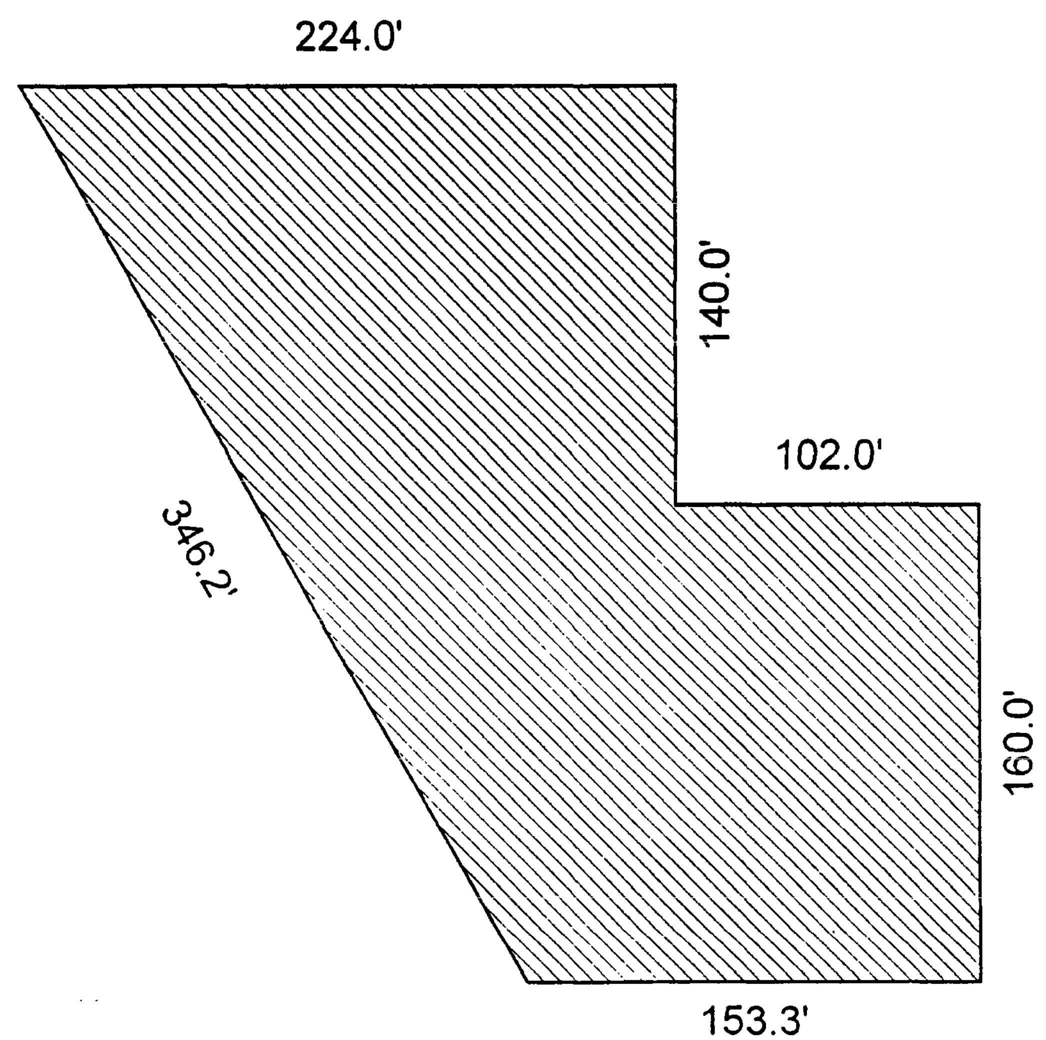
Although the subject does not appear to be located in a designated flood zone, this appraisal is subject to a flood hazard determination.

SKETCH AREA/TABLE ADDENDA

SUBJE

Property Address 903 & 931 CLYDESDALE AVENUE
City ANNISTON County CALHOUN State AL Zip Code
Borrower SITE SKETCH
Lender/Client
Appraiser RODGER CASSON Address 329 HALE

IMPROVEMENTS SKETCH



Comments:

Scale: 1 = 60

CALCULATIONS

AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
LAND	Land	57624.00	57624.00

AREA BREAKDOWN	
Breakdown	Subtotals

CONFIDENTIAL 21

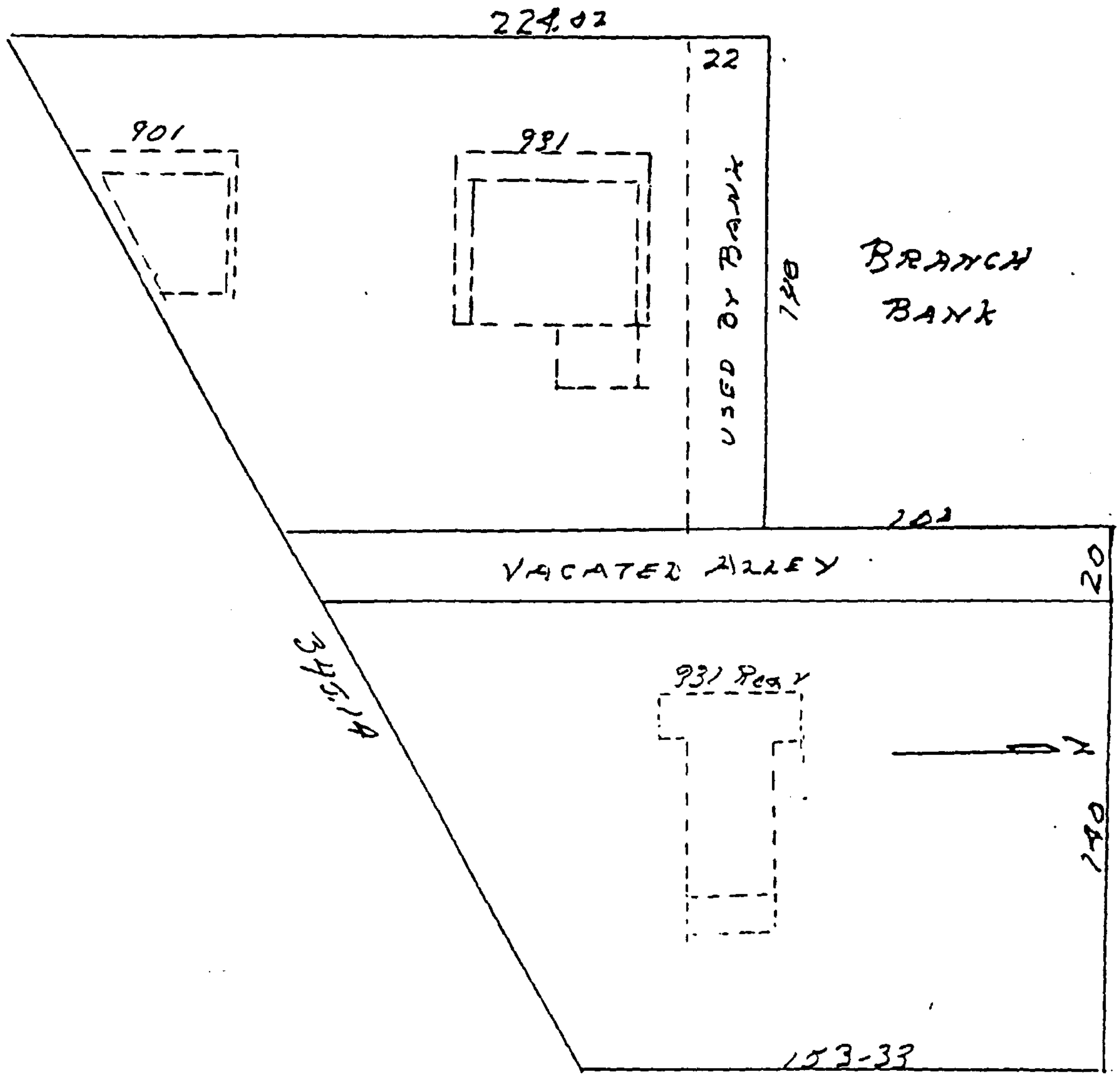
DSW 139736

ADAD21-018050
HARTOLDMON0033508

SITE SKETCH

Building Location Are Approximate

8-23-83



IMPROVEMENTS DATA

Improvements for the subject consist of three separate free standing buildings as follows:

(1) CHOO CHOO RESTAURANT: 1,048 S.F. PAINTED CONCRETE BLOCK BUILDING CONSTRUCTED ON A CONCRETE SLAB. THE BUILDING HAS A BUILT-UP ROOF ON WOODEN JOISTS. THE BUILDING IS CENTRALLY HEATED AND COOLED WITH FIXED PANE WINDOWS. THE BUILDING IS IN OVERALL AVERAGE TO FAIR CONDITION. THE BUILDING HAS SOME RESTAURANT BOOTHS WHICH ARE IN FAIR CONDITION BUT DO NOT ADD VALUE TO THE BUILDING AND ARE NOT VALUED. THERE ARE APPROXIMATELY 570 S.F. OF CONCRETE WALKS AROUND THE BUILDING. EFFECTIVE AGE IS ESTIMATED AT 30 YEARS AND TOTAL ECONOMIC LIFE AT 60 YEARS.

(2) OLD BAKERY BUILDING: 2,168 S.F. CONCRETE BLOCK BUILDING CONSTRUCTED ON A CONCRETE SLAB. THE BUILDING IS CENTRALLY HEATED AND COOLED WITH A BUILT-UP ROOF AND FIXED STOREFRONT GLASS WINDOWS AND DOORS. THE BUILDING IS COMBINATION OF SHOWROOM AND WAREHOUSE AREA WITH A SMALL BUSINESS OFFICE. THE PHYSICAL CONDITION OF THE BUILDING IS AVERAGE TO FAIR CONDITION. THE BUILDING HAS APPROXIMATELY 455 S.F. IN OUTSIDE STORAGE AND 125 S.F. IN CONCRETE SIDEWALKS. THE SUBJECT HAS ADEQUATE ONSITE ASPHALT PAVING. EFFECTIVE AGE IS ESTIMATED AT 25 YEARS AND TOTAL ECONOMIC LIFE AT 60 YEARS.

IMPROVEMENTS DATA

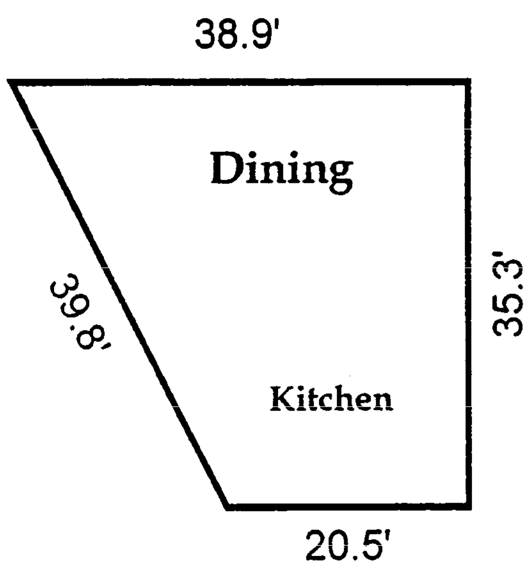
(3) FREIGHT WAREHOUSE: 1,797 S.F. RAISED CONCRETE BLOCK BUILDING WITH A 300 S.F. STORAGE PATIO AT THE REAR. THE BUILDING HAS APPROXIMATELY 624 S.F. IN LOW QUALTIY OFFICE AREA AND THE REMAINDER IN WAREHOUSE SPACE. WINDOWS ARE FIXED GLASS AND THE ROOF IS A COMBINATION OF BOTH BUILT-UP ROOFING AND METAL ROOFING. THE CONDITION OF THE BUILDING IS RATED AS FAIR. THE BUILDING IS CURRENTLY BEING UTILIZED A CAB STAND. EFFECTIVE AGE IS ESTIMATED AT 40 YEARS AND TOTAL ECONOMIC LIFE AT 60 YEARS.

SKETCH AREA/TABLE ADDENDA

SUBJECT

Property Address 903 CLYDESDALE AVENUE			
City ANNISTON	County CALHOUN	State AL	Zip Code 36201
Borrower			
Lender/Client			
Appraiser RODGER CASSON	Address 329 HALE		

IMPROVEMENTS SKETCH



Comments:

Scale: 1 = 15

CALCULATIONS

AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
GBA1	First Floor	1048.41	1048.41

BUILDING AREA BREAKDOWN					
Breakdown					Subtotals
First Floor					
0.5 x	18.4	x	35.3		324.76
	20.5	x	35.3		723.65

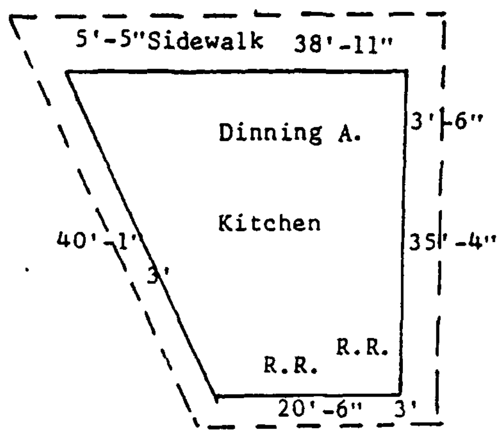
25

CONFIDENTIAL

DSW 139740

ADAD21-018054
HARTOLDMON0033512

Restaurant
903 Clydesdale Ave.
Anniston, Alabama

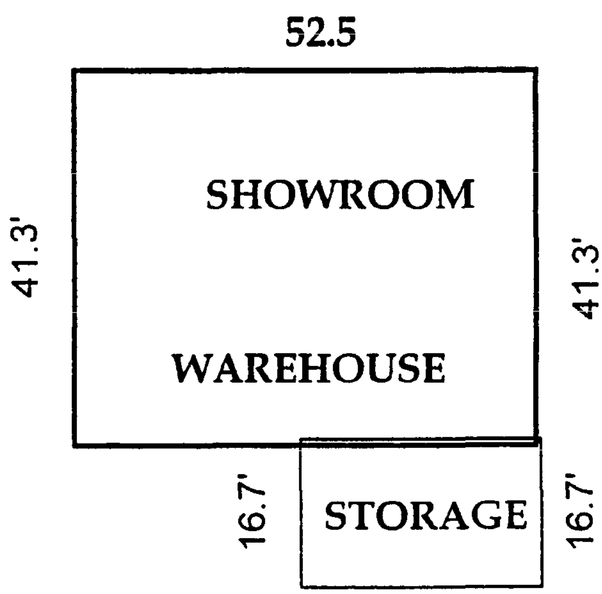


Building Area	=	1,050 Square Feet
Sidewalk	=	571 Square Feet
Asphalt Paving (To Bakery)	=	8,319 Square Feet

CONFIDENTIAL 26

SKETCH AREA/TABLE ADDENDA

Property Address 931 CLYDESDALE AVENUE
City ANNISTON County CALHOUN State AL Zip Code
Borrower OLD BAKERY PROPERTY
Lender/Client
Appraiser RODGER CASSON Address 329 HALE



3'

Comments:

Scale: 1 = 20

AREA CALCULATIONS SUMMARY

Area	Name of Area	Size	Totals
GBA1	First Floor	2168.25	2168.25

BUILDING AREA BREAKDOWN

Breakdown	Subtotals
First Floor	
41.3 x 52.5	2168.25

27

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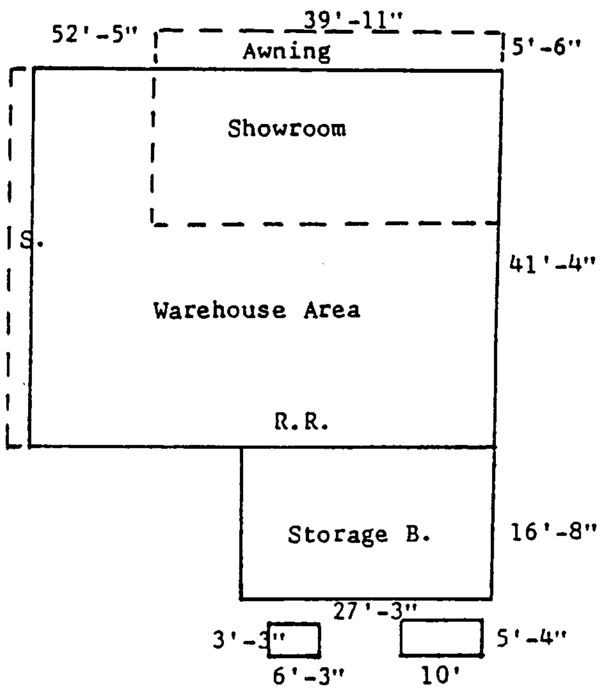
DSW 139742

Bakery
931 Clydesdale Ave.
Anniston, Alabama



Main Building Area	=	2,167	Square Feet
Storage Builidng	=	454	Square Feet
Two Sheds	=	73	Square Feet
Awning	=	219	Square Feet
Sidewalk	=	124	Square Feet
Asphalt Paving (In front of Build.)	=	2,679	Square Feet
Asphalt Paving (Done by Bank on N. 22')	=	2,800	Square Feet

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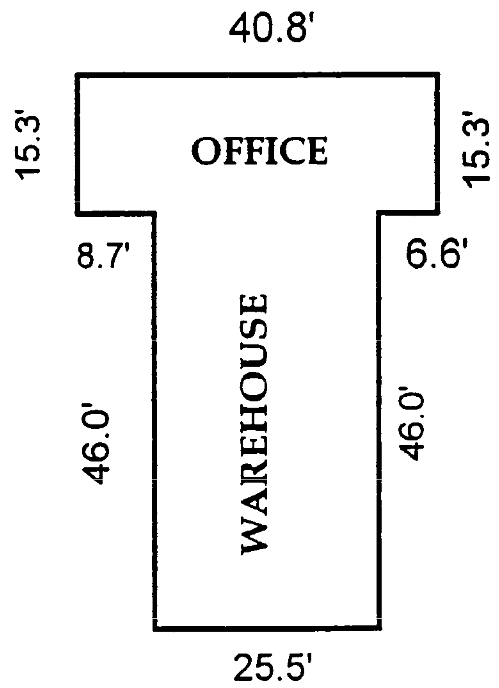
SKETCH AREA/TABLE ADDENDA

SUBJE

Property Address 931-A CLYDESDALE AVENUE
City ANNISTON County CALHOUN State AL Zip Code
Borrower FREIGHT WAREHOUSE
Lender/Client
Appraiser RODGER CASSON Address 329 HALE

IMPROVEMENTS SKETCH



Comments:

Scale: 1 = 20

CALCULATIONS

AREA CALCULATIONS SUMMARY			
Area	Name of Area	Size	Totals
GBA1	First Floor	1797.24	1797.24

BUILDING AREA BREAKDOWN	
Breakdown	Subtotals
First Floor	
15.3 x 40.8	624.24
25.5 x 46.0	1173.00

29

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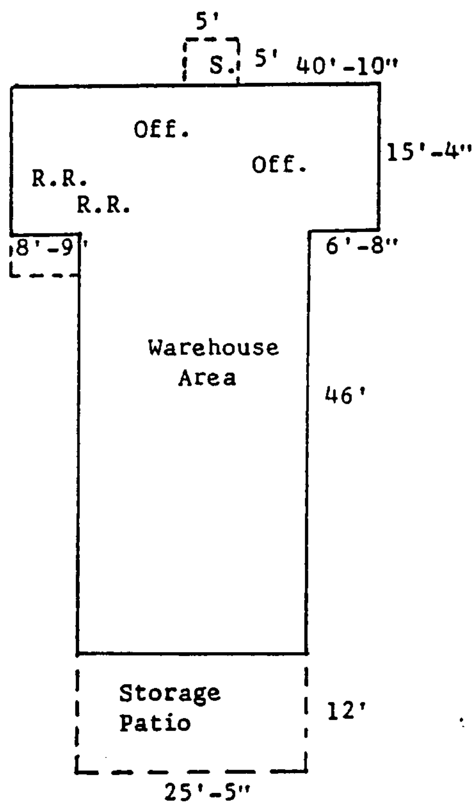
DSW 139744

ADAD21-018058
HARTOLDMON0033516

Truck Terminal
931 Clydsedale Ave.
Anniston, Alabama



Building Area	=	1,795 Square Feet
Storage Patio	=	305 Square Feet
Stoop Arears	=	69 Square Feet

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DSW 139745

ADAD21-018059
HARTOLDMON0033517

HIGHEST AND BEST USE

The Institute of Real Estate Appraisers defines highest and best use as follows:

"The most profitable, likely use to which a property can be put. The opinion of such use may be based upon the highest and most profitable and continuous use to which the property is adapted and needed, or likely to be in demand in the reasonably near future. However, elements affecting value that depend on events or a combination of occurrences that, although in the realm of possibility, are not fairly shown to be reasonably probable, should be excluded from consideration. Also, if the intended use is dependent on an uncertain act of another person, the intention cannot be considered."

"That use of the land that may reasonably be expected to produce the greatest net return to land over a given period of time. That legal use that will yield to land the highest present value, sometimes called the 'optimum use'."

In estimating the highest and best use, there are essentially four stages of analysis:

(1) Possible use. What uses of the site in question are physically possible?

(2) Permissible use (legal). What uses are permitted by zoning and deed restrictions on the site in question?

(3) Feasible use. Which possible and permissible uses will produce a net return to the owner of the site?

(4) Highest and best use among feasible uses; which use will produce the highest net return or the highest present worth?

The highest and best use of the land (or site) if vacant and available for use may be different from the highest and best use of the improved property. This is true when the improvement is not an appropriate use, but it makes a contribution to the total property value in excess of the value of the site.

The following tests must be met in estimating the highest and best use: The use must be legal. The use must be a profitable demand for such use and it must return to the land the highest net return for the longest period of time.

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DSW 139746

ADAD21-018060
HARTOLDMON0033518

HIGHEST AND BEST USE

AS VACANT

PHYSICALLY POSSIBLE

The subject site is approximately 1.31 acre in size and can physically accommodate numerous commercial users who can occupy a relatively small site.

LEGALLY PERMISSIBLE

Being zoned general business, the property will legally support most commercial users.

FINANCIALLY FEASIBLE/MAXIMALLY PRODUCTIVE

In attempting to establish the use for the subject "AS VACANT" which would be financially feasible and maximally productive, the intended use must be likely to occur within the immediate future and be a legal use. Based upon observation of current uses in the area and the legal uses which are permissible, the use for the subject, as vacant, which would be likely to occur within a reasonable period is commercial retail use. By definition, the use which yields the highest value is the highest and best use.

HIGHEST AND BEST USE

IMPROVED

PHYSICALLY POSSIBLE

The subject site "as improved" is limited in use to the same limitations as it is "as vacant." However, the improvements will not easily convert to an alternative commercial use.

LEGALLY PERMISSIBLE

The subject improvements are a conforming and legal use.

FINANCIALLY FEASIBLE/MAXIMALLY PRODUCTIVE

Of the most feasible uses, retail commercial use is the most likely and maximally productive. The most financially feasible and maximally productive use is the use which would generate the most net return to the land. Conversion to other uses is possible but not likely. Therefore, the highest and best use for the property as improved is its current uses. The highest and best use as improved exceeds the value of the highest and best use "as vacant".

APPRAISAL PROCEDURE

There are three reliable approaches to value used in estimating real estate value. They are the Cost Approach, the Income Approach, and the Direct Sales Comparison Approach. Each approach serves as a useful tool in estimating real estate values.

The Cost Approach is normally used in estimating the value of improved properties. It is the process of estimating the cost of replacing the improvement and deducting from the cost, accrued depreciation in the property. Depreciation is caused by the physical wearing away of the property as well as loss in value due to locational or functional influences. Land is valued at market value and added to the depreciated value of the improvements to arrive at an indicated value.

The Income Approach is estimating the income that a property will produce and then capitalizing the income stream into an indication of value for the property. There are several techniques of capitalization depending upon the income stream under consideration. The Income Approach is vital for estimating value for commercial properties which are held for income production and resale appreciation.

The Direct Sales Comparison Approach is estimating the value by comparing the subject property with comparable properties which have sold adjusting for differences between the properties.

APPRAISAL PROCEDURE

The scope of this appraisal is not limited. All three approaches to value are explored. Properties such as the subject are typically held for income producing purposes and for resale. Given the income producing nature of the subject, the Income Approach has been given the greatest emphasis in the appraisal process along with the Direct Sales Comparison Approach. Investors which typically purchase properties such as the subject give primary emphasis to the net income producing capacity of the property and the overall functional utility of the building. The Cost Approach strongly supports the other two approaches to value but is weaker due to the difficulty in estimating all forms of depreciation on older properties. The Cost Approach is usually most useful in estimating newer properties.

In searching for comparable market information, sales of similar properties were gathered from the immediate and surrounding market areas since the local market is very small and limited in nature.

COST APPROACH TO VALUE

The first step in the Cost Approach to Value is to estimate the market value of the land as vacant. The land value will be added to the depreciated cost of the improvements to arrive at an indicated value by the Cost Approach.

LAND VALUATION

The following land sales and/or listings were considered in valuing the subject. In comparing the comparable sales with the subject, value is projected based upon sales with adjustments being made when reflected in the market on the following basis:

FINANCING-Equates all sales to cash on cash equivalent units.
TIME-Reflects reasonable change in value for or date the sale occurred as compared to current date.

CONDITIONS OF SALE-Removes special buyer motivations which do not relate to the typical buyer.

LOCATION-This adjustment considers the difference in market values for different physical locations.

UTILITY-Considers factors of site topography, site work required, public utilities, and zoning or municipal restrictions.

SIZE-Typically smaller sites sell for more per unit of measure. The size adjustment attempts to reconcile this difference.

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COST APPROACH

LAND VALUATION

The subject property is located in a fully developed area of the City of Anniston known as West Anniston. Land sales similar to the subject property were not available due to a lack of activity in the area. Therefore, land sales were gathered from outside the subject neighborhood from similar high traffic locations. The following confirmed land sales were considered in valuing the subject property.

COST APPROACH

LOCATION	DOS	SALES PRICE	SIZE	PER/ACRE
(1) M&B HWY 78 OXFORD, AL	11-07-96	$ 18,000	1.1 AC	$16,500(R)

COMMENTS: THIS SALE IS LOCATED NEAR COLDWATER IN AN AREA OF MIXED DEVELOPMENT. THIS LOT WAS IMPROVED WITH A SINGLE FAMILY DWELLING.

(2) 2300 B'HAM HY ANNISTON, AL (VALUE EXTRACTED-OLD BLDG ON PROPERTY VALUED AT $ 12,000-TOTAL SALES PRICE $ 16,000.)	10-22-96	$ 4,000	.2 AC	$ 20,000

COMMENTS: THIS SALE IS LOCATED IN WEST ANNISTON IN AN AREA OF MIXED DEVELOPMENT.

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COST APPROACH

LAND VALUATION:

LOCATION	DOS	SALES PRICE	SIZE	PER/ACRE
(3) 6209 MCCLELLAN BLVD, ANNISTON	2/28/96	$ 10,000	.5 AC	$ 20,000

COMMENTS: THIS SALES IS LOCATED ACROSS THE STREET FROM FT. MCCLELLAN ON HIGHWAY 21. THIS LOCATION IS SUPERIOR TO THE SUBJECT.

(4) M&B HWY 431 ANNISTON	1/29/96	$ 60,000	.3 AC	$ 8,000(R)

COMMENTS: LOCATED ON HIGHWAY 431 BETWEEN THE CHURCH OF CHRIST AND SAKS ROAD. HIGH TRAFFIC LOCATION. LOT REQUIRED GRADING.

* ALL SALES WERE CONFIRMED WITH THE SELLING BROKERS.

The following table is a summary indicating the market adjustments when comparing the comparables to the subject property.

COST APPROACH

ADJUSTMENTS

[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
1	$ 16,500	EQUAL	+15%	$ 19,000
2	$ 20,000	EQUAL	-5%	$ 19,000
3	$ 20,000	-5%	EQUAL	$ 19,000
4	$ 8,000	EQUAL	+35%	$ 10,800

After adjusting the sales for market differences, the strongest value indication for the subject is at $ 19,000 per acre. This gives an overall rounded value indication for the subject's 1.3 acre site "as vacant" of:

$ 25,000®

TWENTY FIVE THOUSAND DOLLARS

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DSW 139755

ADAD21-018069
HARTOLDMON0033527

COST APPROACH

Having estimated the land at market value as if vacant, the land value is added to the depreciated cost of the improvements to arrive at the indicated value by the Cost Approach to value. The Marshall & Swift Commercial Cost Guide, discussions with area builders, and discussions with building material suppliers is utilized in estimating the depreciated cost for the subject.

The buildings under appraisal have an effective ages of 25, 30, and 35 years and a total estimated economic life of 60 years. The construction quality for the subject buildings is rated as average.

COST APPROACH

CHOO CHOO RESTAURANT BUILDING:

BUILDING AREA :

1,048 SQUARE FEET X BASE COST $ 54.00 S.F =	$ 56,592
ADD: WALKS	4,500
TOTAL IMPROVEMENTS	$ 61,092
LESS: DEPRECIATION ALL FORMS	30,546
DEPRECIATED VALUE OF IMPROVEMENTS	$ 30,546
ADD: LAND AT MARKET VALUE.....................	8,333
DEPRECIATED VALUE PAVING	6,000
SITE PREPARATION	2,500
VALUE INDICATED BY THE COST APPROACH	$ 50,000(R)

$ 50,000(R)

FIFTY THOUSAND DOLLARS

COST APPROACH

OLD BAKERY BUILDING:

BUILDING AREA :

2,168 SQUARE FEET X BASE COST \$ 52.00 S.F =	\$ 112,736
ADD: PORCHES, STORAGE	5,500
TOTAL IMPROVEMENTS	\$ 118,236
LESS: DEPRECIATION ALL FORMS	49,265
DEPRECIATED VALUE OF IMPROVEMENTS	\$ 68,971
ADD: LAND AT MARKET VALUE.....................	8,333
DEPRECIATED VALUE PAVING	4,000
SITE PREPARATION	2,500
VALUE INDICATED BY THE COST APPROACH	\$ 85,000(R)

\$ 85,000(R)

EIGHTY FIVE THOUSAND DOLLARS

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DSW 139758

ADAD21-018072
HARTOLDMON0033530

COST APPROACH

FREIGHT WAREHOUSE:

BUILDING AREA :

1,797 SQUARE FEET X BASE COST \$ 58.00 S.F =	\$	104,226
ADD: PATIO STORAGE		7,500
TOTAL IMPROVEMENTS	\$	111,726
LESS: DEPRECIATION ALL FORMS		74,484
DEPRECIATED VALUE OF IMPROVEMENTS	\$	37,242
ADD: LAND AT MARKET VALUE.....................		8,333
DEPRECIATED VALUE PAVING		4,000
SITE PREPARATION		3,500
VALUE INDICATED BY THE COST APPROACH	\$	55,000(R)

\$ 55,000(R)

FIFTY FIVE THOUSAND DOLLARS

COST APPROACH

FURNITURE, FIXTURES, AND EQUIPMENT

NONE VALUED

INCOME APPROACH

In order to utilize the Income Approach to value, reliable income and expense estimates must be obtained for the subject to estimate a net operating income. Properties such as the subject are often held for investment purposes and are often rented making reliable income and expense information for the Income Approach available to obtain. Comparable market rentals are readily available from within the subject and surrounding areas.

INCOME APPROACH

In utilizing the Income Approach to value, two methods are most commonly utilized depending upon the information available for analysis. The band of investment technique is being utilized in this report since it is the best indicator of market capitalization for the subject. The current real estate market reflects a lack of confidence by investors and consumers alike. Market values overall are trending towards a stable or, in some cases, depreciating market values. With uncertainty in the market in forecasting future appreciation or depreciation of the property and/or rents, heavy emphasis is being given by investors to both the net income flow of the property as well as the future stability of the income flow to the property. For this reason, the Band of Investment technique most properly reflects current investor motives and should be the best indicator of market value for the subject.

In this approach, potential gross income, effective gross income, operating expenses, and net income are estimated to reflect operational benefits. The net income estimate is then capitalized into a value estimate based upon investor expectations and lender requirements.

INCOME APPROACH

The Income Approach is based upon the premise that there is a direct and causal relationship between the net income produced by a property and its value. Therefore, in the income approach, gross rent is first projected through the use of market rentals and then estimated expenses and vacancies deducted to arrive at the net operating income. The net operating income is then capitalized into an indicated value based upon an appropriate capitalization rate. The following is a summary of the current rent structure or the most recent rental of the properties under appraisal.

LOCATION	SIZE	ANN. RENT	RATE
CHOO CHOO'S	1,048 SF	$ 3,600	$ 3.44 SF/YR
BAKERY	2,148 SF	$ 3,600	$ 1.68 SF/YR
F. WAREHOUSE	1,797 SF	$ 4,200	$ 2.34 SF/YR

Choo Choo's rental is most recent rental-it is currently vacant. The Old Bakery building is the current rental—formerly at $ 2.48 sf/yr. The Freight Warehouse is the current rental.

The first step in the process is to estimate market rent for the subject. The following market rentals were utilized in the estimation of market rent for the subject.

MARKET RENTAL # 1:

LOCATION: 434 GEORGE WALLACE DRIVE
GADSDEN, ALABAMA

LESSOR: BILL STEWART, ET. AL.

LESSEE: ADVANCE ELECTRONICS, INC.

BUILDING SIZE: 4,368 S.F.

GROSS ANNUAL RENT: $ 21,000

RATE S.F/YR.: $ 4.81

COMMENTS: HIGH TRAFFIC LOCATION ACROSS FROM WALMART IN EAST GADSDEN NEAR THE I-759 INTERCHANGE. LEASED UNTIL SEPTEMBER 30, 1998 WITH THREE ONE YEAR OPTIONS.

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DSW 139764

ADAD21-018078
HARTOLDMON0033536

MARKET RENTAL # 2:

LOCATION:	1417 RAINBOW PARKWAY,
	RAINBOW CITY, ALABAMA
LESSOR:	DAVID BOWMAN
LESSEE:	DENNIS QUARLES
BUILDING SIZE:	4,838 S.F
	1,894 S.F. OFFICE SPACE(39%)
GROSS ANNUAL RENT:	$ 19,800
RATE S.F/YR.:	$ 4.09

COMMENTS: OFFICE SPACE IS VERY HIGH QUALITY WHICH LOCAL BUILDER UTILIZES AS A SHOWROOM AND OFFICE SPACE. FULL SERVICE KITCHEN.

INCOME APPROACH TO VALUE

MARKET RENTAL # 3:

LESSOR:	COBB & PUMROY
LESSEE:	J.A. BLOHM D/B/A THE AQUARIUM
LOCATION:	GLADEBROOK VILLAGE
LEASED SPACE:	2,500 SQUARE FEET
ANNUAL LEASE:	$ 12,000
PRICE PER S.F.:	$ 4.80
COMMENTS:	STRIP COMPLEX RENTAL WITH LIMITED STREET EXPOSURE. OWNER PAYES TAXES & INSURANCE.

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INCOME APPROACH TO VALUE

MARKET RENTAL # 4:

LOCATION:	COLDWATER INDUSTRIAL PARK
LESSOR:	KENNETH KEY
LESSEE:	CHARLIE H. RHOADS
BUILDING SIZE:	17,500 S.F.
GROSS ANNUAL RENT:	$ 21,600
RATE S.F/YR.:	$ 1.23
COMMENTS:	LESSOR PAYS TAXES AND INSURANCE. LESSEE PAYS UTILITIES. SPACE IS SIMILAR IN OVERALL UTILITY TO THE SUBJECT PROPERTY. LEASE RAN FROM OCTOBER, 1990, TO AUGUST 15, 1993 WITH OPTIONS. HEAVY INDUSTRIAL PROPERTY WITH NO OFFICE AREA.

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MARKET RENTAL # 5:

LOCATION:	900 PARKWIN AVENUE, ANNISTON
LESSOR:	MASSEY
LESSEE:	LAMBERT
BUILDING SIZE:	2,913 S.F.
GROSS ANNUAL RENT:	$ 3,000
RATE S.F/YR.:	$ 1.03
COMMENTS:	LESSOR PAYS TAXES AND INSURANCE. LESSEE PAYS UTILITIES. WAREHOUSE AND SPACE IN POOR CONDITION.

MARKET RENTAL # 6:

LOCATION:	129 WEST 7TH STREET, ANNISTON
LESSOR:	MCS, INC.
LESSEE:	U.C. INDUSTRIES
BUILDING SIZE:	51,000 S.F
GROSS ANNUAL RENT:	$ 43,700
RATE S.F/YR.:	$ .86
COMMENTS:	LESSOR PAYS TAXES AND INSURANCE. LESSEE PAYS UTILITIES. SPACE IS PART OF AN OLDER DOWNTOWN INDUSTRIAL COMPLEX WHICH IS BEING UTILIZED FOR WAREHOUSE AND LIGHT MANUFACTURING.

INCOME APPROACH TO VALUE

MARKET RENTAL # 7:

LOCATION:	1301 CAFFEY DRIVE OXFORD, AL
LESSOR:	SMITH
LESSEE:	PATRICK & JIM CASH
SIZE:	1,750 SF
ANNUAL RENT:	$ 4,200
RATE PER SF:	$ 2.40
COMMENTS:	THE BUILDING IS A METAL BUILDING IN A HIGH TRAFFIC LOCATION. THIS BUILDING IS IN GOOD PHYSICAL CONDITION.

INCOME APPROACH

Based upon the market rentals examined, the following market rentals appear reasonable for the subject properties.

LOCATION	SIZE	ANN. RENT	MARKET RATE
CHOO CHOO'S	1,048 SF	$ 3,600	$ 4.00 SF/YR
BAKERY	2,148 SF	$ 3,600	$ 3.50 SF/YR
F. WAREHOUSE	1,797 SF	$ 4,200	$ 3.50 SF/YR

Therefore, in the income approach, gross rent is first projected through the use of market rentals and then estimated expenses and vacancies deducted to arrive at the net operating income. The net operating income is then capitalized into an indicated value based upon an appropriate capitalization rate. Having estimated the market rental for subject, the next step is to estimate operating expenses for the subject.

INCOME APPROACH

EXPENSE ESTIMATES

VACANCY AND COLLECTION LOSS

Estimating a vacancy and collection loss for the subject is based upon current market trends and local observation for similar properties. Currently vacancies are running in the 4-6% range. Given the subject's location, vacancy for the subject properties is estimated at 5%.

TAXES

The annual real estate taxes for the subject are prorated at $ 382 per property.

INSURANCE

Property and casualty insurance on the subject is estimated at $ 200 annually per property.

MANAGEMENT

Given the typical management rates in the area, a management fee of 5% of collected rent is reasonable for the subject.

INCOME APPROACH

MAINTENANCE

The maintenance for the subject is estimated at $ .12 per annually: CHOO CHOO= $ 126; BAKERY=$ 260; F. WAREHOUSE=$ 216.

MISCELLANEOUS EXPENSE

Miscellaneous expense for the subject is estimated at $ 200 annually per property.

INCOME APPROACH-CHOO CHOO RESTAURANT

POTENTIAL GROSS RENTS-1,048 SF @ $ 4.00		$ 4,192
LESS: VACANCY & COLLECTION LOSS @ 5%		210
EFFECTIVE GROSS INCOME		$ 3,982
LESS OPERATING EXPENSES:		
TAXES	$ 382	
INSURANCE	200	
MANAGEMENT @ 5%	199	
MAINTENANCE	126	
MISCELLANEOUS	200	
TOTAL ESTIMATED EXPENSES		$ 1,107
ESTIMATED NET OPERATING INCOME		$ 2,875

INCOME APPROACH-OLD BAKERY

POTENTIAL GROSS RENTS-2,168 SF @ $ 3.50		$ 7,588
LESS: VACANCY & COLLECTION LOSS @ 5%		379
EFFECTIVE GROSS INCOME		$ 7,209
LESS OPERATING EXPENSES:		
TAXES	$ 382	
INSURANCE	200	
MANAGEMENT @ 5%	360	
MAINTENANCE	260	
MISCELLANEOUS	200	
TOTAL ESTIMATED EXPENSES		$ 1,402
ESTIMATED NET OPERATING INCOME		$ 5,807

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INCOME APPROACH—FREIGHT WAREHOUSE

POTENTIAL GROSS RENTS-1,797 SF @ $ 3.50		$ 6,298
LESS: VACANCY & COLLECTION LOSS @ 5%		315
EFFECTIVE GROSS INCOME		$ 5,983
LESS OPERATING EXPENSES:		
TAXES	$ 382	
INSURANCE	200	
MANAGEMENT @ 5%	299	
MAINTENANCE	216	
MISCELLANEOUS	200	
TOTAL ESTIMATED EXPENSES		$ 1,297
ESTIMATED NET OPERATING INCOME		$ 4,686

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INCOME APPROACH

INCOME CAPITALIZATION

After the estimation of the net income from the property, the next step is to capitalize the estimated net income into present value. This process can be accomplished by a number of methods depending upon the current market conditions or other factors. For the purposes of this appraisal, based upon all pertinent factors, the direct capitalization method has been chosen as the most appropriate method. The Dictionary of Real Estate Appraisal defines direct capitalization as "The capitalization method used to convert an annual average of several years' income expectancies into an indication of value in one step, either by dividing the income estimate by an appropriate rate or by multiplying the income estimate by an appropriate factor.

Since most investments are comprised of two components for the investor, (1) the borrowed money and (2) the equity money or his cash, it is logical to capitalize income by a rate which weights the return required by both components or portions of the investment capital. For this reason, the band of investment method has been selected to derive a rate from the market for capitalization purposes.

INCOME APPROACH TO VALUE

The band of investment technique weighs both portions of the rate based upon typical market transactions. For example, lenders are currently and typically requiring an 80% loan to value ratio at 8.5% for 20 years for properties similar to the subject and the investor's equity is 20%, with the investor requiring a 8% return on his equity. The band of investment will properly reflect market requirements for the income provided on the investment by weighing the rate proportionately between the loan requirements and the equity requirements.

To determine the income requirements to satisfy the debt portion of the investment, current lender terms for real estate loans were determined through interviews with local lenders and are as follows:

LOAN TO VALUE RATIO........................80%

INTEREST RATE............................. 8.5%

TYPICAL DESIRED TERM.......................20 YRS.

MORTGAGE CONSTANT......................... .10414

The income requirement for the equity investor is frequently referred to as the "cash on cash" rate or the equity dividend rate. This rate reflects the relationship between the equity investment and pretax cash flow.

INCOME APPROACH TO VALUE

Real estate investors in the area were interviewed to gain market expectations by investors. While most investors desire an 8 to 15% yield on their equity for properties of the subject type, most admitted that currently 8% was more realistic for the risk involved with a property of the type and size of the subject. Therefore, a 8% cash on cash rate to equity appears reasonable for the subject.

MORTGAGE	.80 X	ANNUAL CONSTANT	.10414 =	.08331
EQUITY	.20 X	EQUITY DIVIDEND	.08000=	.01600
OVERALL RATE				.09931

By dividing the net operating incomes by the market derived overall rate of .09931 indicates a fee simple value by the income approach of:

CHOO CHOO'S NET INCOME $ 2,875/.09931= $ 30,000

THIRTY THOUSAND DOLLARS

OLD BAKERY NET INCOME $ 5,807/.09931= $ 60,000
SIXTY THOUSAND DOLLARS

F.WAREHOUSE NET INCOME $ 4,686/.09931= $ 50,000

FIFTY THOUSAND DOLLARS

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DIRECT SALES COMPARISON APPROACH TO VALUE

The process of comparison for market sales of improved properties is similar to the process for vacant land in that adjustments are made for differences between the subject and comparable sales. Adjustments are considered for size, condition, time of sale, location, and utility as recognized in the market.

In order for the Direct Sales Comparison Approach to be effectively utilized, there must be an adequate number of similar sales from which to derive an accurate forecast of market prices. Where an adequate number of very similar sales are available, the most reliable indicator of value has proven to be the Direct Sales Comparison or Market Approach to Value.

The Calhoun County commercial market is very small with relatively few commercial transactions during any given year or even group of years. With the current market slowdown, sales of properties similar to the subject are few in number with the quality of comparables being low. Most construction is owner constructed for owner use leaving very few market sales of commercial structures. Often, both sales in and outside the subject market area are considered due to a low number of similar commercial sales from within the subject's market area. The following market sales were considered in analyzing market indications for the subject.

DIRECT SALES COMPARISON APPROACH TO VALUE

IMPROVED SALE # 1:

GRANTOR:	ALFRED SEARS POWER EQUIP., INC.
GRANTEE:	GWENN, ET. AL.
LOCATION:	1505 WILMER AVENUE ANNISTON, AL
DATE OF SALE:	08-02-94
SALES PRICE:	$ 135,000
LOT SIZE:	140' X 160'
IMPROVEMENTS:	5,500 SF APPROX.
INDICATED PRICE/SF:	$ 24.55
COMMENTS:	MULTIPLE USE COMMERCIAL BLDG. SMALL OFFICE SPACE WITH SHOP.
CONFIRMATION:	BROKER

DIRECT SALES COMPARISON APPROACH TO VALUE

IMPROVED SALE # 2:

GRANTOR:	BILL STEWART, ET. AL.
GRANTEE:	LARRY MARTIN
LOCATION:	434 GEORGE WALLACE DRIVE GADSDEN, ALABAMA
DATE OF SALE:	05-02-97
SALES PRICE:	$ 175,000
IMPROVEMENTS:	4,368 SF APPROX.
INDICATED PRICE/SF:	$ 40.06
CONFIRMATION:	LENDER/PURCHASER
LEASE RATE:	$ 21,000 ANNUALLY WITH NET INCOME INDICATION AT $ 17,220 INDICATING A CAP RATE OF .0984.

COMMENTS: RETAIL BUILDING LEASED TO ADVANCE ELECTRONICS IN A HIGH TRAFFIC LOCATION ACROSS THE STREET FROM WALMART AND NEAR THE I-759 INTERSTATE.

DIRECT SALES COMPARISON APPROACH TO VALUE

IMPROVED SALE # 3:

GRANTOR:	C. BURCH
GRANTEE:	BEN HOWELL
LOCATION:	1031 GURNEEE AVENUE ANNISTON, ALABAMA
DATE OF SALE:	MARCH, 1995
SALES PRICE:	$ 60,000
IMPROVEMENTS:	2,877 SF APPROX.
INDICATED PRICE/SF:	$ 20.86
COMMENTS:	BUILDING HAD BEEN COMPLETELY RENOVATED ON INTERIOR/EXTERIOR IS GOOD CONDITION.
CONFIRMATION:	PURCHASER

DIRECT SALES COMPARISON APPROACH TO VALUE

IMPROVED SALE # 4:

GRANTOR:	MOORE
GRANTEE:	DONALD CASEY
LOCATION:	719 QUINTARD AVENUE, ANNISTON
DATE OF SALE:	JUNE 25, 1993
SALES PRICE:	$ 175,000
IMPROVEMENTS:	5,856 SF APPROX.
INDICATED PRICE/SF:	$ 29.88
COMMENTS:	SUBJECT WAS AN EXISTING OFFICE COMPLEX WITH INADEQUATE PARKING. ADJACENT LOT WAS PURCHASED IN CONJUNCTION WITH THE PURCHASE OF THIS BUILDING.
RECORDING:	BOOK 1873/PAGE 423

DIRECT SALES COMPARISON APPROACH TO VALUE

IMPROVED SALE # 5:

LOCATION:	929 South Noble Street Anniston
GRANTOR:	EDWARDS & LONG
GRANTEE:	SPIVEY
LOT SIZE:	.5 ACRE
BUILDING SIZE:	8,000 S.F.
DATE OF SALE:	MAY, 1995
SALES PRICE:	$ 165,000
PRICE S.F.:	$ 20.62
COMMENTS:	The building is in overall good physical condition and is utilized for office warehouse use.

DIRECT SALES COMPARISON APPROACH TO VALUE

Based upon the adjusted value indications by the comparable sales, a price per square foot as follows appears reasonable for the subject properties. Applying to the square footage of the subject indicates an overall value by the Direct Sales Comparison Approach as follows :

CHOO CHOO'S S.F. 1,048 S.F. X $ 25.00= $ 27,000

TWENTY SEVEN THOUSAND DOLLARS

OLD BAKERY S.F. 2,168 S.F. X $ 28.00= $ 61,000

SIXTY ONE THOUSAND DOLLARS

F.WAREHOUSE S.F. 1,797 S.F. X $ 28.00= $ 50,000

FIFTY THOUSAND DOLLARS

RECONCILIATION AND FINAL ESTIMATE

In valuing properties such as the subject, recent sales data along with recent income and expense data are optimal to gain a reliable indication of value. Of the three approaches utilized, the Income Approach to Value and the Direct Sales Comparison Approach are the strongest indicators of value due to reliable income and expense estimates associated with the subject and the available sales information of properties similar to the subject. The Cost Approach to value is considered to be the weaker indicators due to the difficulty in estimating depreciation on properties of the subject's age.

Of the three approaches utilized, the Income Approach is considered to be the best indicator of value since investors give the greatest emphasis to this approach. Therefore, the market values for the subject are estimated as follows:

CHOO CHOO'S RESTAURANT $ 30,000

THIRTY THOUSAND DOLLARS

OLD BAKERY $ 60,000

SIXTY THOUSAND DOLLARS

FREIGHT WAREHOUSE $ 50,000

FIFTY THOUSAND DOLLARS

ADDENDUM

CONFIDENTIAL

Monsanto

The Chemical Group
300 Birmingham Highway
Anniston, Alabama 36201
Office: (205) 231-8447

HAND DELIVERED: Date October 2, 1996

Mr. James Patterson Pace, Jr.
400 Keith Avenue
Anniston, AL 36207

Dear Mr. Pace:

With your permission, Monsanto Company arranged for soil samples to be taken on commercial property you own at 931 Clydesdale Ave. (Merita Bakery Thrift Store and rear freight warehouse) and 903 Clydesdale Ave. (The Choo-Choo). Thirteen (13) samples were taken on your property. Those samples were analyzed by an immunoassay procedure to determine if PCBs (polychlorinated biphenyls) were present at a level of 5 parts per million (ppm) or more. A part per million is one ten-thousandth of one percent. The results of that analysis indicate that PCBs were detected at the 5 ppm level or above in seven (7) samples taken on your property. Those samples were submitted for more definitive analysis by a technique called gas chromatography. The results from those tests were:

14.6 ppm (southwest of The Choo-Choo in turf area near south property line)
7.1 ppm (directly behind the south end of Merita Bakery)
4.3 ppm (east of Merita Bakery near alleyway)
3.9 ppm (directly south of the east end of freight warehouse)
5.5 ppm (east side of alleyway along south property line)
4.3 ppm (near southeast corner of property)
3.8 ppm (north of light pole at southeast corner of property)

Results for samples taken along the alleyway north of the freight warehouse and near the northeast corner of the property showed the concentrations of PCBs were below either the screening level of 5 ppm or the detection limit of the gas chromatographic method. Approximate location of all sample points is shown on the attached sampling map, "East Edge of Area E."

We appreciate your cooperation. As we discussed today, if you have further questions or would like further information, please contact me at 205-231-8510.

Yours truly,

Bruce W. Eley

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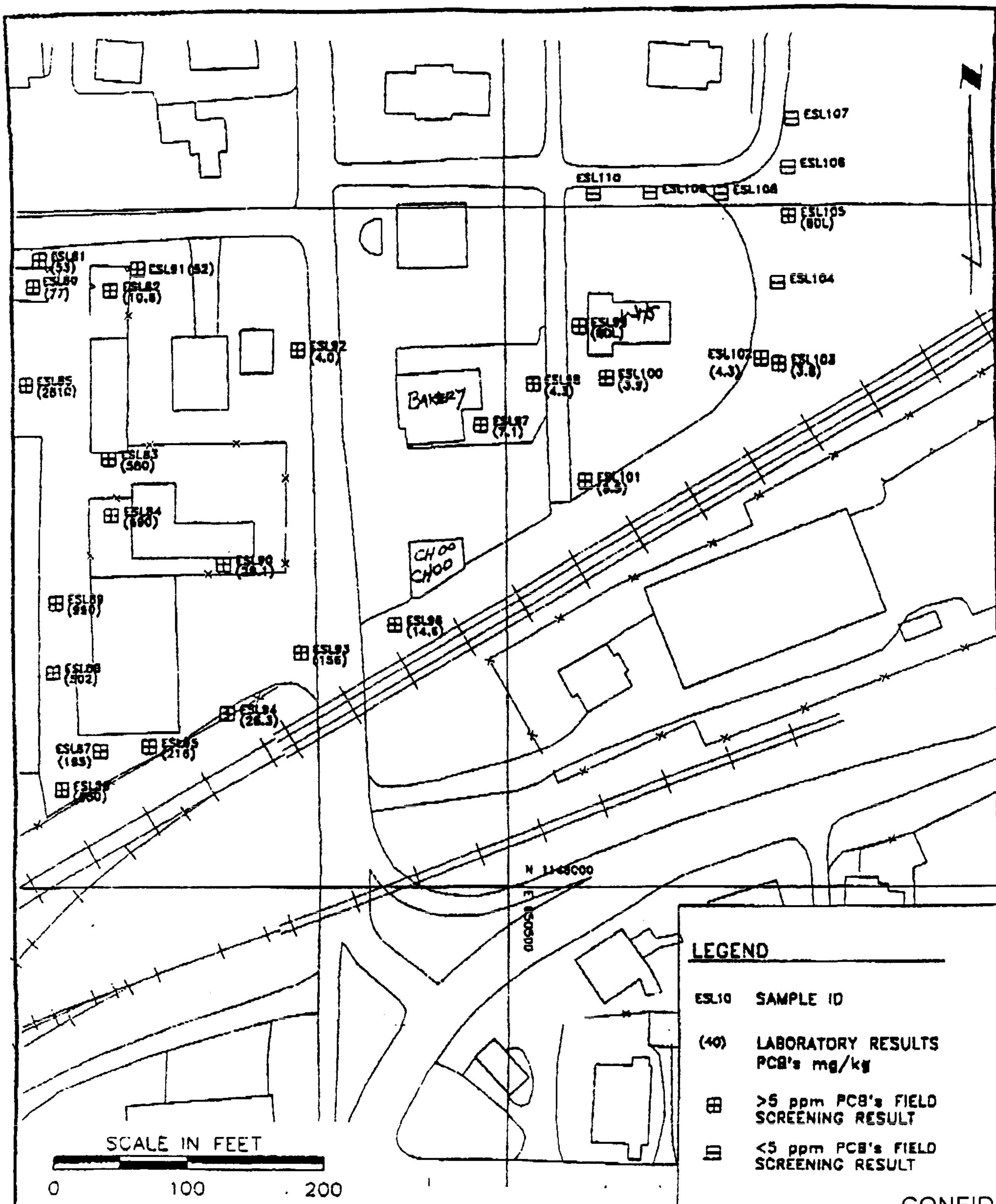

Golder Associates Atlanta, Georgia

TITLE: SAMPLING RESULTS EAST EDGE OF AREA E

CLIENT/PROJECT: MONSANTO	DRAWN: JEF	DATE: 8/96	JOB NO. 943-3680		
	CHECKED:	SCALE: AS SHOWN	DWG NO. 112	REV. NO.	
	REVIEWED:	FILE NO. 943-3680	SUBTITLE:	FIGURE NO. 5A	

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DSW 139790

ADAD21-018104
HARTOLDMON0033562

APPRAISER QUALIFICATIONS

ROGER D. CASSON
329 HALE STREET
OXFORD, AL 36203
PHONE NO. (205) 835-1112
FAX NO. (205) 835-5051

GENERAL EDUCATION

BS DEGREE IN ACCOUNTING
JACKSONVILLE STATE UNIVERSITY 1974

CPA REVIEW COURSE
AUBURN UNIVERSITY 1975

REPLACEMENT COST STUDY OF THE MARSHALL-SWIFT COST GUIDE
NATIONWIDE INSURANCE COMPANY 1976

APPRAISAL EDUCATION

YEAR	COURSE	SPONSOR
1977	101-102 SINGLE FAMILY APPRAISAL & TECHNIQUES	SOCIETY OF REAL ESTATE APPRAISERS
1978	APPRAISAL OF THE SINGLE FAMILY RESIDENCE	JACKSONVILLE STATE UNIVERSITY
1979-1990	REVIEW SEMINARS	VETERAN ADMINISTRATION
1988	CAPITALIZATION THEORY & TECHNIQUES PART A	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1988	CAPITALIZATION THEORY & TECHNIQUES PART B	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1989	STANDARDS OF PROFESSIONAL PRACTICE	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1989	CASE STUDIES IN REAL ESTATE VALUATION	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1989	REPORT WRITING AND VALUATION ANALYSIS	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1990	LOTUS 1-2-3 COURSE 1	UNIVERSITY OF ALABAMA AT BIRMINGHAM
1990	ALABAMA BANKERS ASSOCIATION COMMERCIAL CREDIT CONFERENCE	ALABAMA BANKERS ASSOCIATION
1990	SUCCESSFULLY COMPLETED REAL ESTATE BROKERS LICENSING COURSE AND AM A LICENSED REAL ESTATE BROKER	ALABAMA REAL ESTATE COMMISSION

APPRAISER QUALIFICATIONS - PAGE 2

YEAR	COURSE	SPONSOR
1991	REAL ESTATE APPRAISAL PRINCIPLES 1A-1/8-1	APPRAISAL INSTITUTE
1991	BASIC VALUATION PROCEDURES 1A-2	APPRAISAL INSTITUTE
1991	SUCCESSFULLY COMPLETED WRITING DEMONSTRATION REPORT-AIREA	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1992	COMPREHENSIVE REVIEW SEMINAR FOR STATE CERTIFICATION	APPRAISAL INSTITUTE
1992	SUCCESSFULLY COMPLETED COMPREHENSIVE EXAMINATION	AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS
1992	SUCCESSFULLY COMPLETED CERTIFIED GENERAL APPRAISER EXAM	STATE OF ALABAMA
1992	COMPLETED CONTINUING EDUCATION FOR REAL ESTATE BROKER'S COURSE	STATE OF ALABAMA
1993	SUCCESSFULLY COMPLETED APPRAISAL INSTITUTE'S STANDARDS OF PROFESSIONAL PRACTICE PARTS A & B	APPRAISAL INSTITUTE
1994	SUCCESSFULLY COMPLETED CONTINUING EDUCATION COURSES FOR ALABAMA REAL ESTATE BROKER'S LICENSE	STATE OF ALABAMA
1995	SUCCESSFULLY COMPLETED CONTINUING EDUCATION FOR CERTIFIED GENERAL REAL PROPERTY APPRAISER'S LICENSE	APPRAISAL INSTITUTE
1997	SUCCESSFULLY COMPLETED CONTINUING EDUCATION COURSES FOR ALABAMA REAL ESTATE BROKER'S LICENSE	STATE OF ALABAMA
1997	SUCCESSFULLY COMPLETED CONTINUING EDUCATION FOR CERTIFIED GENERAL REAL PROPERTY APPRAISER'S LICENSE	APPRAISAL INSTITUTE

APPRAISAL

SELF-EMPLOYED IN REAL ESTATE APPRAISAL SINCE 1977 COMPLETING BOTH FORM AND NARRATIVE REAL PROPERTY APPRAISALS OF SINGLE FAMILY, MULTI-FAMILY, LAND, COMMERCIAL, AND INDUSTRIAL REAL ESTATE IN CALHOUN, ETOWAH, TALLADEGA, CLAY, CLEBURNE, AND RANDOLPH COUNTIES.

CONSTRUCTION

PERSONALLY SUPERVISED CONSTRUCTION OF SINGLE FAMILY DWELLINGS AND STRIP OFFICE CENTERS. EMPLOYED AS CONSULTANT FOR REAL ESTATE DEVELOPMENT, PURCHASE, LEASE, AND SALES OF ALL TYPES OF REAL ESTATE.

CLIENTS

VETERANS ADMINISTRATION
BANKS
PROBATE COURT
LOCAL MORTGAGE COMPANIES (ALL)
ESTATES & TRUSTS
RELOCATION SERVICES
ATTORNEYS
FEDERAL NATIONAL MORTGAGE ASSOCIATION
NUMEROUS RELOCATION COMPANIES SINCE 1979