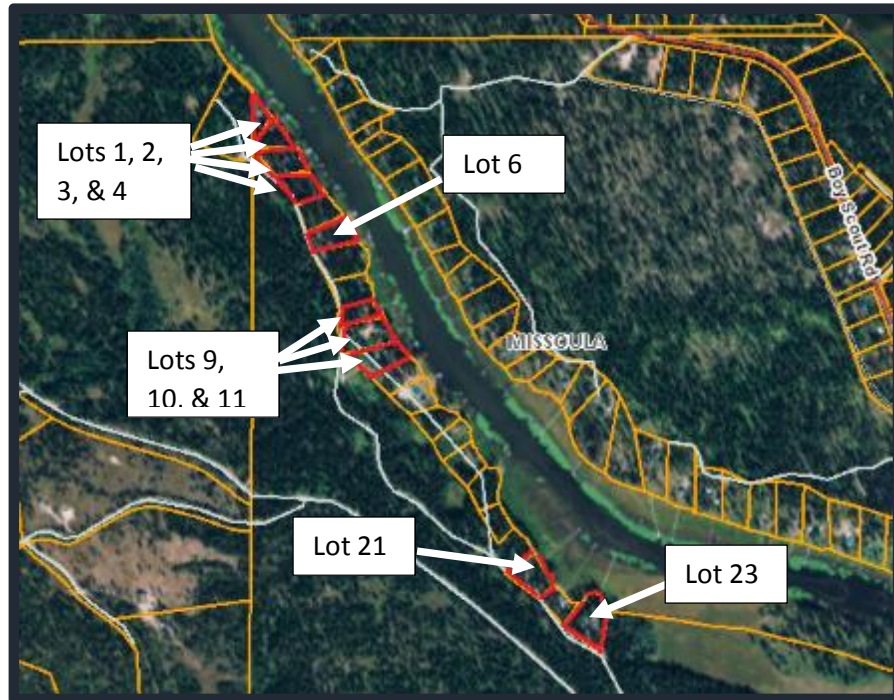


APPRAISAL REPORT OF:

LOTS 1, 2, 3, 4, 6, 9, 10, 11, 21, & 23

COS #5140

SEELEY LAKE, MONTANA



PREPARED FOR:

**State of Montana, Montana Board of Land Commissioners,
& Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, Montana 59620-1601
Attention: Ms. Emily Cooper, Lands Section Supervisor**

MARKET VALUES AS OF:

May 5 & 6, 2016

PREPARED BY:

**Elliott M. Clark, MAI &
Christopher D. Clark
Clark Real Estate Appraisal
704-C East 13th Street, #509
Whitefish, Montana 59937
(406) 862-8151**



704-C East 13th Street, #509
Whitefish, Montana 59937

LETTER OF TRANSMITTAL

June 17, 2016

Ms. Emily Cooper, Lands Section Supervisor
State of Montana, Montana Board of Land Commissioners,
& Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, Montana 59620-1601

Re: Lots 1, 2, 3, 4, 6, 9, 10, 11, 21, and 23, COS #5140, Seeley Lake, Montana

Dear Ms. Cooper:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on May 5th and 6th, 2016. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. The property viewings, reviews, and analyses were made in order to prepare the attached summary appraisal report.

There are three approaches to value in the appraisal of real property. They are the Cost, Sales Comparison, and Income Approaches. All three approaches and their applicability will be discussed in greater detail in the Scope of the Appraisal and the Appraisal Process sections of this report.

The values of the fee simple interests in the individual subject lots, the individual subject improvements, and the site and improvements considered together are estimated in this report. These estimates were made after thorough study of available market data and other data felt to be pertinent to this appraisal. The attached summary appraisal report exhibits the factual data found and reasoning used in forming our opinions of value.

The values concluded in this report are based on the assumptions that all necessary governmental approvals have been obtained and will be maintained, and that the property owners will exhibit sound management and sales practices. The values are based upon the **Extraordinary Assumptions** that there are suitable areas on each subject site for legally permissible septic systems. The values are based upon the **Hypothetical Conditions** that each property is a legal parcel and that each parcel has legal and adequate access.

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We were not provided with soil studies for the subject sites. We assume that the soils are capable of supporting construction similar to that in similar area subdivisions without unusual soil preparation. We are also unaware of the presence of any hazardous material, groundwater contamination, or toxic materials that may be on or in the subject sites. Should any of these conditions be present, the values stated in this report could be affected.

We certify that, to the best of our knowledge and belief, the statements and opinions contained in this appraisal report are full true and correct. We certify that we have no interest in the subject properties and that neither the employment to make this appraisal nor the compensation is contingent upon the value estimates of the properties.

This appraisal assignment was not made nor was the appraisal rendered on the basis of requested minimum valuations or specific valuations. This appraisal is subject to the attached Certification of Appraisal and Statement of Limiting Conditions. We further certify that this appraisal was made in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (USPAP).

Respectfully submitted,



Elliott M. Clark, MAI
Montana Certified General Real Estate Appraiser
REA-RAG-LIC-683



Christopher D. Clark
Montana Licensed Real Estate Appraiser
REA-RAL-LIC-841

16-016ec

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TABLE OF CONTENTS

LETTER OF TRANSMITTAL	2
SUMMARY OF SALIENT DATA AND CONCLUSIONS	6
CERTIFICATION OF APPRAISAL.....	7
GENERAL ASSUMPTIONS AND LIMITING CONDITIONS.....	9
SCOPE OF THE APPRAISAL	11
IDENTIFICATION OF THE SUBJECT PROPERTIES	13
PURPOSE OF THE APPRAISAL	14
DATES OF PROPERTY VIEWINGS.....	14
EFFECTIVE DATES OF MARKET VALUES.....	14
PROPERTY RIGHTS APPRAISED	14
DEFINITION OF MARKET VALUE.....	14
STATEMENT OF OWNERSHIP & USE HISTORY.....	15
PROPERTY DESCRIPTIONS.....	17
GENERAL DESCRIPTION	17
ACCESS AND VIEWS	28
IMPROVEMENTS.....	28
EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS	29
ZONING.....	29
ASSESSMENT/REAL PROPERTY TAXES.....	29
TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE.....	30
UTILITIES	31
PUBLIC SAFETY AND SERVICES	31
SITE SUITABILITY	31
SUBJECT BUILDING SKETCHES & PHOTOGRAPHS.....	32
SUBJECT MARKET ANALYSIS	98
HIGHEST AND BEST USE	100
THE APPRAISAL PROCESS.....	102
COMPARABLE LOT SALES.....	103
COMPARABLE HOME SALES	108
PROPERTY VALUATIONS	113
LOT 1.....	114
LOT 2.....	120
LOT 3.....	126
LOT 4.....	132
LOT 6.....	138
LOT 9.....	144
LOT 10.....	150
LOT 11.....	156
LOT 21.....	162
LOT 23.....	168
RECAPITULATION OF VALUE INDICATIONS	174
QUALIFICATIONS OF THE APPRAISERS	175
APPRAISERS LICENSES.....	178
ADDENDUM.....	179
NATIONAL ECONOMIC DATA.....	180

STATE ECONOMIC DATA.....	180
MISSOULA COUNTY DATA.....	181
SEELEY-SWAN VALLEY DATA.....	184
SCOPE OF WORK.....	187

SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

Client/Intended User	State of Montana, State of Montana Board of Land Commissioners, Montana Department of Natural Resources & Conservation/Client Agencies & Individual Lessees Noted in the Report
Purpose/Intended Use	Estimate Market Values/Potential Sale Purposes
Property Owner(s)	Sites: State of Montana/Improvements: Individual Lessees

SUBJECT PROPERTY

Property Identifications	Lots 1, 2, 3, 4, 6, 9, 10, 11, 21, & 23, COS #5140, Seeley Lake Outlet, Seeley Lake, Montana
Site Size	See Property Description for Individual Site Sizes
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-063-0018.00
Flood Zone	Zones A, B, and/or X, Map Panel 30063C0720E – Dated 7/6/ 2015
Zoning	None

HIGHEST AND BEST USE(S)

As If Vacant	Recreational/Residential
As Improved	Recreational/Residential

DATES, VALUE CONCLUSION(S) AND ASSIGNMENT CONDITION(S)

Report Date	June 17, 2016
Inspection Date(s)	May 5 & 6, 2016
Effective Date of Value(s)	May 5 & 6, 2016
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 174 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 174 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 174 of Report

Extraordinary Assumption(s)	See Scope of the Appraisal
Hypothetical Condition(s)	See Scope of the Appraisal

MARKETING & EXPOSURE TIME

The appraised values for the subject properties as improved are based upon a 6 to 12 month marketing times and 6 to 12 month exposure times. Estimated marketing and exposure times are addressed in detail in the Subject Market Analysis portion of this report.

APPRAISER INFORMATION

Appraiser(s)	Elliott M. Clark, MAI & Christopher D. Clark
---------------------	----------------------------------------------

CERTIFICATION OF APPRAISAL

We certify that, to the best of our 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 our unbiased professional analyses, opinions, and conclusions.
- Elliott M. Clark, MAI and Christopher D. Clark have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as appraisers or in any other capacity, regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of predetermined values or directions in value that favor the cause of the client, the amounts of the value opinions, the attainment of stipulated results, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- Elliott M. Clark, MAI and Christopher D. Clark both personally viewed the subject properties.
- No one provided significant real property appraisal assistance to the persons signing this certification.

- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and 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.
- As of the date of this report Elliott M. Clark, MAI has completed the continuing education requirements of the Appraisal Institute.

Elliott M. Clark

Dated Signed: June 17, 2016
Elliott M. Clark, MAI
MT REA-RAG-LIC-683

Christopher D. Clark

Date Signed: June 17, 2016
Christopher D. Clark
MT REA-RAL-LIC-841

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal is subject to the following conditions and to such other specific and limiting conditions as are set forth in the appraisal report.

1. The legal description(s) from the most recently recorded deed(s) or plat(s) are assumed to be correct.
2. The appraisers assume no responsibility for matters legal in character, nor do they render any opinion as to titles, which are assumed to be marketable. All existing liens, encumbrances and assessments have been disregarded and the properties are appraised, as though free and clear, under responsible ownership and competent management.
3. Any sketches in this report indicate approximate dimensions and are included to assist the reader in visualizing the properties.
4. The appraisers have not made a survey, engineering studies or soil analysis of the properties and assume no responsibility in connection with such matters or for engineering, which might be required to discover such factors.
5. Unless otherwise noted herein, it is assumed that there are no encroachments, zoning or restriction violations associated with the subject properties.
6. Information, estimates and opinions contained in this report are obtained from sources considered reliable and believed to be true and correct; however, no liability for them can be assumed by the appraisers.
7. The appraisers are not required to give testimony or attendance in court by reason of this appraisal, with reference to the properties in question, unless arrangements have been made previously therefore.
8. The division of the land and improvements (if applicable) as valued herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
9. On all appraisals, subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion(s) are contingent upon completion of the improvements in a workmanlike manner.
10. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. Except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public

relations media, sales media or other media for public communication without the prior written consent of the signatory of this appraisal report.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of the subject properties to determine whether or not they are in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the properties together with a detailed analysis of the requirements of the ADA could reveal that the properties are not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the values of the properties. Since the appraisers have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the values of the properties.
12. The appraisers are not experts at the identification of environmental hazards. This assignment does not cover the presence or absence of such substances. Any visually detected or obviously known environmental problems affecting the properties will be reported and their impact on the values will be discussed.
13. This appraisal assignment was not made nor was the appraisal rendered on the basis of requested minimum valuations or specific valuations.
14. The appraisers are not building inspectors and this report does not constitute building inspections for the subject properties. Any obvious defects are noted (if applicable); however, this report is not to be relied upon for detection of unseen defects for any of the subject properties.
15. This appraisal was prepared for the clients and the intended users named in this report. The analysis and conclusions included in the report are based upon a specific Scope of Work determined by the clients and the appraisers, and are not valid for any other purpose or for any additional users other than noted in this report.

SCOPE OF THE APPRAISAL

The subject properties consists of Lots 1, 2, 3, 4, 6, 9, 10, 11, 21, & 23 of Certificate of Survey #5140, Seeley Lake, Missoula County, Montana.

The appraisers were asked to estimate the values of the fee simple interests in the sites and improvements for each subject property for decisions regarding potential sale of each property.

Information about the subject properties has been collected and analyzed and a narrative appraisal report for the subject properties has been prepared. The scope of the appraisal requires compliance with the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Guide Notes to the Standards of Professional Appraisal Practice adopted by the Appraisal Institute. The standards contain binding requirements and specific guidelines that deal with the procedures to be followed in developing an appraisal, analysis, or opinion. The Uniform Standards set the requirements to communicate the appraiser's analyses, opinions and conclusions in a manner that will be meaningful and not misleading in the marketplace.

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on May 5th and 6th, 2016.

Scope of Research

The history of ownership, historical uses and current intended uses were researched via the Montana Department of Natural Resources, the applicable lessees for each property, Missoula County Records, and the area Multiple Listing Service.

Area trends in development were researched based upon information from various offices of the Missoula County; inspections of surrounding properties by the appraisers; interviews with area developers, property owners and property managers; and research regarding current and projected demographics in the immediate and greater subject market area.

Comparable market data was obtained through a combination of public record and area realtors, developers and property owners. Every effort was made to verify all comparable data. **Montana is a non-disclosure state and realty transfer sales price information is not available via public record.**

Extraordinary Assumption(s)

An **Extraordinary Assumption** is defined in 2016-2017 version of the Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be *“an assumption, directly related to a specific assignment, as of the effective date of the assignment results which, if found to be false, could alter the appraiser’s opinions or conclusions.”*

There values concluded in this report are based upon the **Extraordinary Assumptions** that there are suitable areas on each subject site for septic systems.

Hypothetical Conditions

A **Hypothetical Condition** is defined in 2016-2017 version of the Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for purpose of analysis.*”

The values concluded in this report for the subject properties are based upon the **Hypothetical Conditions** that each property was a legal parcel as of the report effective date and that there was legal and adequate access to each property.

Highest & Best Use

Our opinion of the highest and best uses for the subject properties were developed using the research collected relative to the subject properties, area development trends, and demographics. The information collected is considered comprehensive and provided a credible basis for a carefully considered analysis. The appraisal process presented was based upon the highest and best use conclusions for the subject properties.

Appraisal Process

The Sales Comparison Approach is developed to determine the value of each subject site as if vacant. This is typically the most reliable approach for determining values of vacant sites.

All three approaches to value were considered for the valuation of the applicable subject properties as improved. Most market participants interested in purchasing lake front homes do not base decisions upon the depreciated cost of the improvements. For this reason the Cost Approach is not considered applicable and was not developed in this report. The subject properties are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach is developed to determine the values of the subject properties as improved.

Environmental

The appraisers do not possess the requisite expertise and experience with respect to the detection and measurement of hazardous substances, unstable soils, or freshwater wetlands. Therefore, this assignment does not cover the presence or absence of such substances as discussed in the Limiting Conditions section of this report. However, any visual or obviously known problems affecting the properties will be reported and their impact on the value will be discussed.

General Data Sources

Individuals and offices consulted in order to complete this appraisal include the following:

- Missoula County – Various Offices;
- Montana Department of Revenue;
- Various Area Real Estate Agents, Property Managers, Property Owners, Tenants, and Builders

Specific data sources are noted in the body of the report where appropriate.

IDENTIFICATION OF THE SUBJECT PROPERTIES

Lot #	Certificate of Survey	Section/Township/Range	County
1	5140	S4/T16W/R15W	Missoula
2	5140	S4/T16W/R15W	Missoula
3	5140	S4/T16W/R15W	Missoula
4	5140	S4/T16W/R15W	Missoula
6	5140	S4/T16W/R15W	Missoula
9	5140	S4/T16W/R15W	Missoula
10	5140	S4/T16W/R15W	Missoula
11	5140	S4/T16W/R15W	Missoula
21	5140	S4/T16W/R15W	Missoula
23	5140	S4/T16W/R15W	Missoula

INTENDED USE & INTENDED USERS OF THE APPRAISAL

It is understood that the intended use of this appraisal is for decisions regarding possible sale of the subject properties. This report was prepared for the, the client, (State of Montana, Montana Board of Land Commissioners, & Montana Department of Natural Resources and Conservation) and is their exclusive property. The Lessee or Lessees for each lot are additional intended users of this report. They are listed below;

Lot #	Sale #	Lessee
1	816	Corey & Kristi Markovich
2	814	George & Gail Kerscher
3	820	David & Julie Lapham
4	818	Joseph & Gina Bollinger
6	821	Bertoglio Family LLC
9	815	Beesnest Properties, LLC
10	822	Byron & Lysie Denzer
11	817	Lori Posey
21	819	James & Kathleen Workman
23	813	Michael Evans

No additional parties may rely upon this report without the express written consent from both the appraisers and the client.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market values of the fee simple interests in the subject properties for possible sale purposes.

DATES OF PROPERTY VIEWINGS

May 5 & 6, 2016

EFFECTIVE DATES OF MARKET VALUES

May 5 & 6, 2016

PROPERTY RIGHTS APPRAISED

The values indicated in this report are for the **fee simple** interests in the subject properties. The fee simple interest is full, complete, and unencumbered ownership subject only to the governmental rights of taxation, police power, eminent domain and escheat. This is the greatest right and title, which an individual can hold in real property.

DEFINITION OF MARKET VALUE

At the request of the client, the definition of market value utilized in this report is the Current Fair Market Value as defined in MCA 70-30-313 which is as follows;

Current Fair Market Value is the price that would be agreed to by a willing and informed seller and buyer, taking into consideration, but not limited to, the following factors:

- 1) the highest and best reasonable available use and its value for such use, provided current use may not be presumed to be the highest and best use;
- 2) the machinery, equipment, and fixtures forming part of the real estate taken; and
- 3) any other relevant factors as to which evidence is offered

STATEMENT OF OWNERSHIP & USE HISTORY

STATEMENT OF OWNERSHIP

The subject sites are all owned by the State of Montana. The improvements on the sites are owned by the respective lessees. The lessees are listed and the most recent transfer of the improvements according to the records of Missoula County are below;

Lot #	Lessee	Last Transfer of Improvements
1	Corey & Kristi Markovich	2012
2	George & Gail Kerscher	1990
3	David & Julie Lapham	2007
4	Joseph & Gina Bollinger	2013
6	Bertoglio Family LLC	Unknown
9	Beesnest Properties, LLC	1970's
10	Byron & Lysie Denzer	2015
11	Lori Posey	Unknown
21	James & Kathleen Workman	Unknown
23	Michael Evans	Unknown

Transfer of Lot 9 in 2011 not included above as it is between related parties

USE/MARKETING HISTORIES

The Montana Department of Natural Resources and Conservation manages a total of approximately 770 leasable residential cabin sites which are owned by the State of Montana. The subject lots are in this program. According to the available information, the subject lots have been used for recreational/residential purposes for the three years prior to the report effective date. Houses were constructed on all of the subject sites. The house construction dates and most recent listing information and sales prices for the improvements via the area MLS for each subject property are below;

Lot #	Lessee	Last Transfer of Improvements	Purchase Price of Improvements	Year House Built
1	Corey & Kristi Markovich	2012	\$109,000	1970
2	George & Gail Kerscher	1990	Unknown	Unknown
3	David & Julie Lapham	2007	Unknown	1958
4	Joseph & Gina Bollinger	2013	\$168,000	1965
6	Bertoglio Family LLC	Unknown	Unknown	1996
9	Beesnest Properties, LLC	1970's	Unknown	1940
10	Byron & Lysie Denzer	2015	\$250,000	1960
11	Lori Posey	Unknown	Unknown	1952
21	James & Kathleen Workman	Unknown	Unknown	Unknown
23	Michael Evans	Unknown	Unknown	2002

According to our research, none of the subject improvements were available for sale via the area MLS as of the report effective date. The improvements on Lots 4 and 10 were marketed via the area MLS and sold during the past 3 years. None of the remaining subject properties had been marketed via the area MLS during the 3 years prior to the report effective date.

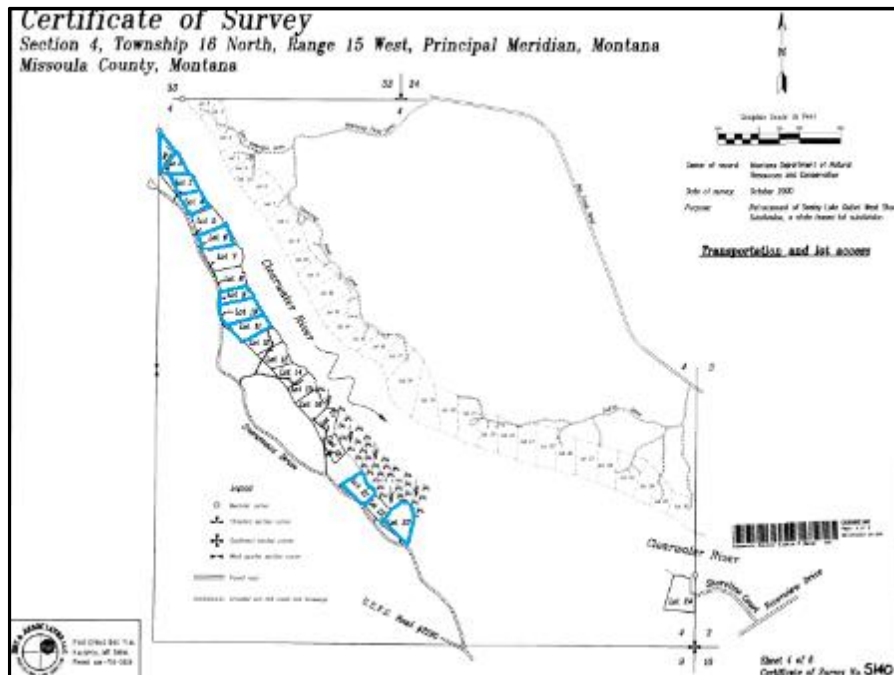
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTION

The subject properties are Lots 1, 2, 3, 4, 6, 9, 10, 11, 21, & 23 of Certificate of Survey #5140 in Section 04, Township 16 North, Range 15 West, in Missoula County, Montana. The subject properties are described on the table below;

Lot #	Lessee	Gross Acres	Slope Description
1	Corey & Kristi Markovich	1.010	Level
2	George & Gail Kerscher	0.808	Level
3	David & Julie Lapham	1.237	Level
4	Joseph & Gina Bollinger	1.133	Level
6	Bertoglio Family LLC	1.325	Level
9	Beesnest Properties, LLC	0.861	Level
10	Byron & Lysie Denzer	1.669	Level
11	Lori Posey	1.465	Level
21	James & Kathleen Workman	1.311	Level
23	Michael Evans	1.803	Rolling

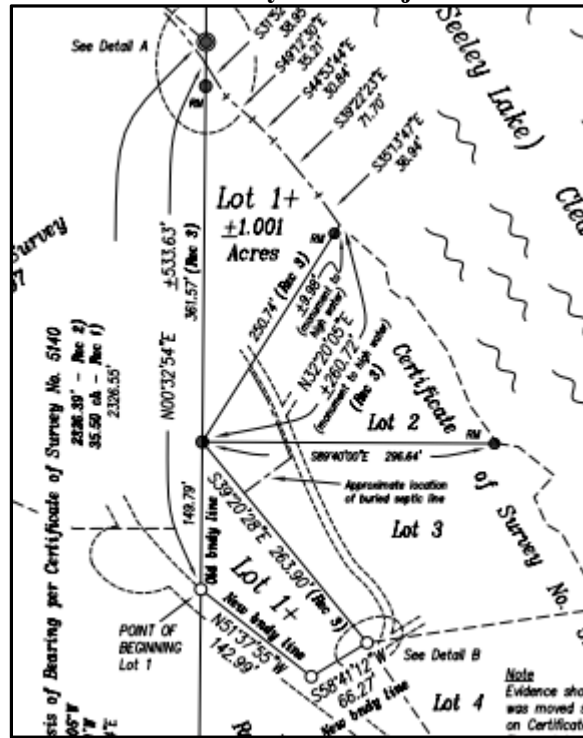
The subject properties are outlined in blue on Page 4 of COS# 5140 which is below;



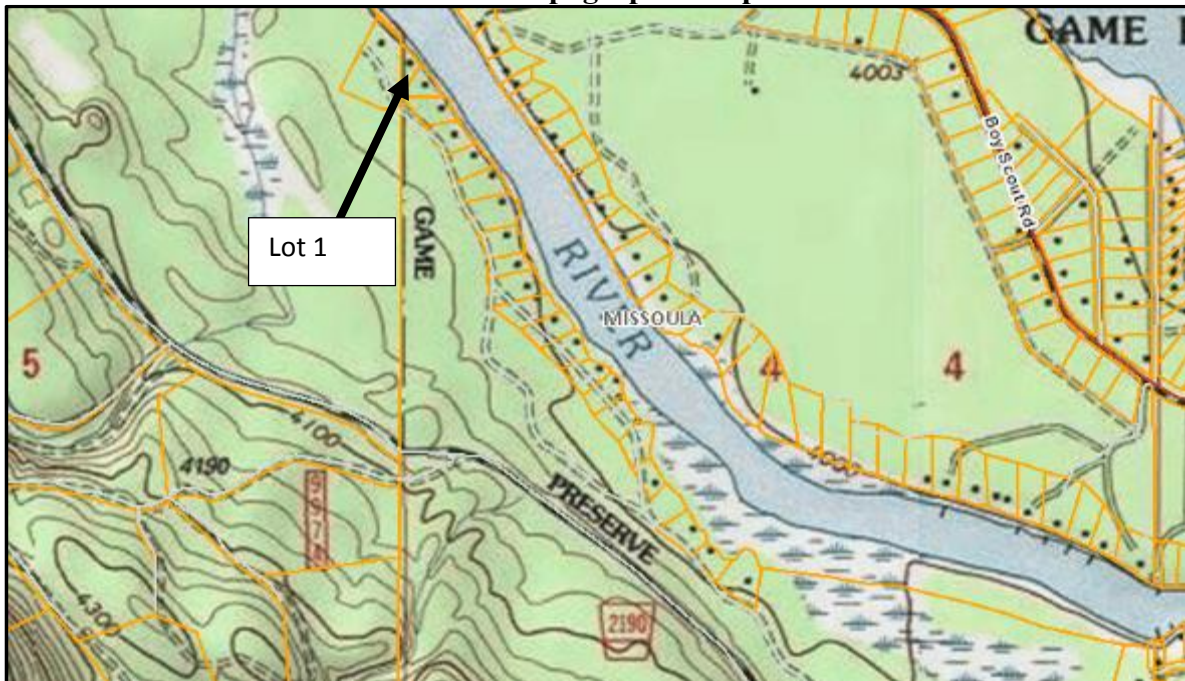
Individual images depicting each subject site recorded as part of COS #5140 and topographic maps are included on the following pages.

LOT 1

Unrecorded Boundary Line Adjustment Survey

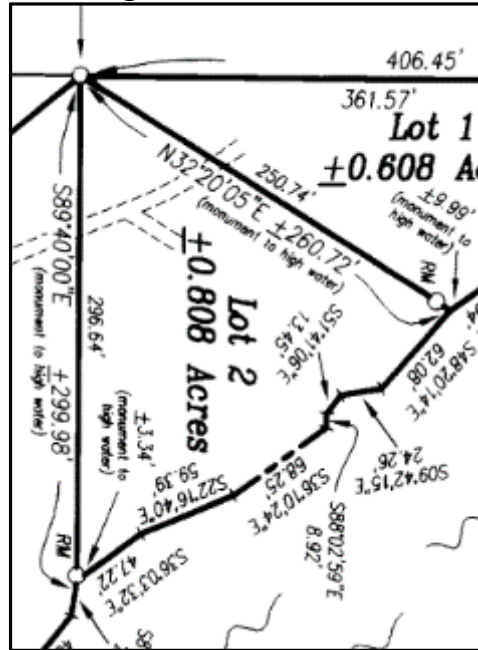


Area Topographic Map

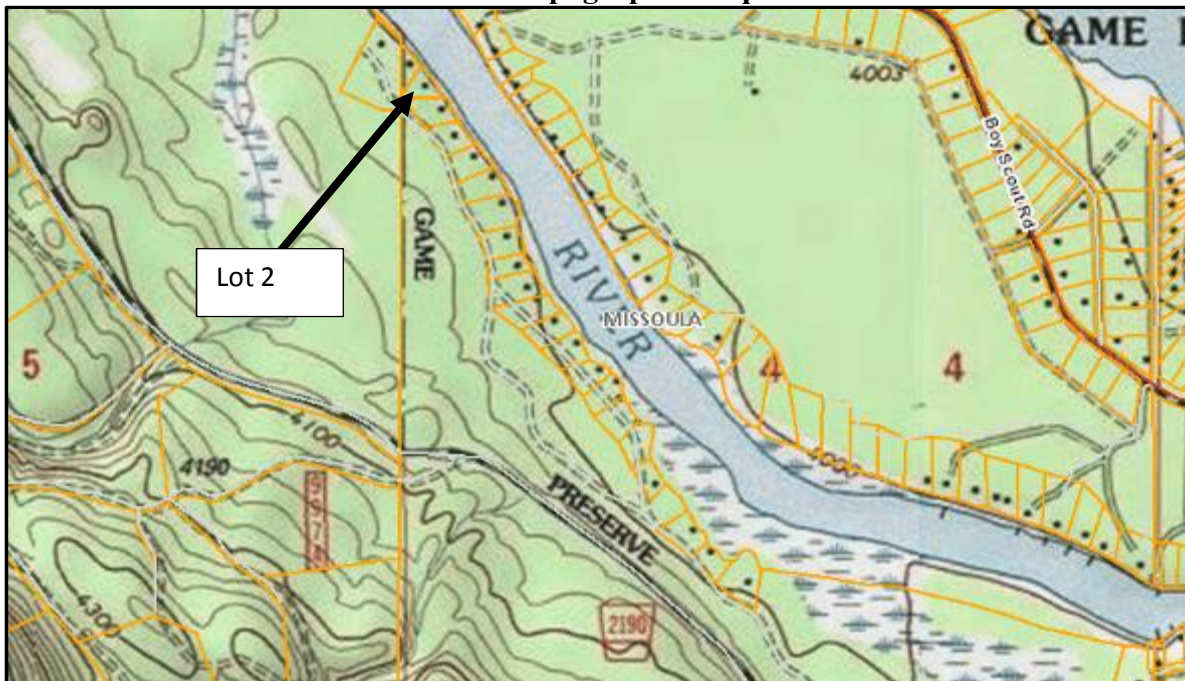


LOT 2

Enlarged View of COS # 5140

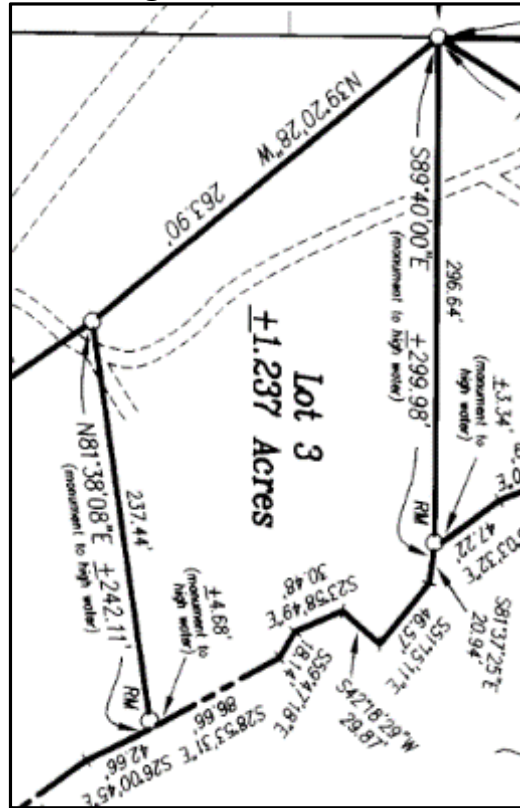


Area Topographic Map

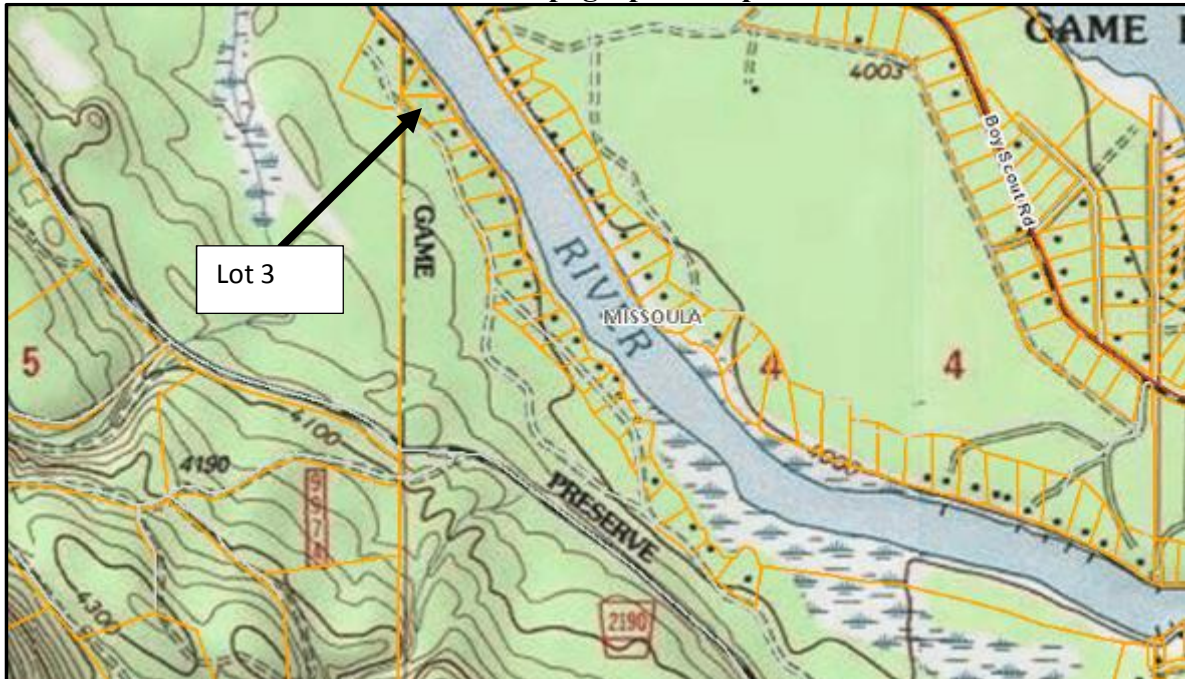


LOT 3

Enlarged View of COS # 5140

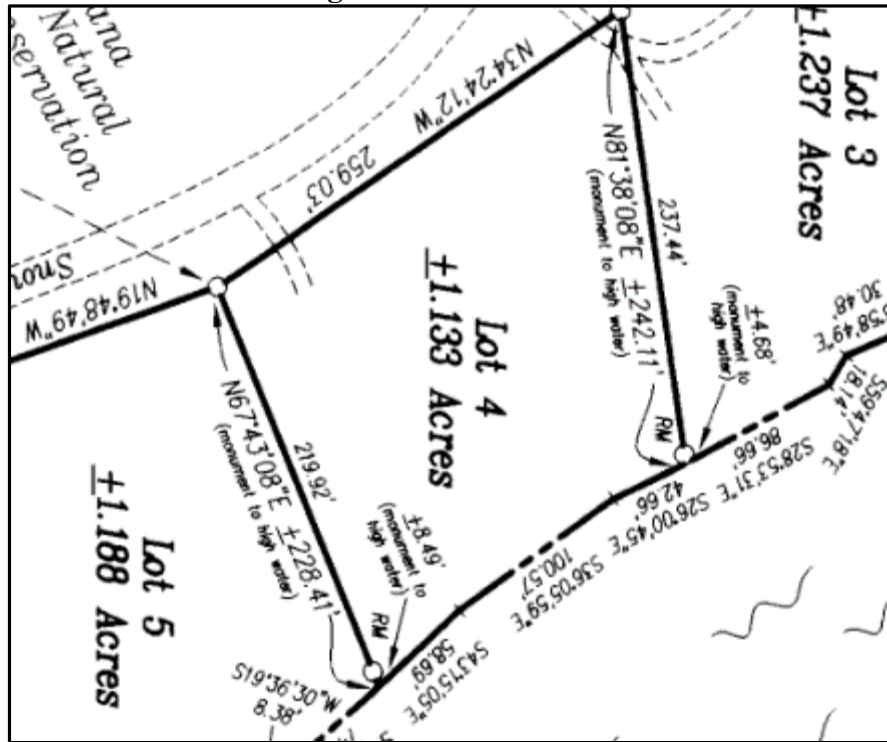


Area Topographic Map

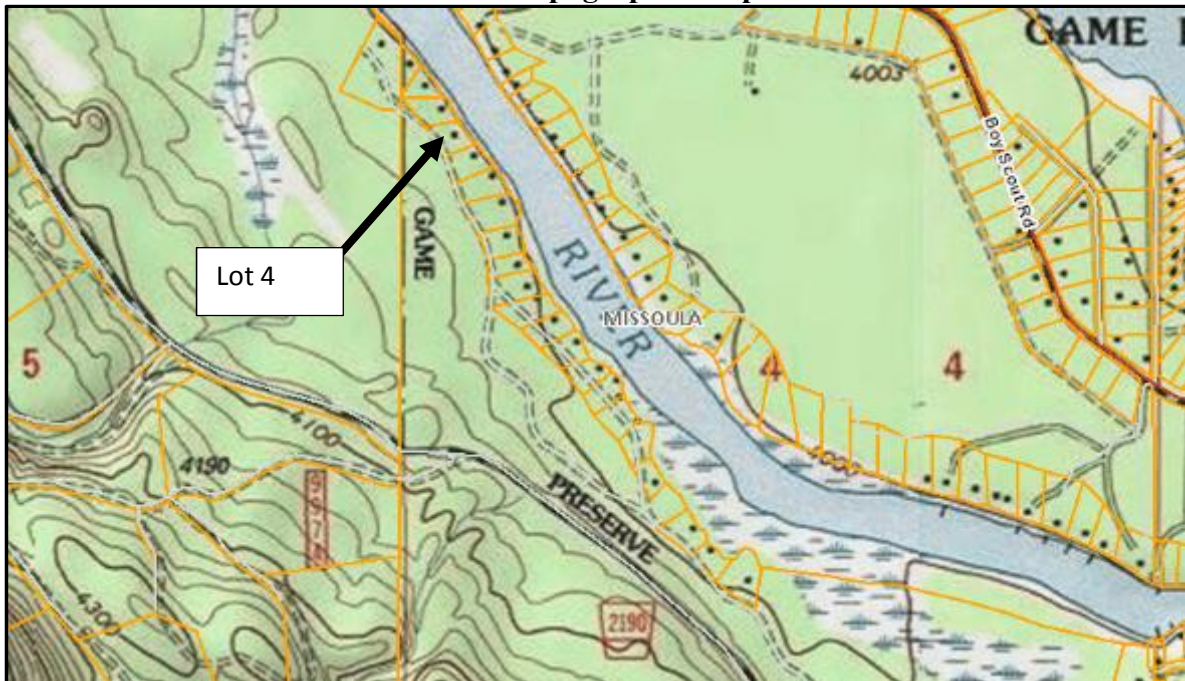


LOT 4

Enlarged View of COS # 5140

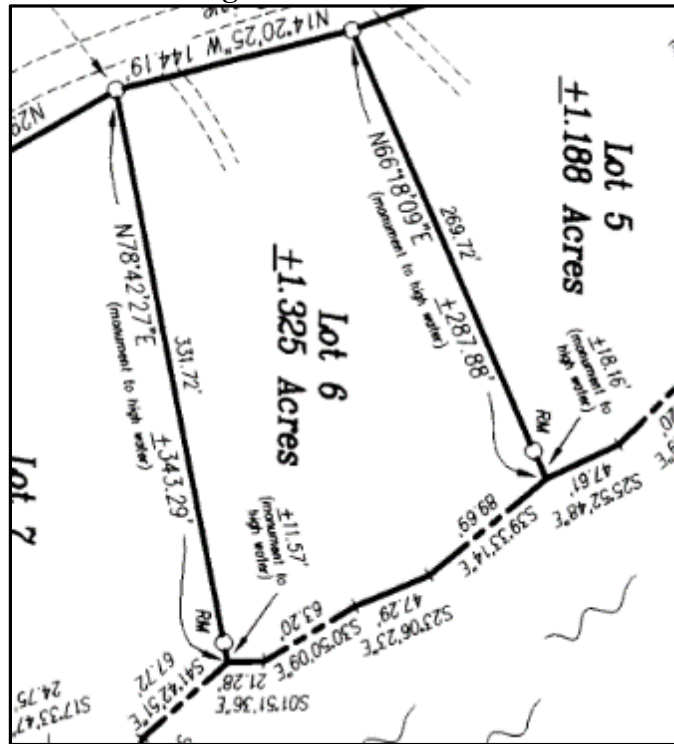


Area Topographic Map

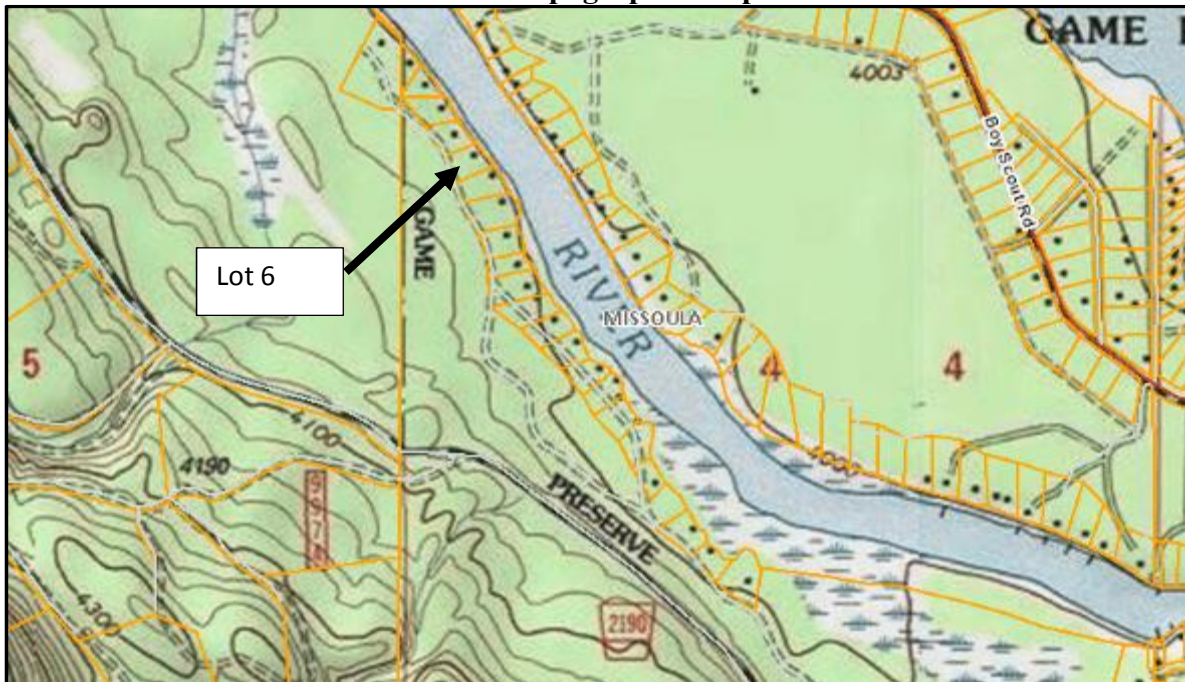


LOT 6

Enlarged View of COS # 5140

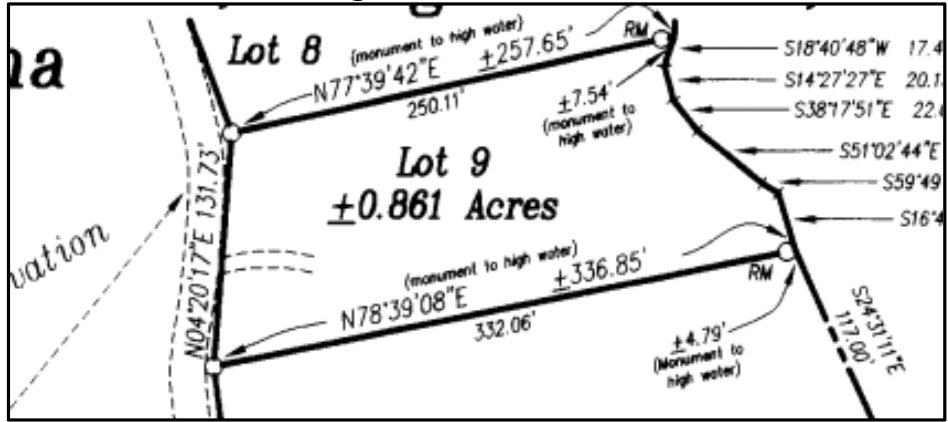


Area Topographic Map



LOT 9

Enlarged View of COS # 5140

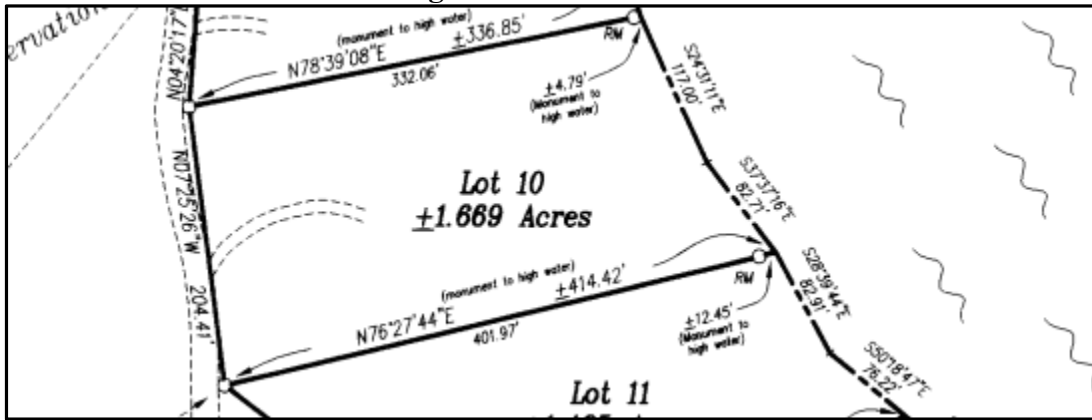


Area Topographic Map

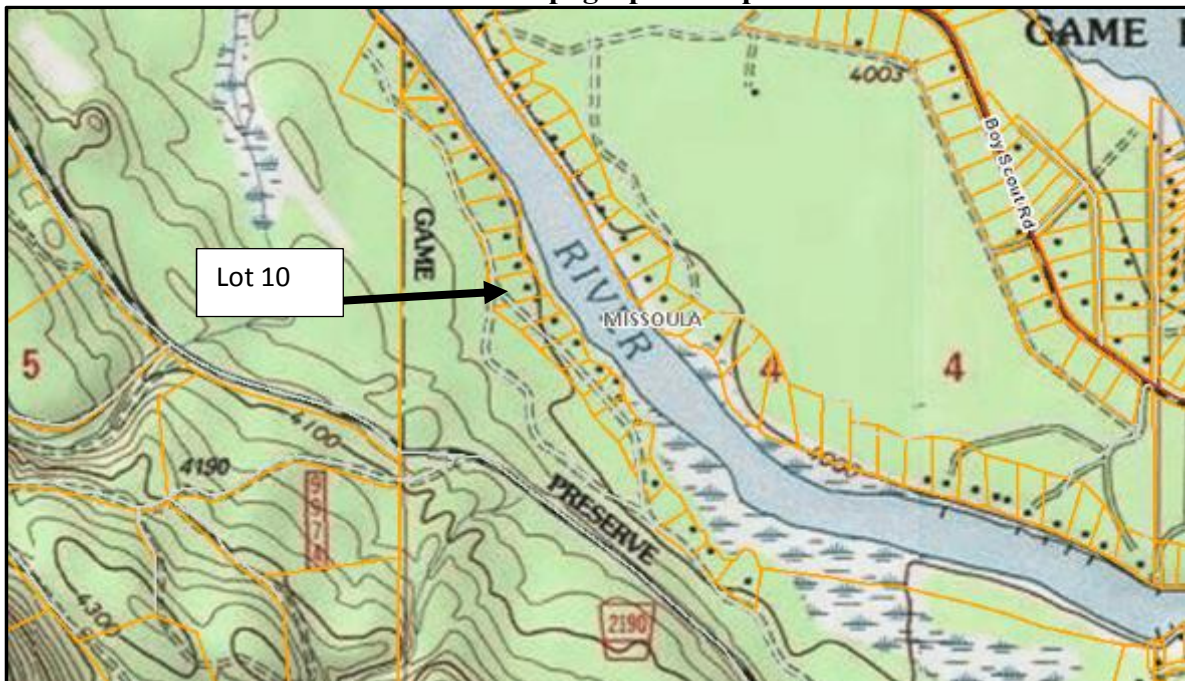


LOT 10

Enlarged View of COS # 5140

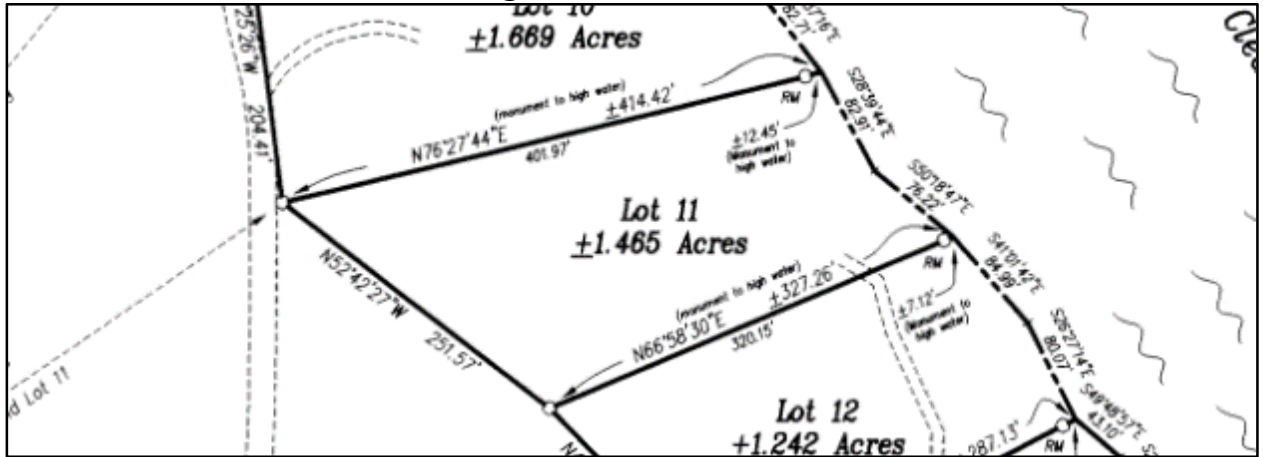


Area Topographic Map



LOT 11

Enlarged View of COS # 5140

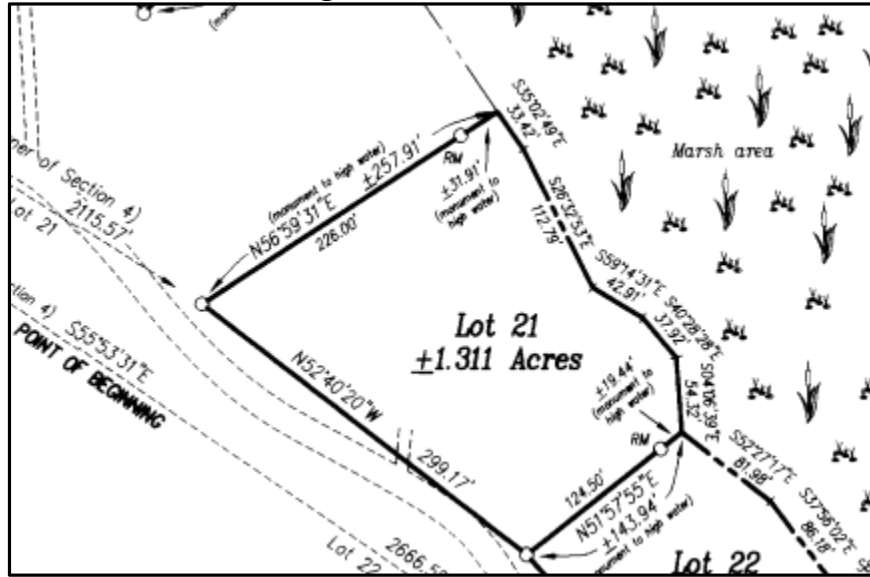


Area Topographic Map

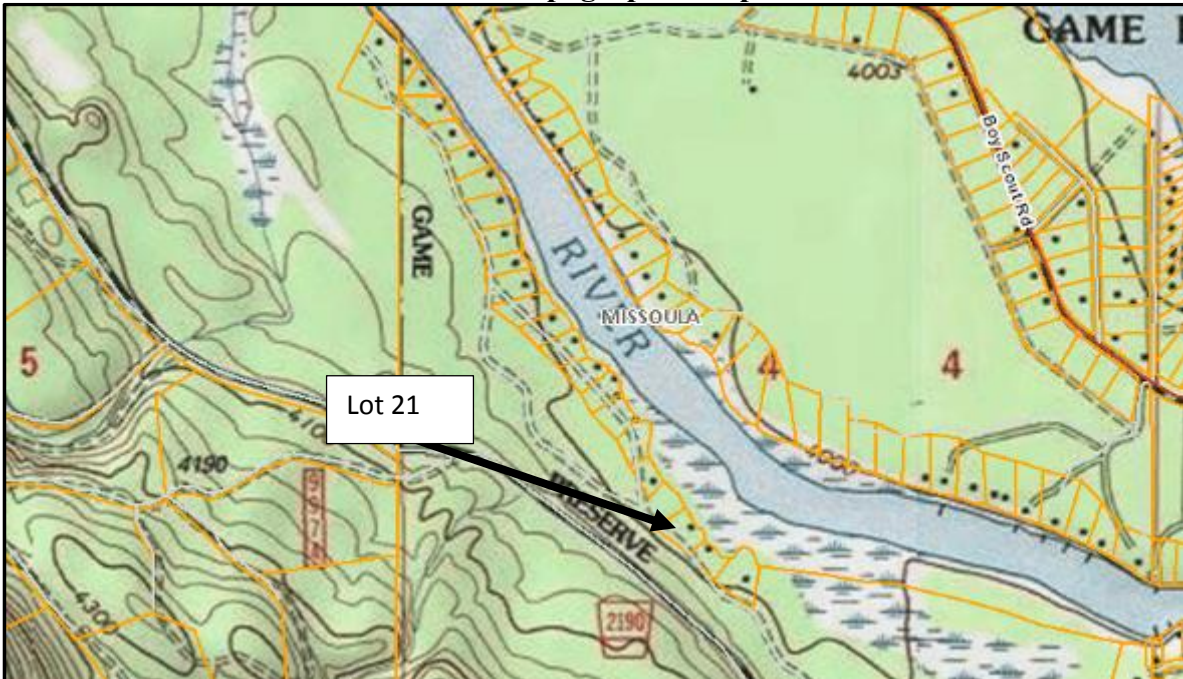


LOT 21

Enlarged View of COS # 5140

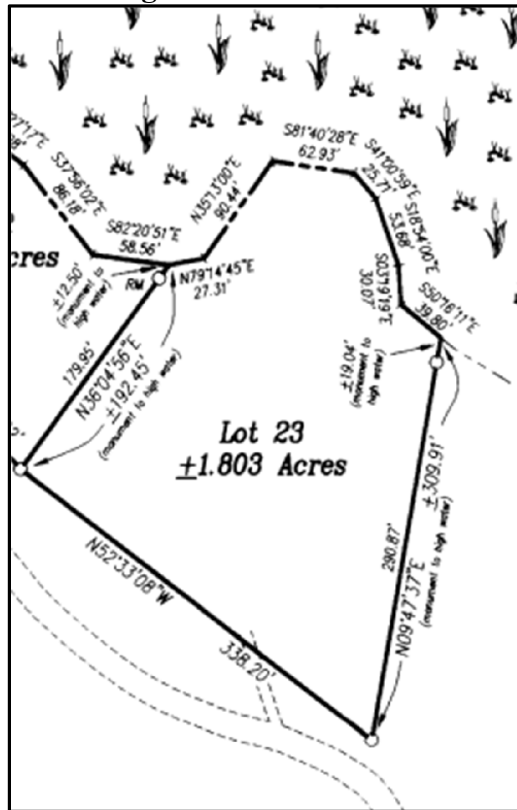


Area Topographic Map

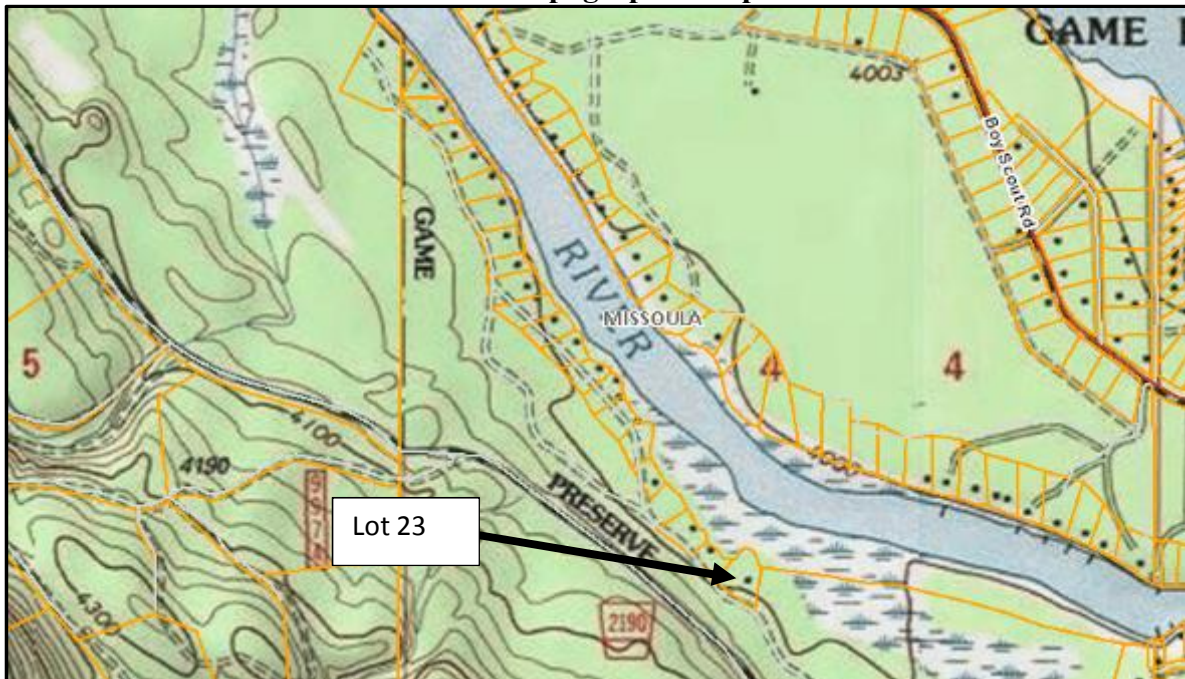


LOT 23

Enlarged View of COS # 5140



Area Topographic Map



ACCESS AND VIEWS

The subject properties are accessed via Snowmass Drive or driveways off of Snowmass Drive. Snowmass Drive is a state owned, gravel road. All of the subject sites have frontage along the Clearwater River at the outlet from Seeley Lake. All have river and mountain views.

IMPROVEMENTS

The subject improvements are described on the tables below;

Lot #	1	2	3	4	6
Residence SF	1,774	792	976	648	2,168
Construction Type	Wood Frame	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Foundation	Basement	Wood Piers	Wood Piers	Wood Piers	Basement
Quality	Average	Average	Average	Average	Average
Condition	Good	Average	Average	Average	Good
Year Built	1970	Unk. (1971 Estimated)	1958	1965	1996
# of Bedrooms	4	2	2	0	4
# of Bathrooms	2	1	0	0	3
Porches/Decks	Deck	Screened Porch/Deck	Deck	N/A	2 Decks/Patio
Outbuildings	2 Car Garage, Living Area over Garage, Dock Walkway	Outhouse, Dock Walkway	2 Car Garage, Living Area (with Bathroom) in Garage, Boat House, 2 Storage Buildings, Playhouse (Guest House included in Residence SF)	Outhouse, Dock Walkway	2 Car Garage, Shed, Dock & Dock Walkway
Other Site Improvements	Engineered Septic/Well/Underground Utilities	Septic/Lake Water System	Septic/Lake Water System	None	Septic/Well
Landscaping	Yes	Yes	Yes	Yes	Yes

Lot #	9	10	11	21	23
Residence SF	1,649	1,195	1,406	996	1,825
Construction Type	Wood Frame	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Foundation	Wood Piers	Wood Piers	Wood Piers	Wood Piers	Crawl Space
Quality	Average	Average	Average	Average	Average
Condition	Average	Good	Average	Average	Good
Year Built	1940	1960	1952	Unk. (1971 Estimated)	2002
# of Bedrooms	4	3	3	2	2
# of Bathrooms	1	1	1	2	2
Porches/Decks	Deck/Covered Porch	Deck/Patio	Deck	Covered Porch	Covered Patio/Deck
Outbuildings	Outhouse, Pump House, Wood Shed	2 Storage Sheds, Pump House, Outhouse, Dock & Dock Walkway (Bunk House included in Residence SF)	Shed, Pump House, Outhouse, Dock & Dock Walkway	2 Sheds, Storage Building, Outhouse, Dock Walkway (Bunk House included in Residence SF)	2 Car Garage, 2 Car Garage/Shop with a Loft, 2 Greenhouses, Carport, Shed, Storage Building, Storage Beneath Bunk House, Dock Walkway & Dock (Bunk House included in Residence SF)
Other Site Improvements	Septic/Lake Water System/Underground Utilities	Septic/Well/Lake Water Irrigation System	Septic/Lake Water System	Septic/Well/Underground Utilities	Septic/Lake Water System/Underground Sprinklers/Underground Utilities
Landscaping	Yes	Yes	Yes	Yes	Yes

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

According to COS #5140, there is a driveway which crosses Lots 2 and 3 and provides access to Lots 1, 2, and 3. This driveway is considered an easement across Lots 2 and 3. No other easements were noted on the COS. Applicable easements for the subject lots are summarized below;

Lot #	Lessee	Easements
1	Corey & Kristi Markovich	None
2	George & Gail Kerscher	Driveway to Lot 1
3	David & Julie Lapham	Driveway to Lots 1 & 2
4	Joseph & Gina Bollinger	None
6	Bertoglio Family LLC	None
9	Beesnest Properties, LLC	None
10	Byron & Lysie Denzer	None
11	Lori Posey	None
21	James & Kathleen Workman	None
23	Michael Evans	None

All of the subject properties are regulated by Missoula County, various agencies of the State of Montana, and agencies of the United States regarding construction near or in riparian and other wetland areas. Permits are required for construction within specific distances of waterways.

If additional easements, restrictions, or encroachments other than those noted in this report are present on the subject properties, the values concluded in this report may be affected.

ZONING

The subject properties are in an area of Missoula County that is not zoned.

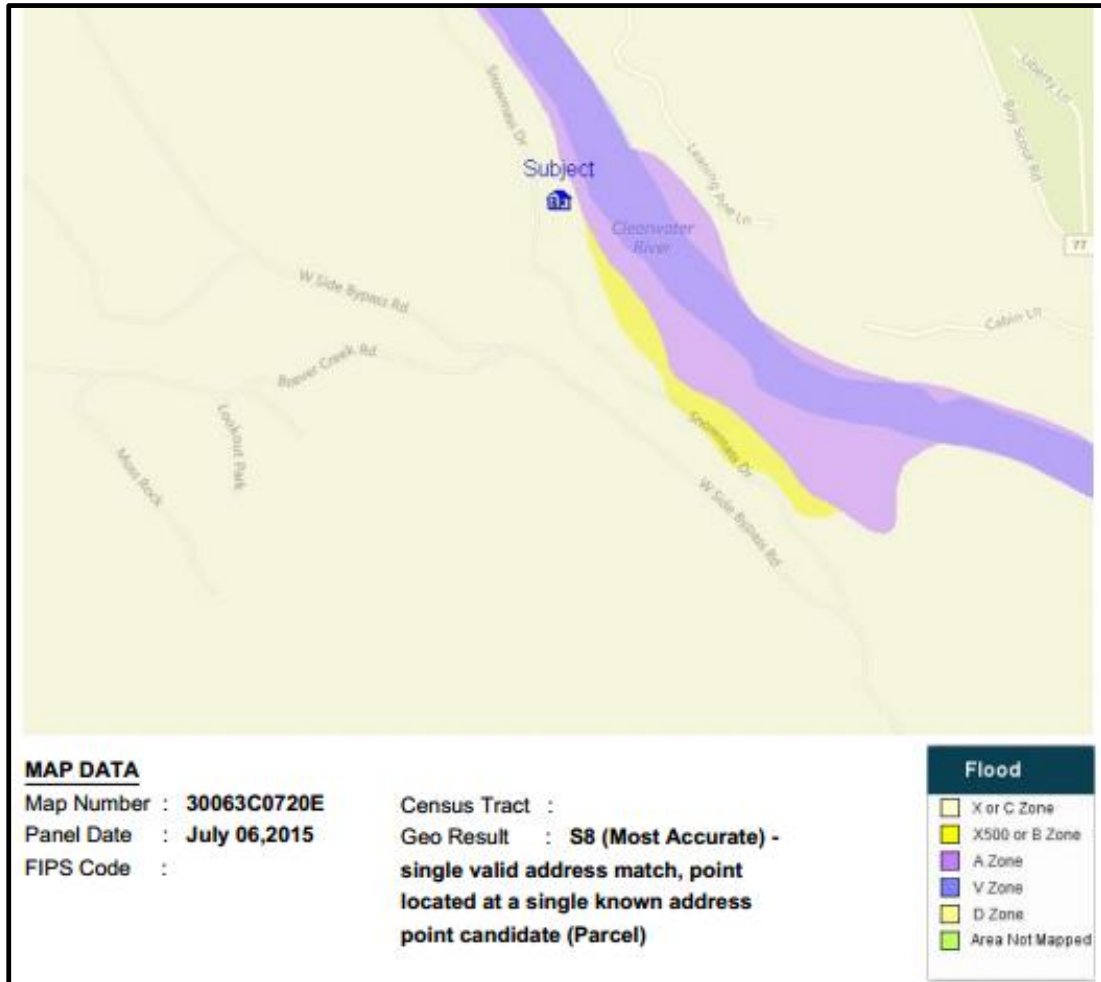
ASSESSMENT/REAL PROPERTY TAXES

The subject lots were tax exempt as of the report effective date; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2015 tax bills and taxable market values for the subject improvements (as per the Montana Department of Revenue) are included on the table below;

Tax Bills for Improvements			
Lot #	Lessee	2015 Taxable Market Value	2015 Tax Bill Amount
1	Corey & Kristi Markovich	\$154,470	\$1,351.83
2	George & Gail Kerscher	\$60,410	\$620.36
3	David & Julie Lapham	\$116,410	\$1,572.00
4	Joseph & Gina Bollinger	\$37,920	\$455.12
6	Bertoglio Family LLC	\$230,950	\$1,947.28
9	Beesnest Properties, LLC	\$92,490	\$869.95
10	Byron & Lysie Denzer	\$83,610	\$800.77
11	Lori Posey	\$81,240	\$782.34
21	James & Kathleen Workman	\$53,490	\$566.18
23	Michael Evans	\$282,230	\$2,346.16

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Federal Emergency Management Agency (FEMA) Flood Zone Map (Map Panel #30063C0720E), the subject properties are located in Zones A, B, and C. Zones A and B are areas with some flood hazard and Zone C is an area designated as low to moderate flood risk. An exhibit derived from the FEMA flood map panel is below;



The subject lots all include native vegetation and/or landscaping.

We assume that drainage and storm water runoff is adequate and was properly designed and engineered for the subject sites. We have not been provided with a soil study for the subject sites. We assume the soil can accommodate the type of construction, which is typically seen in the subject area.

We have not been provided with environmental audits for the subject sites and assume there are no toxic or hazardous materials, groundwater contamination or unstable soils that may be on or in the subject lots. Should any of these conditions be present, the values concluded in this report may be affected.

UTILITIES

There is electricity and telephone service along Snowmass Drive. Lots 1, 9, 21, and 23 include some degree of buried electrical lines. All of the subject lots have access and were connected to electricity as of the report effective date. Lots 6, 10, and 21 include wells. The remaining lots utilize lake water systems only. Lot 10 includes a well and a lake water system for irrigation. All of the subject lots (with the exception of Lot 4) include septic systems. The septic systems in place are of various types and various ages. It is assumed that the septic systems in place are all in working order and there are areas suitable for replacement drain fields as necessary.

PUBLIC SAFETY AND SERVICES

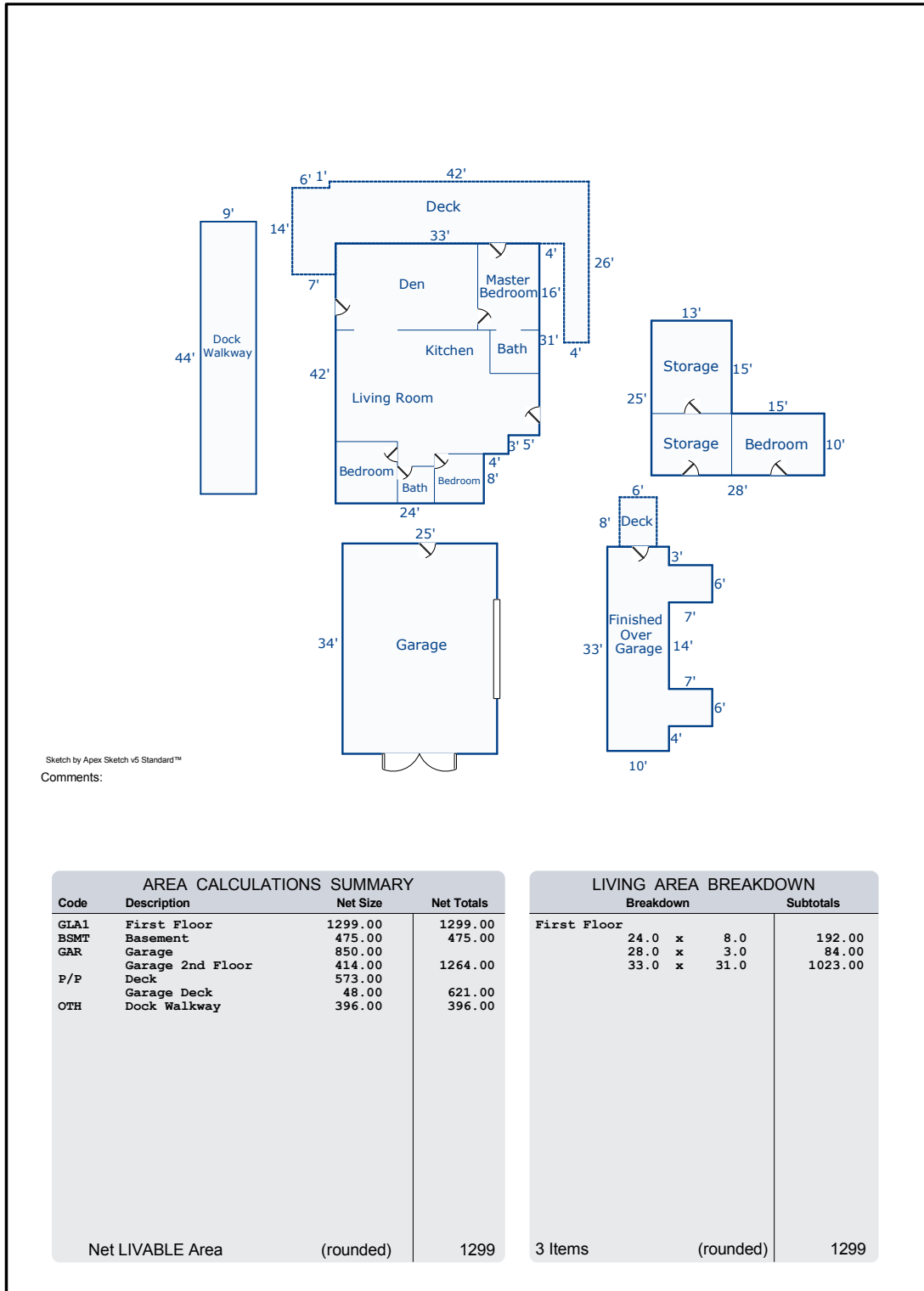
Police, fire protection, and other services are provided by Missoula County and area volunteer emergency services.

SITE SUITABILITY

The subject lots are legally and physically suited for residential improvements.

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 1 – BUILDING SKETCH



LOT 1 - PHOTOGRAPHS



Cabin on Lot 1 Front



Cabin Rear



View of Cabin from Garage



Living Room in Cabin



Living Room and View of Seeley Lake Outlet



Bedroom

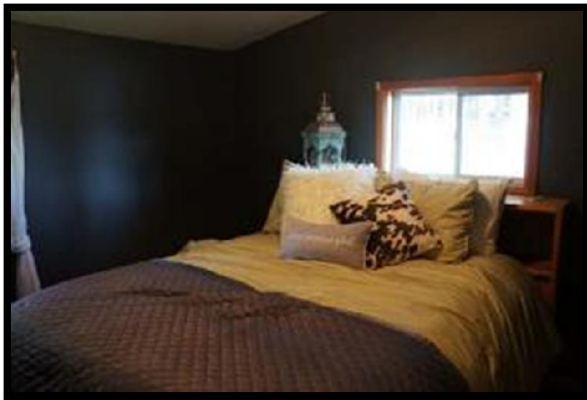
ADDITIONAL PHOTOGRAPHS



Bathroom



Shower



Bedroom



Bathroom



Bedroom



Kitchen

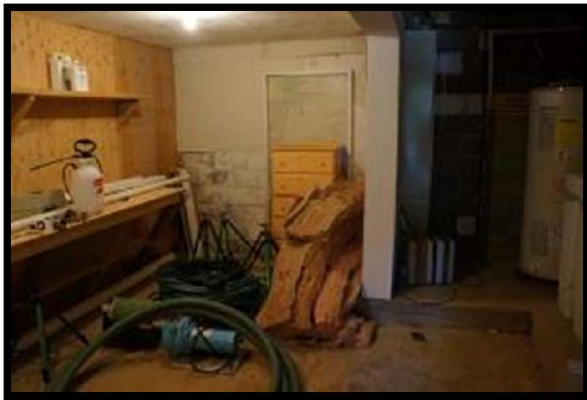
ADDITIONAL PHOTOGRAPHS



New Electrical Panel



Lower Level Bedroom



Storage Room on Lower Level



Storage Room on Lower Level



Garage



Southwest Side of Garage

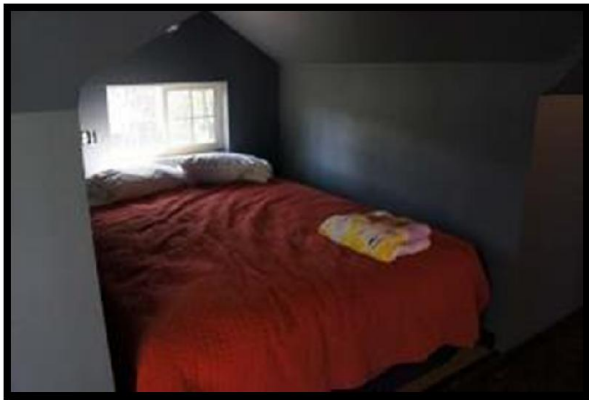
ADDITIONAL PHOTOGRAPHS



Garage and Cabin from Driveway



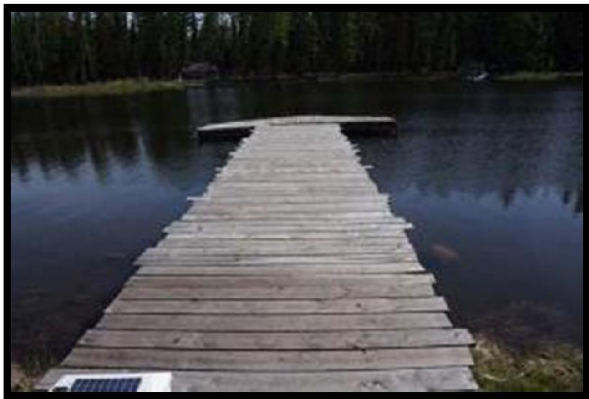
Garage Interior



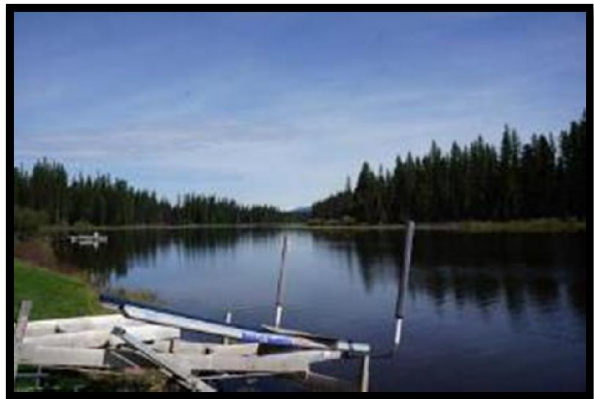
Finished Area over Garage



Finished Area over Garage



Dock



Seeley Lake Outlet Looking North toward Lake

ADDITIONAL PHOTOGRAPHS



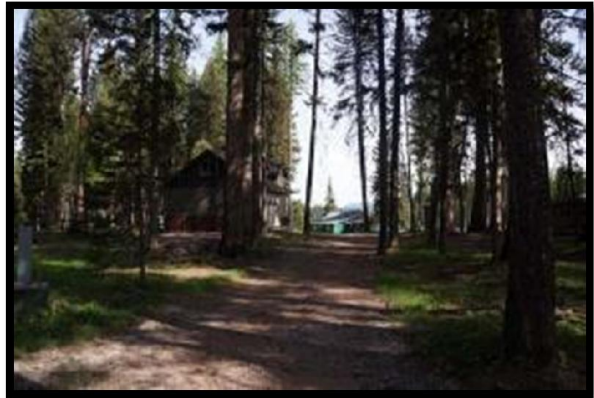
Lot 1 Water Frontage Looking Northwest



Lot 1 Property Boundary Marker



Raised Septic Mound



Driveway to Lot 1

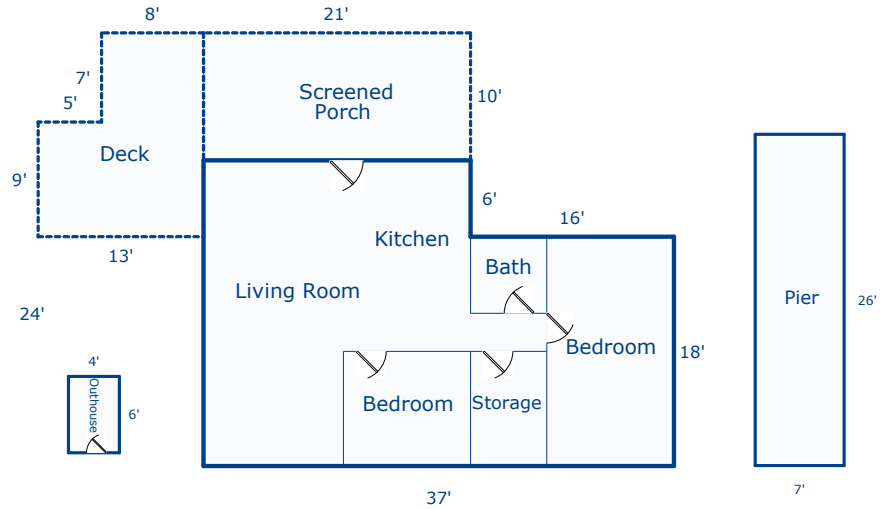


Snowmass Drive Looking Northwest



Snowmass Drive Looking Southeast

LOT 2 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	792.00	792.00
P/P	Screened Porch	210.00	
	Deck	173.00	383.00
OTH	Outhouse	24.00	
	Pier	182.00	206.00
Net LIVABLE Area		(rounded)	792

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
	37.0 x	18.0	666.00
	6.0 x	21.0	126.00
2 Items		(rounded)	792

LOT 2 - PHOTOGRAPHS



Lot 2 Cabin Rear



West and South Sides of Cabin



South Side of Cabin



East Side of Cabin



View of Cabin from Waterfront



Lot 2 Interior and Cabin Looking North

ADDITIONAL PHOTOGRAPHS



Kitchen



Living Room



Bedroom



Bedroom



Bathroom



Dining Area

ADDITIONAL PHOTOGRAPHS



Screened Porch



Post & Pier Foundation



Storage Area under Screened Porch



Outhouse



Dock and Lake Outlet from Deck



Pier

ADDITIONAL PHOTOGRAPHS



Water Frontage Looking South



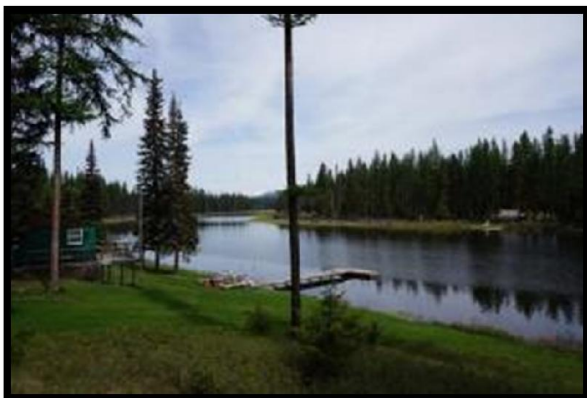
Water Frontage Looking North



Southeast Property Boundary Marker



View along South Property Boundary Looking West



View of Seeley Lake Outlet Looking North from Deck



Pump House

ADDITIONAL PHOTOGRAPHS



South Property Boundary Looking East



Lot 2 Property Boundary Marker

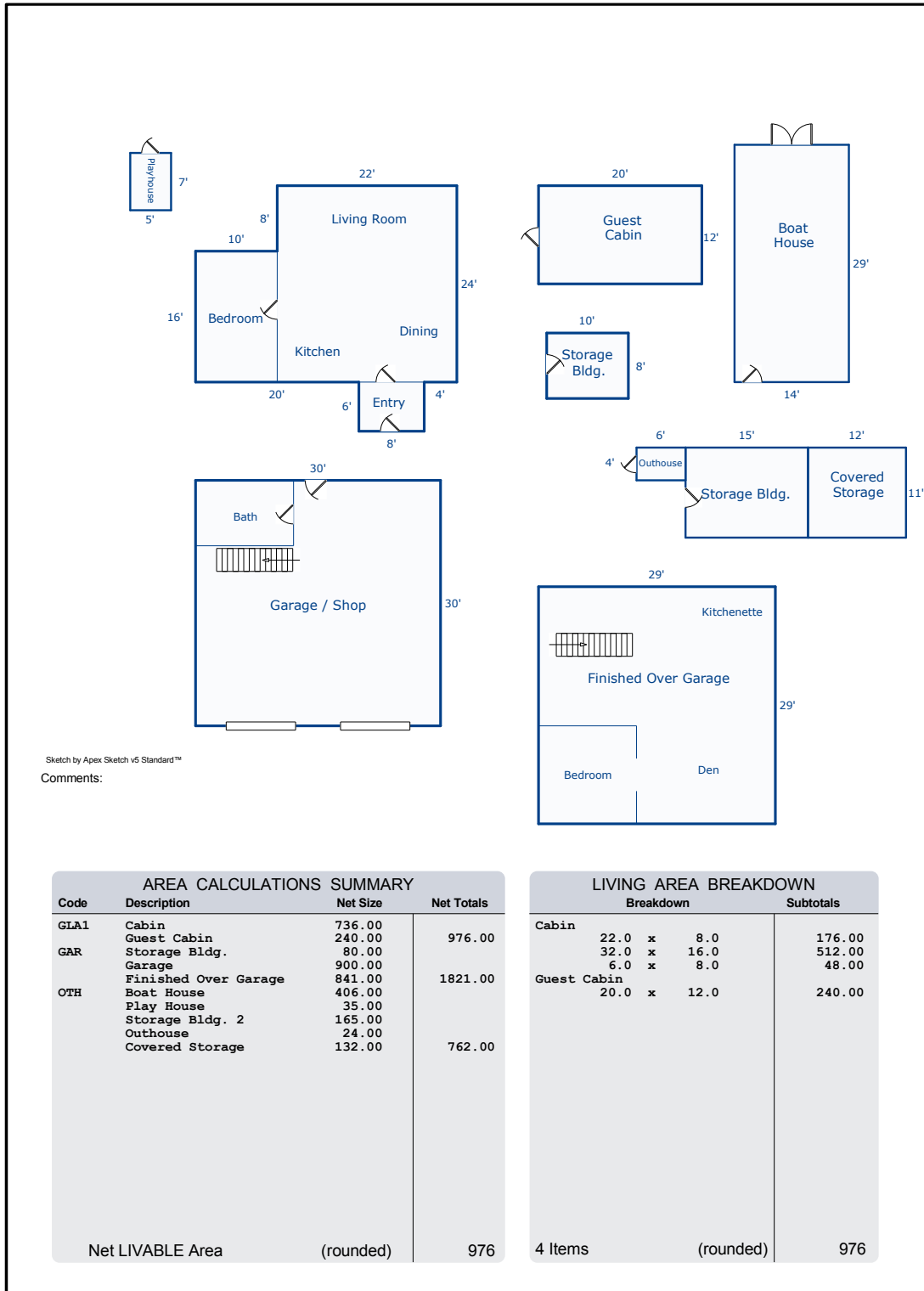


Snowmass Drive Looking Southeast



Snowmass Drive Looking Northwest

LOT 3 – BUILDING SKETCH



LOT 3 - PHOTOGRAPHS



Lot 3 Cabin Front



South Side of Cabin



North Side of Cabin



West Side of Cabin



Living Room



Kitchen

ADDITIONAL PHOTOGRAPHS



Bedroom



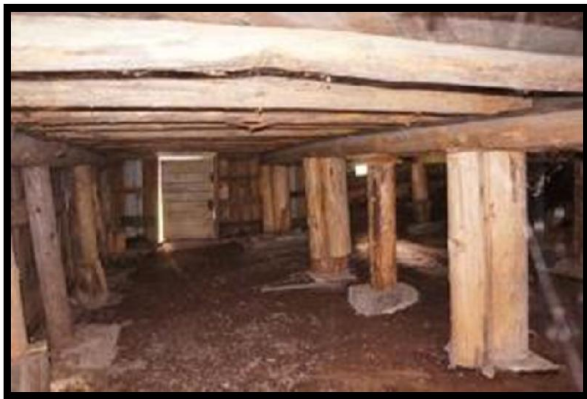
Living Room and Kitchen



Cabin Interior



Wood Stove



Post & Pier Foundation



Well Pump Enclosure and Water Tank

ADDITIONAL PHOTOGRAPHS



Bunk House



Bunk House Interior



Boat House



Boat House and Lake Outlet Looking South



Play House



Storage Building

ADDITIONAL PHOTOGRAPHS



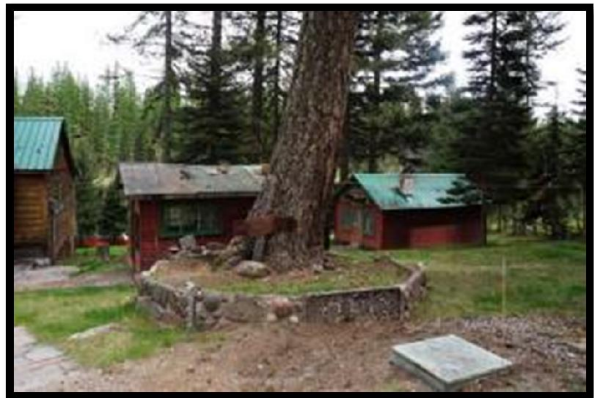
Storage Building



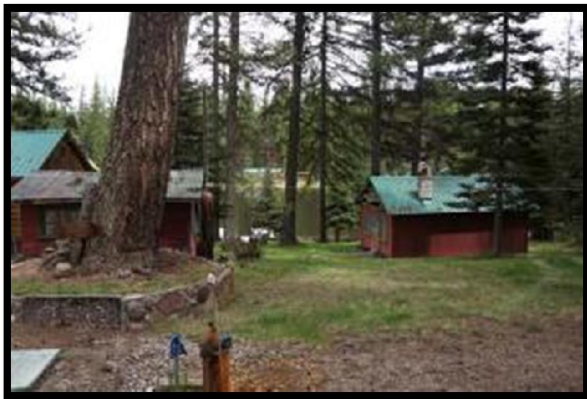
Storage Building Interior



Property Interior Looking East



Property Interior and Landscaping



Well



Water Frontage Looking South

ADDITIONAL PHOTOGRAPHS



Water Frontage Looking North



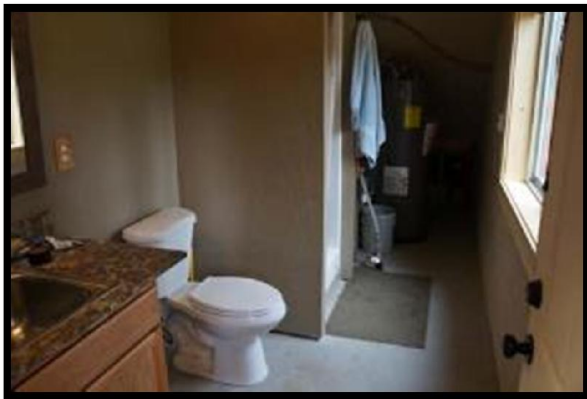
Northeast Property Boundary Marker



Garage / Shop Building



Garage / Shop Interior



Bathroom in Garage



Finished Area over Garage

ADDITIONAL PHOTOGRAPHS



Bunk in Finished Area over Garage



Kitchenette in Finished Area over Garage



View East along South Property Boundary



View West along North Property Boundary

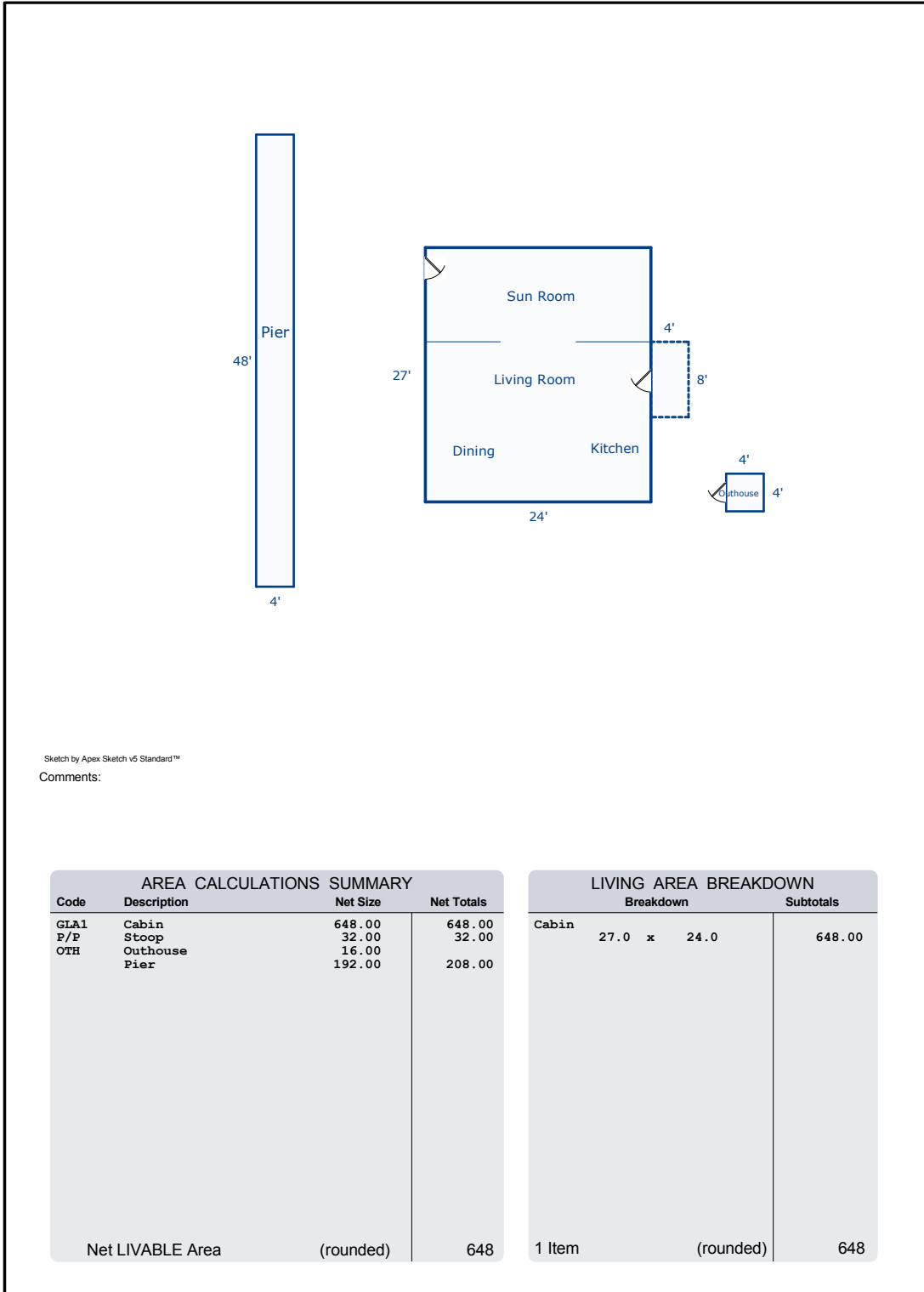


Snowmass Drive Looking Southeast



Snowmass Drive Looking Northwest

LOT 4 – BUILDING SKETCH



LOT 4 - PHOTOGRAPHS



Lot 4 Cabin Front



West Side of Cabin



Cabin from Waterfront



South and East Sides of Cabin

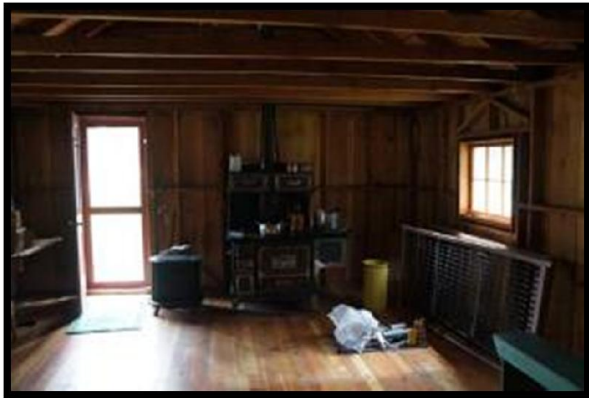


South Side of Cabin



North Side of Cabin

ADDITIONAL PHOTOGRAPHS



Cabin Interior



Cabin Interior



Cabin Foundation



Outhouse



Pier and Dock

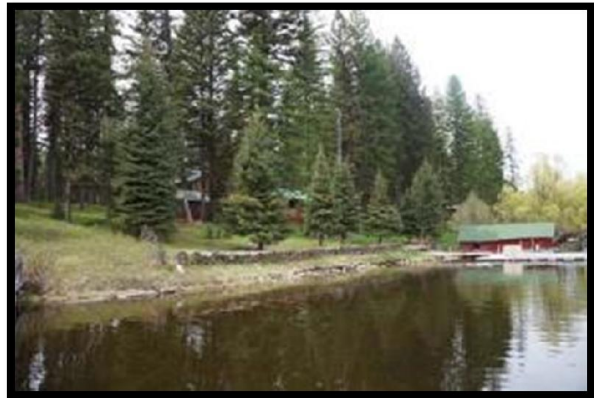


Northeast Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Looking North



View from Dock



Cabin and Lot 4 Interior



Lot 4 Interior Looking West



Southwest Property Boundary Marker Looking East



Driveway to Lot 4

ADDITIONAL PHOTOGRAPHS

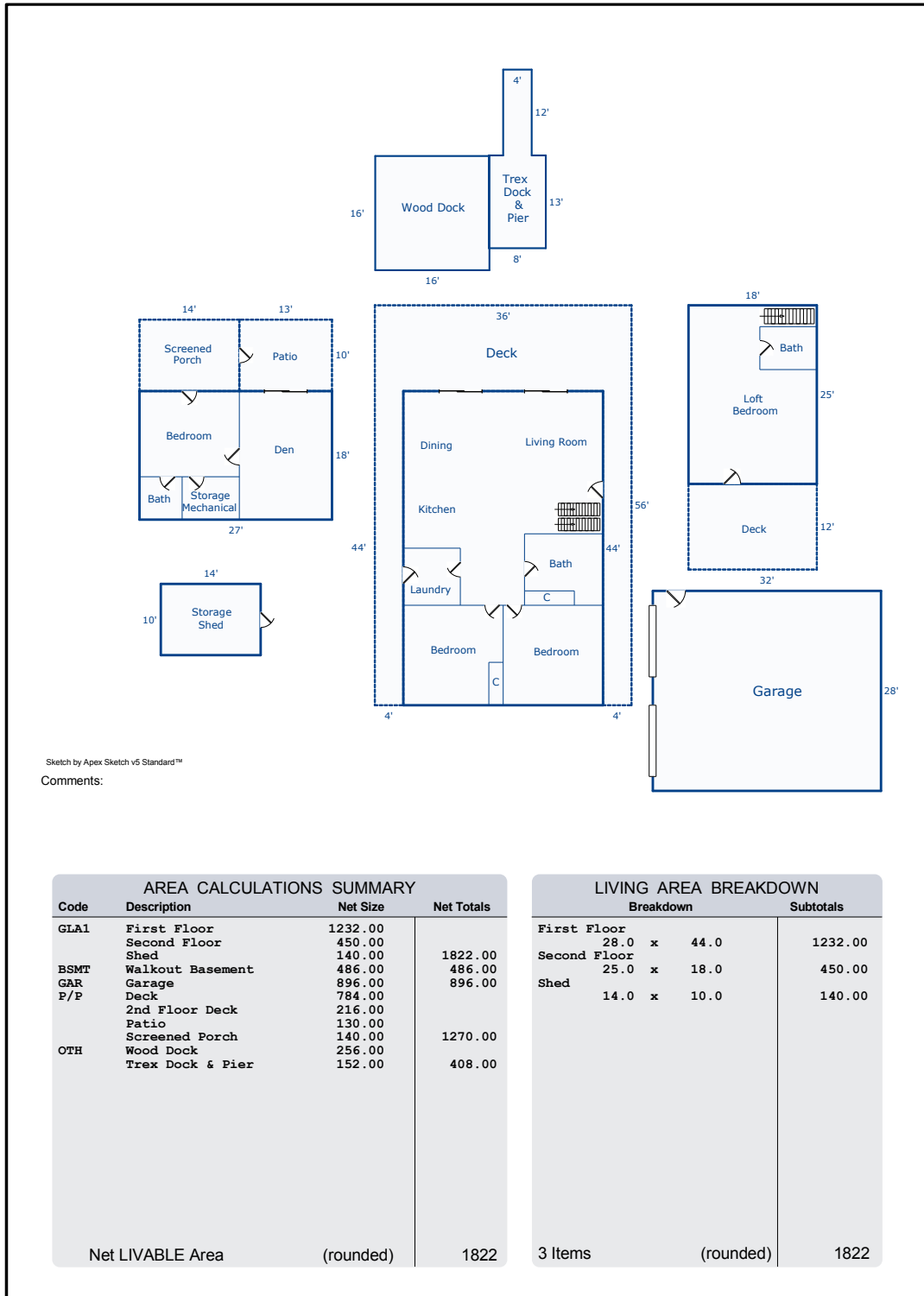


Snowmass Drive Looking North



Snowmass Drive Looking South

LOT 6 – BUILDING SKETCH



LOT 6 - PHOTOGRAPHS



House on Lot 6 Front



West Side of House



West Side of House



South Side of House



East Side of House



Screened Porch

ADDITIONAL PHOTOGRAPHS



Deck



Covered Deck on North Side of House



Kitchen



Dining and Living Rooms



Bathroom



Bedroom

ADDITIONAL PHOTOGRAPHS



Bedroom



Laundry



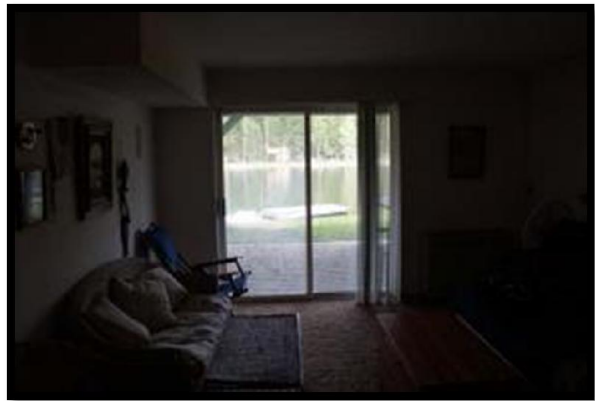
2nd Floor Loft Bedroom



2nd Floor Bathroom



2nd Floor Deck

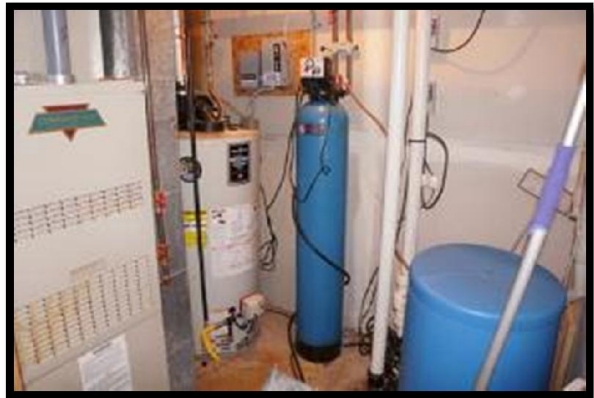


Walkout Basement Level Den

ADDITIONAL PHOTOGRAPHS



Basement Level Bedroom



Mechanical Room in Basement



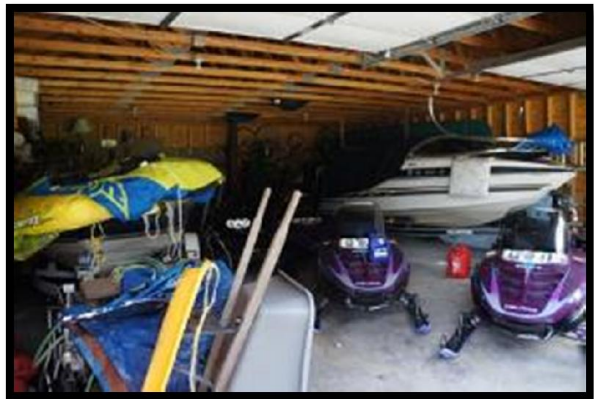
Patio



Garage



Garage



Garage Interior

ADDITIONAL PHOTOGRAPHS



View of Lake Outlet and Dock from Deck



Dock



Lot 6 Water Frontage Looking South



Northeast Property Boundary Marker Looking South



View West along North Property Boundary



View of Water Frontage Looking North

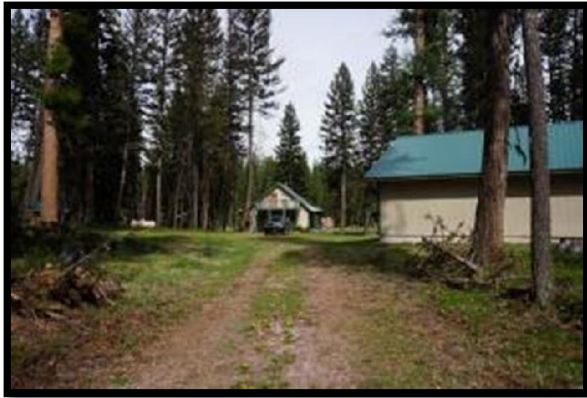
ADDITIONAL PHOTOGRAPHS



View East along South Property Boundary

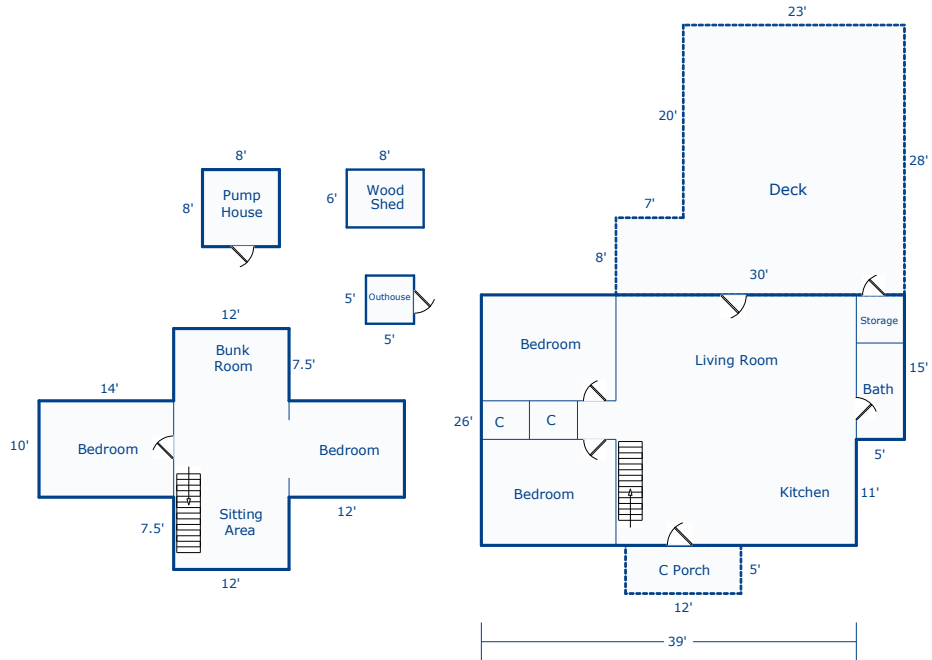


View East along North Property Boundary



Driveway to Lot 6

LOT 9 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	Cabin	1089.00	
	Second Floor	560.00	1649.00
GAR	Pump House	64.00	64.00
P/P	Deck	700.00	
	Porch	60.00	760.00
OTH	Wood Shed	48.00	
	Outhouse	25.00	73.00
Net LIVABLE Area		(rounded)	1649

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
Cabin	39.0	x 11.0	429.00
	44.0	x 15.0	660.00
Second Floor	12.0	x 7.5	90.00
	7.5	x 12.0	90.00
	10.0	x 38.0	380.00
5 Items	(rounded)		1649

LOT 9 - PHOTOGRAPHS



House on Lot 9 from Waterfront



Front of House and Deck



South Side of House



North Side of House



West Side of House



Kitchen

ADDITIONAL PHOTOGRAPHS



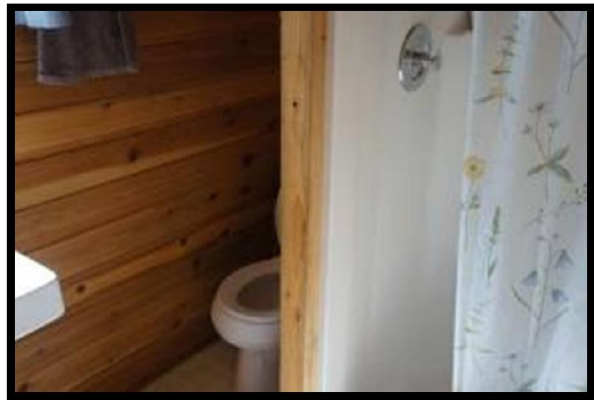
Bedroom



Bedroom



Living Room



Bathroom



Stairs to Second Floor



Second Floor

ADDITIONAL PHOTOGRAPHS



Bunk Area on Second Floor



Second Floor Bedroom



Deck



Post and Pier Foundation



Outhouse



Outhouse Interior

ADDITIONAL PHOTOGRAPHS



Wood Shed



Dock and View of Seeley Lake Outlet



Property from Dock



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking North



SE. Property Boundary Marker and View N. along Water Frontage

ADDITIONAL PHOTOGRAPHS



View West along South Property Boundary



View West along North Property Boundary



Property Interior Looking West



View East along South Property Boundary



Northwest Property Boundary Marker Looking East

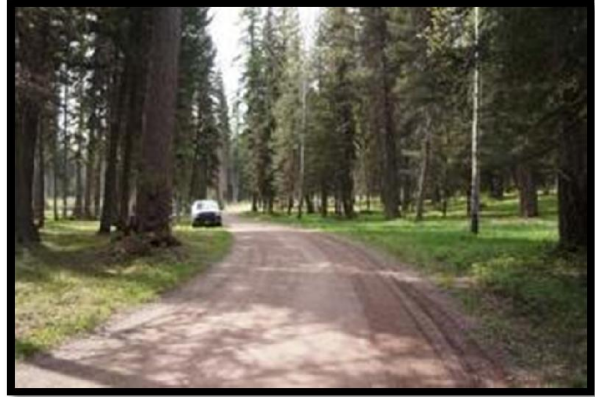


Southwest Property Boundary Marker Looking East

ADDITIONAL PHOTOGRAPHS



Driveway to Lot 9

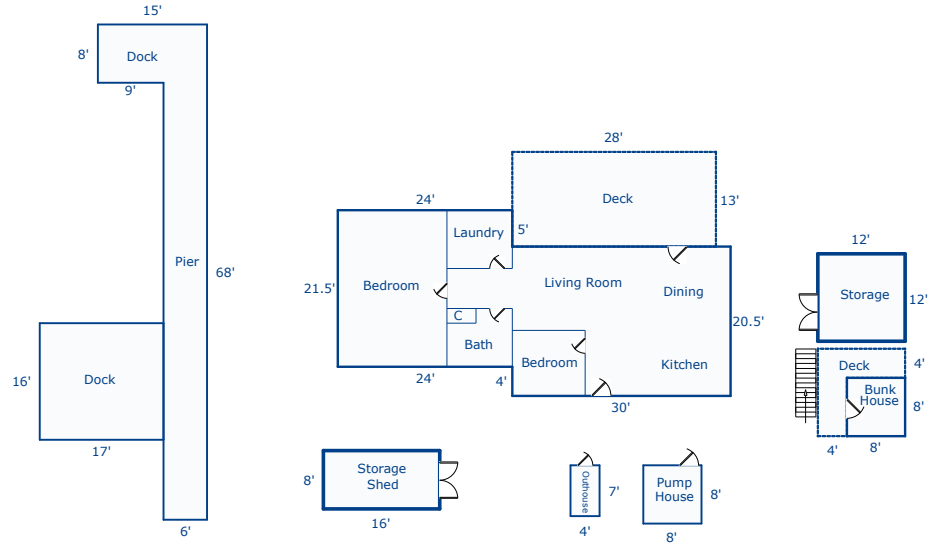


Snowmass Drive Looking South



Snowmass Drive Looking North

LOT 10 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1131.00	
	Bunk House	64.00	1195.00
GBA1	Storage Bldg	144.00	
	Storage Shed	128.00	272.00
P/P	Deck	364.00	
	Bunk House Deck	80.00	444.00
OTH	Dock	272.00	
	Pier & Dock	480.00	
	Outhouse	28.00	
	Pump House	64.00	844.00
	Net LIVABLE Area	(rounded)	1195
	Net BUILDING Area	(rounded)	272

LIVING/BUILDING AREA BREAKDOWN			
	Breakdown		Subtotals
First Floor			
	54.0	x 16.5	891.00
	4.0	x 30.0	120.00
	5.0	x 24.0	120.00
Bunk House			
	8.0	x 8.0	64.00
Storage Bldg			
	12.0	x 12.0	144.00
Storage Shed			
	8.0	x 16.0	128.00
6 Items		(rounded)	1467

LOT 10 - PHOTOGRAPHS



House on Lot 10 Front



West Side of House



Kitchen



Bedroom



Living Room



Bedroom

ADDITIONAL PHOTOGRAPHS



Bathroom



Bathroom



Dining Area



Laundry Room



Storage Shed



Storage Shed Interior

ADDITIONAL PHOTOGRAPHS



Storage/Bunk House



Bunk House on 2nd Level



Storage on Ground Level



Pump House



Pump House Interior



Outhouse

ADDITIONAL PHOTOGRAPHS



Well



Dock and View of Seeley Lake Outlet



View of House and Property from Pier



NE Property Boundary Marker and Waterfrontage Looking S



View West along North Property Boundary



View West along South Property Boundary

ADDITIONAL PHOTOGRAPHS



SE Property Boundary Marker and Waterfrontage Looking N



NW Property Boundary Marker Looking East



Lot 10 and Improvements from Snowmass Drive



Driveway to Lot 10



View South along West Property Boundary



SW Property Boundary Marker Looking East

ADDITIONAL PHOTOGRAPHS

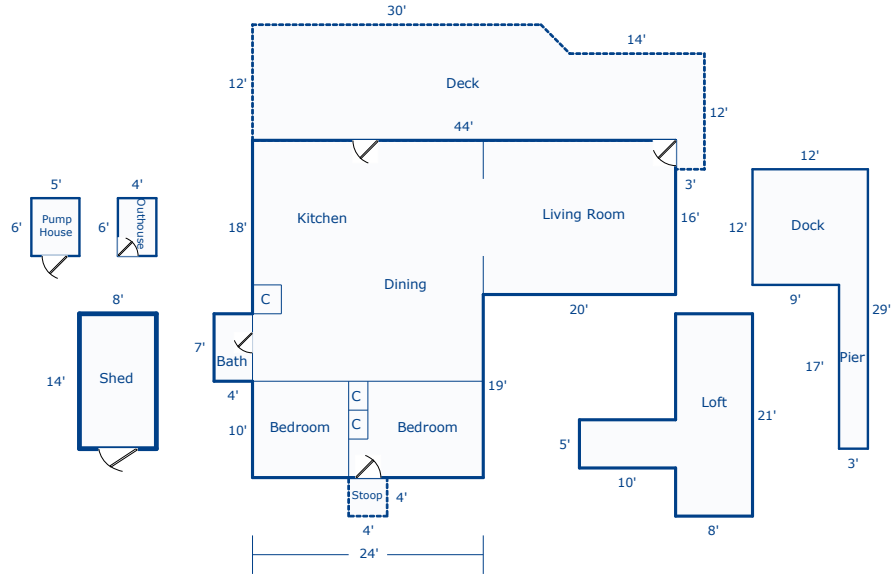


Snowmass Drive Looking South



Snowmass Drive Looking North

LOT 11 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1188.00	
	Loft Bedroom	218.00	1406.00
GBA1	Shed	112.00	112.00
P/P	Deck	526.50	
	Stoop	16.00	542.50
OTH	Outhouse	24.00	
	Pump House	30.00	
	Pier & Dock	195.00	249.00
	Net LIVABLE Area	(rounded)	1406
	Net BUILDING Area	(rounded)	112

LIVING/BUILDING AREA BREAKDOWN		
	Breakdown	Subtotals
First Floor		
	44.0 x 16.0	704.00
	2.0 x 24.0	48.00
	10.0 x 24.0	240.00
	7.0 x 28.0	196.00
Loft Bedroom		
	11.0 x 8.0	88.00
	5.0 x 8.0	40.00
	5.0 x 18.0	90.00
Shed		
	8.0 x 14.0	112.00
8 Items	(rounded)	1518

LOT 11 - PHOTOGRAPHS



House on Lot 11 Front



North Side of House



South Side of House



Kitchen and Dining Area



1st Floor Bedroom



1st Floor Bedroom

ADDITIONAL PHOTOGRAPHS



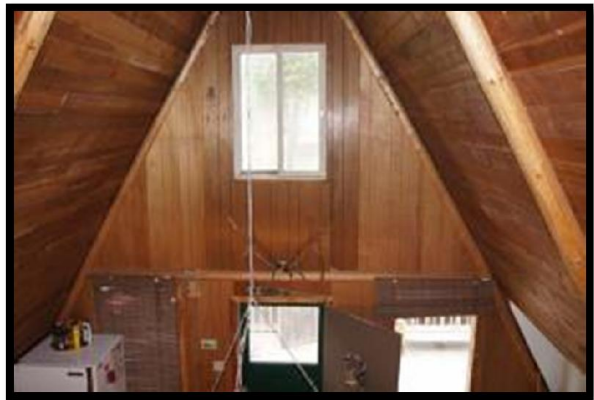
Bathroom



Utility Room



Loft Bunk Room



View from Loft



2nd Bunk Room in Loft



Living Room

ADDITIONAL PHOTOGRAPHS



Storage Shed



Storage Shed Interior



Pump House



Pump House Interior



Outhouse



Dock and View of Seeley Lake Outlet

ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking North



View of Adjacent Property to South of Lot 11



Lot 11 and House from Dock



NE Property Boundary Marker Looking S along Waterfrontage



View West along North Property Boundary

ADDITIONAL PHOTOGRAPHS



SE Property Boundary Marker and Waterfrontage Looking N



NW Property Boundary Marker Looking East



Lot 11 and Improvements from Snowmass Drive



Driveway to Lot 11

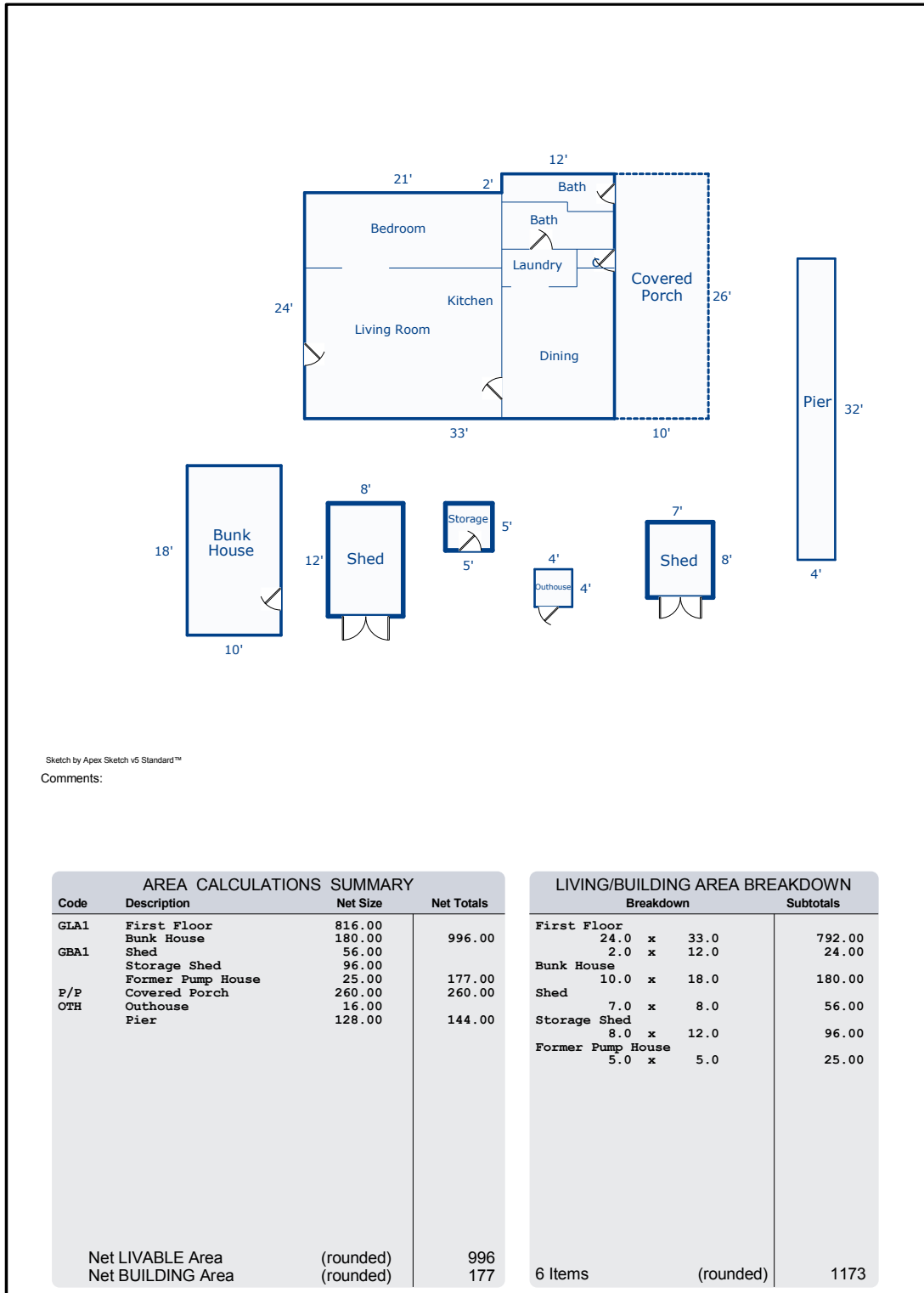


Snowmass Drive Looking South



Snowmass Drive Looking North

LOT 21 – BUILDING SKETCH



LOT 21 - PHOTOGRAPHS



Parking and SW Side of House on Lot 21



SE Side of House on Lot 21



Northwest Side of House



House and Improvements from Pier



Living Room



Kitchen

ADDITIONAL PHOTOGRAPHS



Living Room



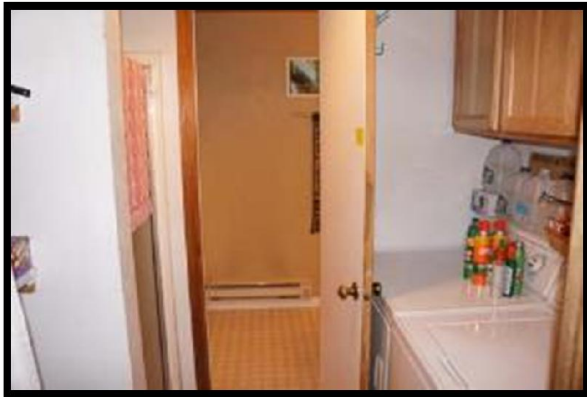
Bedroom



Bedroom



Dining Room



Laundry and Bathroom



Bathroom

ADDITIONAL PHOTOGRAPHS



Covered Porch



Bunk House



Bunk House Interior



Storage Shed



Storage Shed Interior



Former Pump House

ADDITIONAL PHOTOGRAPHS



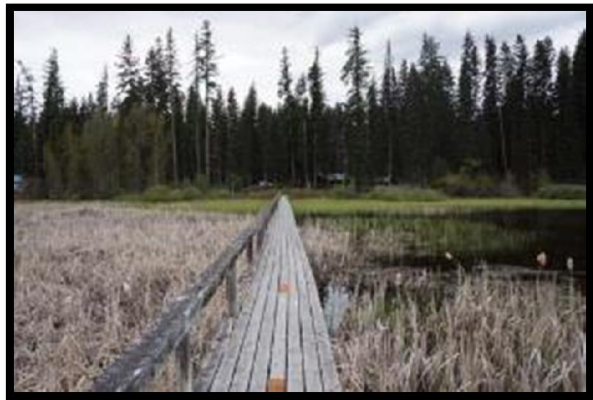
Shed



Outhouse



View of Pier and Seeley Lake Outlet



View toward Lot 21 from Pier



End of Pier and Floating Dock



Seeley Lake Outlet Looking Southeast

ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking Northwest



View along Property Boundary Looking North



View along Property Boundary Looking South



View toward Southeast Property Boundary Marker



Well on Lot 21



Northwest Property Boundary Marker

ADDITIONAL PHOTOGRAPHS

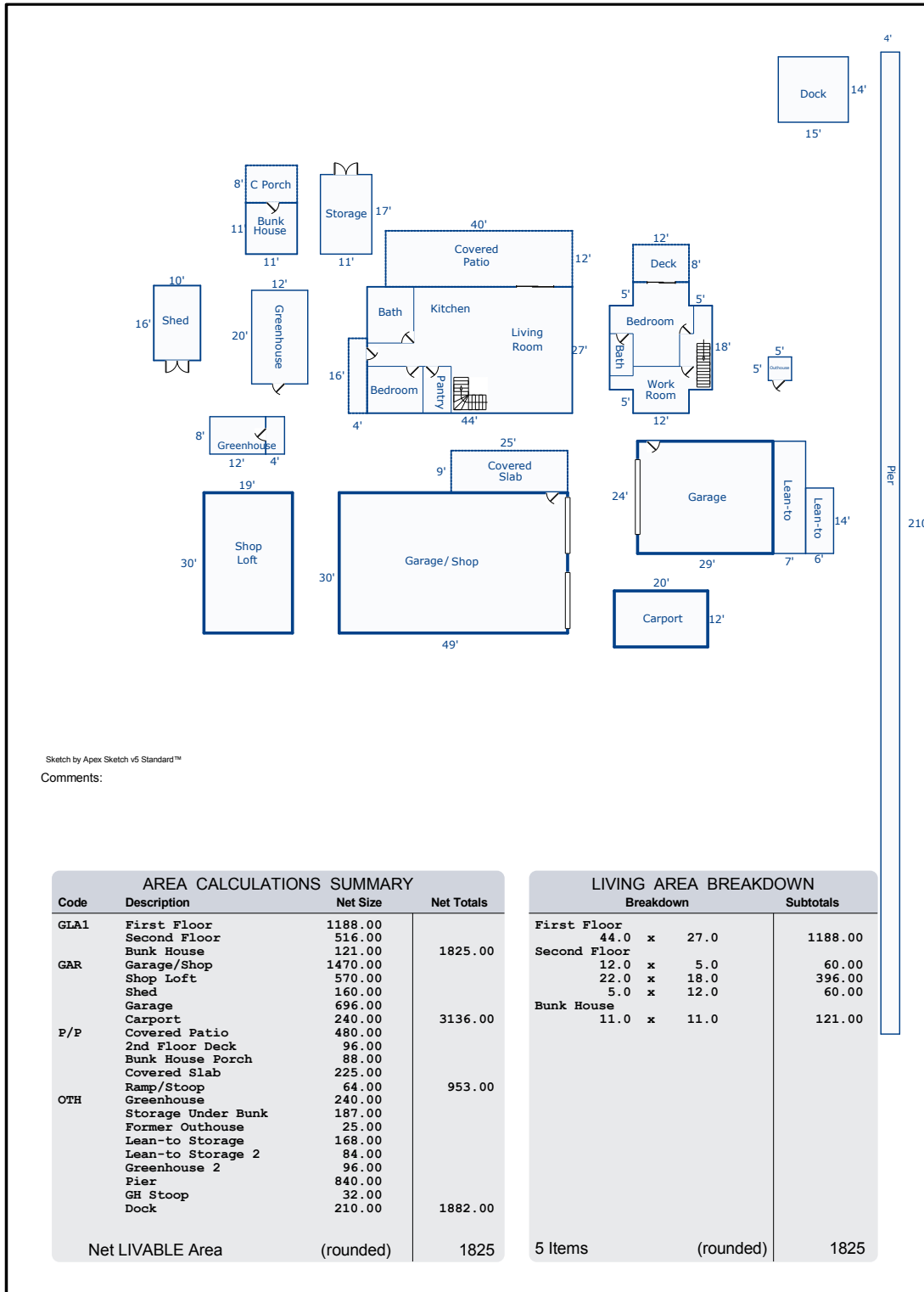


Snowmass Drive Looking Southeast



Snowmass Drive Looking Northwest

LOT 23 – BUILDING SKETCH



AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1188.00	
	Second Floor	516.00	
	Bunk House	121.00	1825.00
GAR	Garage/Shop	1470.00	
	Shop Loft	570.00	
	Shed	160.00	
	Garage	696.00	
	Carport	240.00	3136.00
P/P	Covered Patio	480.00	
	2nd Floor Deck	96.00	
	Bunk House Porch	88.00	
	Covered Slab	225.00	
	Ramp/Stoop	64.00	953.00
OTH	Greenhouse	240.00	
	Storage Under Bunk	187.00	
	Former Outhouse	25.00	
	Lean-to Storage	168.00	
	Lean-to Storage 2	84.00	
	Greenhouse 2	96.00	
	Pier	840.00	
	GH Stoop	32.00	
	Dock	210.00	1882.00
	Net LIVABLE Area	(rounded)	1825

LIVING AREA BREAKDOWN		
	Breakdown	Subtotals
First Floor		
	44.0 x 27.0	1188.00
Second Floor		
	12.0 x 5.0	60.00
	22.0 x 18.0	396.00
	5.0 x 12.0	60.00
Bunk House		
	11.0 x 11.0	121.00
5 Items	(rounded)	1825

LOT 23 - PHOTOGRAPHS



South Side of House and Parking Area on Lot 23



South Side of House and Landscaping



East Side of House



Front of House and Covered Patio



West Side of House



House and Landscaping

ADDITIONAL PHOTOGRAPHS



Kitchen and Living room



Living Room



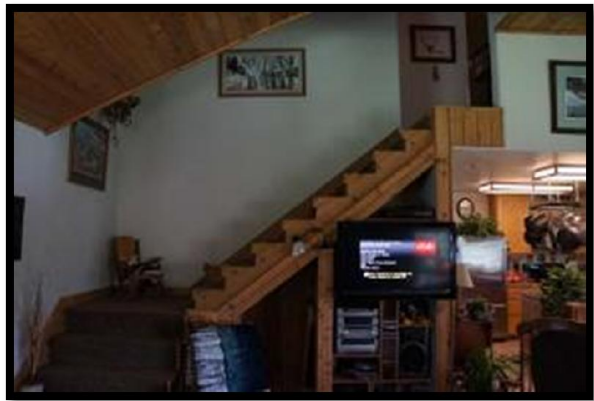
Bathroom



Kitchen



Sliding Doors to Patio



Stairs to 2nd Floor

ADDITIONAL PHOTOGRAPHS



2nd Floor Bedroom



Work Room on Second Floor



Bunk House



Bunk House Interior



Storage Under Bunk House

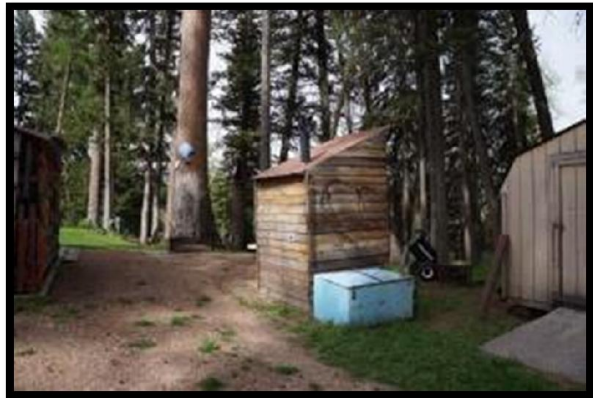


Greenhouse

ADDITIONAL PHOTOGRAPHS



Shed



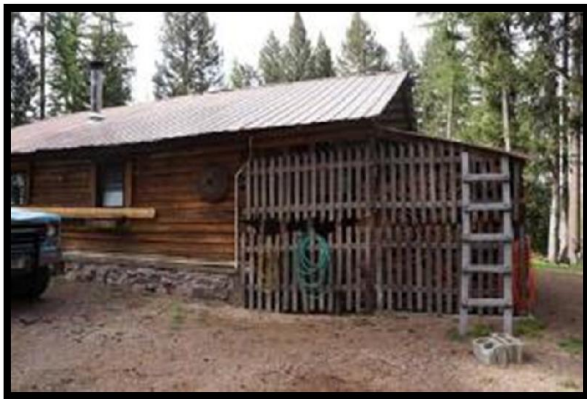
Outhouse



Water Pump Enclosure



Former Forest Service Building/Garage



South Side of Former Forest Service Building



North Side of Garage/Forest Service Building

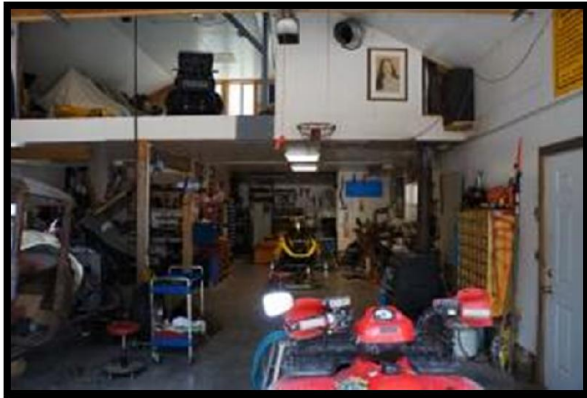
ADDITIONAL PHOTOGRAPHS



Forest Service Bldg / Garage Interior



Garage / Shop Building



Garage / Shop Interior



½ Bath in Garage / Shop



Loft in Garage / Shop Building



Lot 23 Interior Looking Northeast toward Seeley Lake Outlet

ADDITIONAL PHOTOGRAPHS



View of Dock and Seeley Lake Outlet



View Looking Northeast



Pier



View Looking Northwest from Pier



View of Lot 23 from Pier



View East near North Property Boundary

ADDITIONAL PHOTOGRAPHS



View along approximate Property Boundary looking Southwest



View along Property Boundary Looking North



Mountain and Wetland view from Property



Driveway to Lot 23



Snowmass Drive Looking Northwest



Snowmass Drive Looking Southeast

SUBJECT MARKET ANALYSIS

Detailed county and local demographic and economic information is included in the Addendum of this report. General national and statewide data is included as well.

Subject Productivity Analysis

General Property Description

The subject sites range in size from 0.808 up to 1.803 in gross acres. All of the sites include residential improvements. The subject properties all have frontage on a portion of the Clearwater River also known as Seeley Lake Outlet. Seeley Lake is accessible by boat from the subject lots; however, boats must be small enough to fit under the bridge at Boy Scout Road.

Area Land Use Trends

Seeley Lake is a residential/resort community in Missoula County, Montana. The community consists of year round residents and second or vacation home owners who are in the area on a seasonal basis. Properties with frontage along area lakes, rivers, and streams are frequently purchased for vacation or seasonal use.

Potential Users of Subject Property

The potential users of the subject lots would be market participants seeking to own recreational/residential riverfront property with boat access to Seeley Lake.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted searches of the area MLS for sales (vacant and improved) on the Clearwater River near the subject properties. Very limited market data was located. There was not sufficient market data regarding improved homes on sites with 3 acres or less in Seeley Lake to prepare a credible analysis.

Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the regional MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of our search are below;

Seeley Lake Residential Improved Properties - Market Activity					
Homes on Lots up to 3 Acres in Size					
Year	# of Sales	Median Sales Price	Low Sales Price	High Sales Price	DOM
2013	21	\$240,000	\$125,000	\$725,000	191
2014	24	\$244,000	\$95,000	\$850,000	295
2015	28	\$237,450	\$93,500	\$700,000	277
2016 YTD	10	\$210,000	\$150,000	\$785,000	364
ACTIVES	32	\$259,450	\$55,000	\$1,599,000	159

This data indicates that the median home price was relatively stable from 2013 through 2015. There is not sufficient information regarding 2016 to make a final conclusion regarding annual median home price.

The highest prices are typically paid for lake front or river front properties; however, there are typically very few sales of waterfront properties in Seeley Lake each year.

Competitive Supply

There were 32 active listings of homes on sites with 3 acres or less in Seeley Lake as of the report effective date.

Interaction of Supply and Demand

Based upon the average sales volume from 2013 through 2015, there is an approximately 1.3 year supply of homes for sale on lots with 3 acres or less in Seeley Lake.

Subject Marketability Conclusion

Due to the frontage along the Clearwater River, the subject properties have superior marketability compared to most homes on 3 acres or less currently available for sale.

The most applicable sales of vacant and improved properties in Seeley Lake during the period studied were selected as comparables for determination of the values of the subject sites as if vacant, the values of the subject improvements, and the values of the subject properties as improved.

Estimated Marketing and Exposure Times

The 28 homes sales in Seeley Lake that closed in 2015 were marketed for an average of 277 days. The 10 home sales in Seeley Lake that closed in 2016 Year-to-Date were marketed for 364 days. **Marketing times** between 6 to 12 months are appropriate for the subject properties as improved. If the subject properties as improved had sold on the effective date of this report, at the appraised values indicated in this report, 6 to 12 month **exposure times** would have been reasonable.

HIGHEST AND BEST USE

The four basic economic principles of supply and demand, substitution, balance and conformity are considered to be the basic tools of analyzing the relationship between economic trends and an appraisal. Market forces create market value. For this reason, the analysis of highest and best use is very important. When the purpose of an appraisal is to estimate market value, a highest and best use analysis identifies the most profitable, competitive use to which a property can be used.

According to The Appraisal of Real Estate – 14th Edition by the Appraisal Institute, Highest and Best Use is defined as follows:

"The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value."

The analysis for Highest and Best Use considers first the reasonably probable uses of a site that can be legally undertaken. The final Highest and Best Use determination is based on the following four criteria:

Legally Permissible:

The availability of land for a particular use in terms of existing regulations and restrictions, deed restrictions, lease encumbrances, or any other legally binding codes, restrictions, regulations, or interests.

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

All uses that are legally permissible and physically possible that are likely to produce an income, or return, equal or greater than the amount needed to satisfy operating expenses, financial obligations, and capital amortization are considered to be financially feasible.

Maximally Productive:

Of the financially feasible uses, the use that produces the highest net return or the highest present worth.

The Highest and Best Use analysis and conclusions for the subject properties are included on the following page.

AS IF VACANT

Legally Permissible

The subject lots are in an area of Missoula County with no zoning. There are numerous legally permissible uses.

Physically Possible

There is sufficient space on each subject site for a single family residence and/or a manufactured home, and related outbuildings. There is not sufficient space on each site for most other types of uses.

Financially Feasible

Most of the lots with frontage along the subject portion of the Clearwater River are improved with single family residences. Use of the subject lots for construction of single family residences is financially feasible.

Maximally Productive

Based upon the analysis of the legally permissible, physically possible, and financially feasible uses of the subject lots, the maximally productive highest and best use for each lot as if vacant, is for construction of a single family residence for recreational and/or residential use.

AS IMPROVED

All of the subject properties are improved with single family residences. There is market acceptance of many types of residences along area lakes and rivers. Area waterfront residences range from very small, older, un-renovated cottages used seasonally to newer homes utilized on a year round basis. Alteration of the subject residences for any use other than as single family homes would require large capital expenditures. Continued use as single family residences (recreational and/or residential) for the subject properties is the highest and best use as improved.

THE APPRAISAL PROCESS

In the foregoing sections of this report, we have examined and discussed the subject properties. To arrive at estimates of market values for the subject properties, it is necessary to collect and analyze all available data in the market which might tend to indicate the values of the subject properties. The subject properties must be compared to similar properties that can be constructed, purchased, or from which a similar monetary return may be received.

APPROACHES IN THE VALUATION OF REAL PROPERTY

The three recognized approaches in the valuation of real property are Sales Comparison, Cost Approach and Income Capitalization. According to The Appraisal of Real Estate – 14th Edition by the Appraisal Institute, the approaches are described as follows:

Cost Approach

In the Cost Approach, value is estimated as the current cost of reproducing or replacing the improvements (including an appropriate entrepreneurial incentive or profit), minus the loss in value from depreciation, plus land value.

Sales Comparison Approach

In the Sales Comparison Approach, value is indicated by recent sales of comparable properties in the market.

Income Capitalization Approach

In the Income Capitalization Approach, value is indicated by a property's earning power based on the capitalization of income.

Each of the three approaches to value requires data collection from the market and each is governed equally by the principle of substitution. This principle holds "when several similar or commensurate commodities, goods or services are available, the one with the lowest price will attract the greatest demand and widest distribution."

The Sales Comparison Approach is developed to determine the value of each subject site as if vacant. This is typically the most reliable approach for determining values of vacant sites.

All three approaches to value were considered for the valuation of the subject properties as improved. Most market participants interested in purchasing water front homes do not base decisions upon the depreciated cost of the improvements. For this reason the Cost Approach is not considered applicable and was not developed in this report. The subject properties are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach is developed to determine the value of the subject properties as improved.

Comparable lot sales and home sales are presented in the following two sections of this report. After presentation of the comparables, the subject sites and improvements are valued for each property.

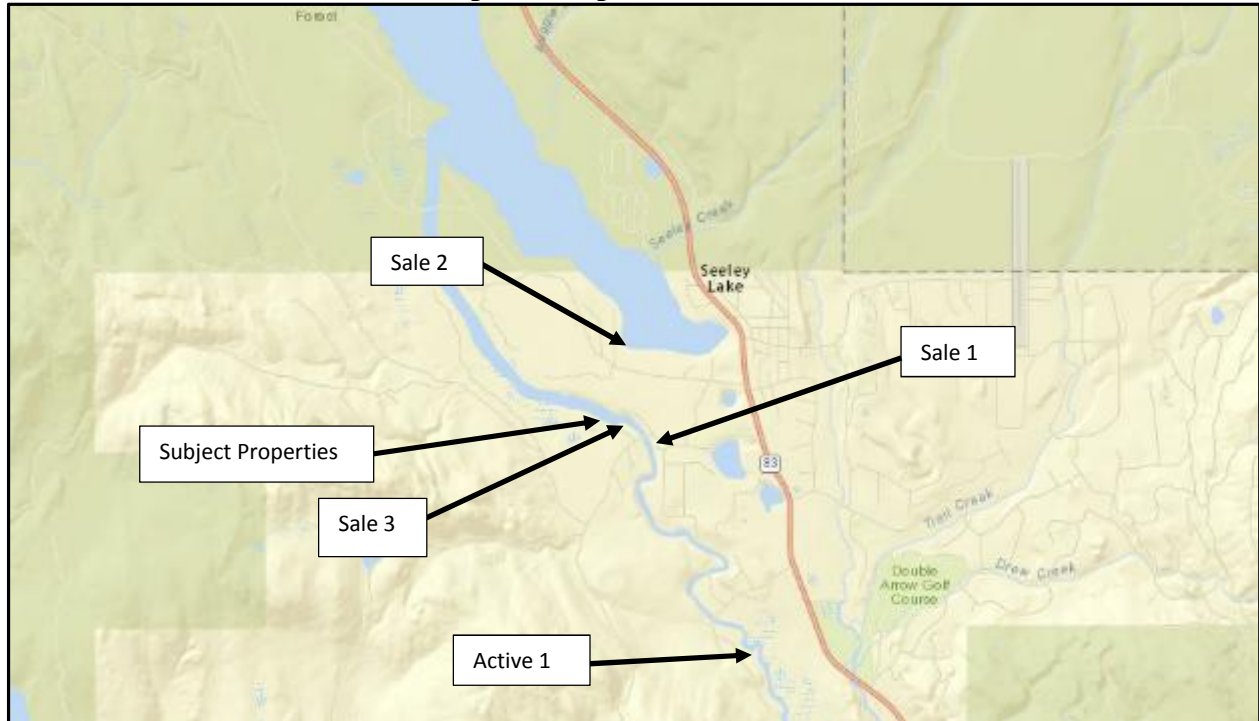
COMPARABLE LOT SALES

We conducted a search for sales of sites along the Seeley Lake Outlet and other rivers and lakes in the Seeley Lake area. We located 1 sale with frontage on the Seeley Lake Outlet, 1 closed sale and 1 active listing along the Clearwater River, and 1 sale with frontage on Seeley Lake. The sales selected were the most applicable located for determination of the values of the subject sites as if vacant. These comparables are described on the table below;


Sale #	Address	City	Water Frontage	Sale Date	Sale or List Price	Value of Improvements	Sales Price Less Improvements
1	973 Riverview Dr	Seeley Lake	Clearwater River	2015	\$215,000	\$50,000	\$165,000
2	1184 Boy Scout Rd	Seeley Lake	Seeley Lake	2014	\$390,000	\$90,000	\$300,000
3	212 Shoreline Ct	Seeley Lake	Seeley Lake Outlet	2013	\$210,000	\$76,000	\$134,000
Active 1	388 Overland Trail	Seeley Lake	Clearwater River	ACTIVE	\$150,000	\$0	\$150,000

A complete description of each comparable is included in the individual land comparable write-ups provided in this section of this report. A map depicting the location of the subject properties in relation to the comparable sales is below;


Map of Comparable Lot Sales




LAND SALE 1

COMPARABLE SALE INFORMATION			
	Location		973 Riverview Drive
	City/State		Seeley Lake
	County		Missoula
	Assessor Number		0000308001
	Zoning		Unzoned
	Site Size: Acres		1.932
	Square Feet		84,158
	Date of Sale		June 8, 2015
	Sales Price		\$215,000
	Less Cost of Improvements*		\$50,000
	Sales Price Adjusted		\$165,000
	MLS #		20151439
ANALYSIS OF SALE			
Price per Acre	\$85,404	Price per Square Foot	\$1.96
		Price Per Front Foot	\$868
TRANSFER INFORMATION			
Grantor	Kevin Wetherell	Grantee	Trevor J. Crofutt
Type of Instrument	Notice of Purchaser's Interest	Document #	201509339
		Marketing Time	82 Days on Market
Financing/Conditions	Contract for Deed/Seller Carried Contract	Verified By	Kevin Wetherell, Seller
Legal Description	A Portion of Land in Lot 8	Intended Use/Comments	Purchased for Residential Purposes
Section/Township/Range	S3/T16N/R15W		
PROPERTY DETAILS			
Access	Paved County Road	View	River, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, only portions of the property directly adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 1,176 SF manufactured home, a garage, and a shed that are considered to contribute approximately \$50,000 to the sale price. The house is built on a basement that is prone to flooding.
Feet of Water Frontage	190	Value of Improvements	\$50,000
Front Feet Per Acre	98		
Utilities	Electricity, Telephone, Well, & Septic System	Miscellaneous	*According to the Seller, favorable financing that did not require a down payment likely resulted in a slightly higher sale price than market. A downward adjustment of \$5,000 is reasonable.
			Report File # 16-015ec


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location		1184 Boy Scout Rd.
	City/State		Seeley Lake
	County		Missoula
	Assessor Number		0002508405
	Zoning		Unzoned
	Site Size: Acres		1.800
	Square Feet		78,408
	Date of Sale		July 9, 2014
	Sales Price		\$390,000
	Less Cost of Improvements*		\$90,000
	Sales Price Adjusted		\$300,000
	MLS #		327523
ANALYSIS OF SALE			
Price per Acre	\$166,667	Price per Square Foot	\$3.83
		Price Per Front Foot	\$3,000
TRANSFER INFORMATION			
Grantor	Eileen T. Ehemberger	Grantee	Richard G. Weldner & Carol Weldner
Type of Instrument	Warranty Deed	Document #	201409491
		Marketing Time	36 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Kelly Labbs, Listing Agent
Legal Description	Lot 64 of Seeley Lake Shore Sites	Intended Use/Comments	Purchased for Recreational/Residential Use
Section/Township/Range	S3/T16N/R15W		
PROPERTY DETAILS			
Access	Paved County Rd.	View	Lake, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, the property is not in an area of Elevated Flood Risk.	Improvements	The property is improved with a 900 SF House and a 240 SF Bunk House
Feet of Water Frontage	100	Value of Improvements	\$90,000
Front Feet Per Acre	56		
Utilities	Electricity, Telephone, City Water, Septic System	Miscellaneous	
			Report File # 16-015ec

LAND SALE 3

COMPARABLE SALE INFORMATION			
	Location		212 Shoreline Court
	City/State		Seeley Lake
	County		Missoula
	Assessor Number		0001229208
	Zoning		Unzoned
	Site Size: Acres		0.446
	Square Feet		19,428
	Date of Sale		September 16, 2013
	Sales Price		\$210,000
	Less Cost of Improvements*		\$76,000
	Sales Price Adjusted		\$134,000
	MLS #		321576
ANALYSIS OF SALE			
Price per Acre	\$300,448	Price per Square Foot	\$6.90
		Price Per Front Foot	\$1,361
TRANSFER INFORMATION			
Grantor	Twedt Properties, LLC	Grantee	Kenneth Strachan & Gayleen Strachan
Type of Instrument	Warranty Deed	Document #	201318476
		Marketing Time	63 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Kevin Wetherell, Listing Agent
Legal Description	Lot 5 of Clearwater Shore Sites	Intended Use/Comments	Purchased for Recreational/Residential Use
Section/Township/Range	S3/T16N/R15W		
PROPERTY DETAILS			
Access	Gravel Road	View	River, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, portions of the property adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 1,200 SF house, and a dock on the river. The improvements are considered to contribute \$76,000 to the sale price.
Feet of Water Frontage	98.49	Value of Improvements	\$76,000
Front Feet Per Acre	221		
Utilities	Electricity, Telephone, City Water, Septic System	Miscellaneous	
			Report File # 16-015ec

ACTIVE LISTING 1

COMPARABLE SALE INFORMATION			
	Location		388 Overland Trail
	City/State		Seeley Lake
	County		Missoula
	Assessor Number		0005472247
	Zoning		Unzoned
	Site Size: Acres		2.020
	Square Feet		87,991
	Date of Sale		N/A - Active Listing
	List Price		\$150,000
	Less Cost of Improvements*		\$0
	Sales Price Adjusted		\$150,000
	MLS #		21603267
ANALYSIS OF SALE			
Price per Acre	\$74,257	Price per Square Foot	\$1.70
		Price Per Front Foot	\$938
TRANSFER INFORMATION			
Owner	Mabel Lee Higgins	Grantee	N/A - Active Listing
Type of Instrument	N/A - Active Listing	Document #	N/A - Active Listing
		Marketing Time	53 Days on Market
Financing/Conditions	N/A - Active Listing	Verified By	Robin Matthews-Barnes, Listing Agent
Legal Description	Lot 138 of Double Arrow Ranch Phase 1A	Intended Use/Comments	Marketed for Residential Use
Section/Township/Range	S15/T16N/R15W		
PROPERTY DETAILS			
Access	Paved County Rd.	View	River, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, portions of the property near the river are in area of Elevated Flood Risk.	Improvements	None
Feet of Water Frontage	160	Value of Improvements	\$0
Front Feet Per Acre	79		
Utilities	Electricity, Telephone, Access to Community Water System	Miscellaneous	Double Arrow Ranch Subdivision is governed by CC&R's that limit property use to Residential. *According to the listing agent, the property is currently under contract. The estimated sale price is \$130,000.
Report File # 16-015ec			

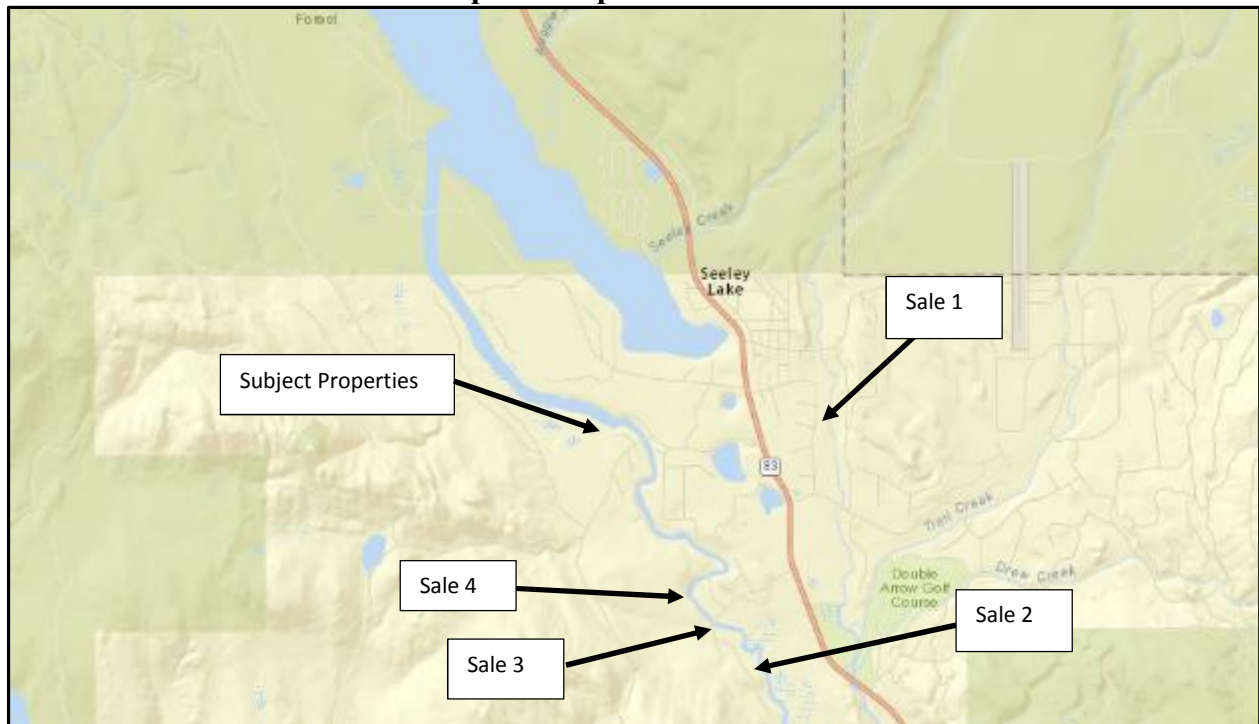
COMPARABLE HOME SALES

We conducted a search for sales of homes in Seeley Lake that compared reasonably well with the subject residences. The most applicable and recent nine sales located are described on the table below;

Comparable Home Sales							
Sale #	Address	City	Water Frontage	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
1	385 Whitetail Dr	Seeley Lake	Morrel Creek	2015	\$290,000	\$80,000	\$210,000
2	624 Overland Trail	Seeley Lake	Clearwater River	2015	\$310,000	\$130,000	\$180,000
3	184 Overland Trail	Seeley Lake	Clearwater River	2014	\$312,500	\$130,000	\$182,500
4	138 Little Wheel Ct	Seeley Lake	Clearwater River	2013	\$179,000	\$130,000	\$49,000

A complete description of each comparable is included in the individual land comparable write-ups provided in this section of this report. A map depicting the location of the subject properties in relation to the comparable sales is below;

Map of Comparable Lot Sales





HOME SALE 2



COMPARABLE SALE INFORMATION			
	Location		624 Overland Trail
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0005472170
	Zoning		Unzoned
	Site Size: Acres		1.320
	Square Feet		57,499
	Date of Sale		April 7, 2015
	Sales Price		\$310,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$310,000
	MLS #		323976
TRANSFER INFORMATION			
Grantor	James E. Ballard & Carol L. Ballard Trust	Grantee	Charles E. Uselmann & Heidi J. Uselmann
Recording Data	Warranty Deed #201505525	Marketing Time	474 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Kevin Wetherell, Listing Agent
Legal Description	Lot 131 of Double Arrow Ranch Ph 1A	Intended Use	Residential
Section/Township/Range	S15/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Clearwater River	Sales Price	\$310,000
Front Footage	153.00	Estimated Site Value	\$130,000
Access	Private Gravel Road	Sales Price of Improvements	\$180,000
House Square Feet	1,888	Improvement Price/SF	\$95
Bedroom/Bathrooms	2BR/2BA		
Year Built or Renovated	1996		
Construction	Wood Frame		
Quality	Average		
Condition	Good		
Water/Sewer	Community Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level, slope to waterfront		
Outbuildings	2 Car attached Garage, Shop Building, Shed		
Miscellaneous	Double Arrow Ranch is governed by CC&R's that limit properties to Residential Use.		

Report File # 16-015ec

HOME SALE 3

COMPARABLE SALE INFORMATION			
	Location		184 Overland Trail
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0005472314
	Zoning		Unzoned
	Site Size: Acres		1.280
	Square Feet		55,757
	Date of Sale		August 27, 2014
	Sales Price		\$312,500
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$312,500
	MLS #		20132273
TRANSFER INFORMATION			
Grantor	Patricia L Bewick	Grantee	Helen E. Beary
Recording Data	Warranty Deed #201413319	Marketing Time	497 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kevin Wetherell, Listing Agent
Legal Description	Lot 145 of Double Arrow Ranch Ph 1A	Intended Use	Residential
Section/Township/Range	S15/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Clearwater River	Sales Price	\$312,500
Front Footage	121.86	Estimated Site Value	\$130,000
Access	Private Gravel Road	Sales Price of Improvements	\$182,500
House Square Feet	2,226	Improvement Price/SF	\$82
Bedroom/Bathrooms	3BR/2.5BA		
Year Built or Renovated	2006		
Construction	Wood Frame		
Quality	Average		
Condition	Good		
Water/Sewer	Community Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level, slope to waterfront		
Outbuildings	2 Car attached Garage, Shed		
Miscellaneous	Double Arrow Ranch is governed by CC&R's that limit properties to Residential Use. A Portion of the property near the river is in an area of elevated flood risk.		
		Report File # 16-015ec	

HOME SALE 4

COMPARABLE SALE INFORMATION			
	Location		138 Little Wheel Court
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0005472574
	Zoning		Unzoned
	Site Size: Acres		1.380
	Square Feet		60,113
	Date of Sale		August 19, 2013
	Sales Price		\$179,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$179,000
	MLS #		321441
TRANSFER INFORMATION			
Grantor	Kevin L. Price & Andrea L. Price	Grantee	Gary W. Parks
Recording Data	Warranty Deed #201316687	Marketing Time	38 Days on Market
Financing/Conditions	VA Financing/Market	Verified By	Scott Kennedy, Listing Agent
Legal Description	Lot 171 of Double Arrow Ranch Ph 1A	Intended Use	Residential
Section/Township/Range	S15/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Clearwater River	Sales Price	\$179,000
Front Footage	239.11	Estimated Site Value	\$130,000
Access	Private Gravel Road	Sales Price of Improvements	\$49,000
House Square Feet	560	Improvement Price/SF	\$88
Bedroom/Bathrooms	2BR/1BA		
Year Built or Renovated	1994		
Construction	Wood Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Community Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level, slope to waterfront		
Outbuildings	None/RV Hookup		
Miscellaneous	Double Arrow Ranch is governed by CC&R's that limit properties to Residential Use. Property has potential to accommodate a larger house. Listing agent felt that the property would likely sell for more today and the price was a result of good timing and market conditions at the time.		
		Report File # 16-015ec	

PROPERTY VALUATIONS

LOT 1

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 1, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.010	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.010	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 1, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
AGE/YEARS	46	21	19	8
		-\$26,250	-\$24,300	-\$34,675
BATHROOMS	2	2	2	2.5
		\$0	\$0	-\$2,500
HOUSE SIZE/SF	1,774	2,352	1,888	2,226
		-\$23,120	-\$4,560	-\$18,080
OUTBUILDINGS	Various	Inferior	Inferior	Inferior
		\$42,000	\$30,000	\$40,000
TOTAL ADJUSTMENT		-\$7,370	\$1,140	-\$15,255
NET ADJUSTMENT PERCENTAGE		-4%	1%	-8%
ADJUSTED PRICE INDICATION		\$202,630	\$181,140	\$167,245

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and comparables were all rated as good in this category. No adjustments were necessary.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 2 bathrooms. No adjustments were necessary for Sales 1 and 2 in this category. A downward adjustment of \$2,500 was made to Sale 3 as it has 2 1/2 bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$202,630, \$181,140, and \$167,245. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$180,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$180,000</u>
Total Value Indication	\$340,000

LOT 2

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 2, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	0.808	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	0.808	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	-50%	15%	20%
TOTAL ADJUSTMENT		-\$8,000	-\$150,000	\$20,100	\$26,000
ADJUSTED PRICE PER SF		\$152,000	\$150,000	\$154,100	\$156,000

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site includes a driveway for access to Lot 1. This driveway easement affects the usable area of this sale. The comparables do not include easements that affect value. There is not sufficient available market data to extract a specific adjustment in this category; however, most market participants would view this easement as a negative factor. Downward adjustments of 5% were made to all of the comparables in this category due to the subject easement. This adjustment is subjective but considered reflective of the actions of market participants regarding the subject easement.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$152,000, \$150,000, \$154,100, and \$156,000. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$150,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$150,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 2, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail	138 Little Wheel Ct
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14	08/19/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500	\$49,000
ADJUSTMENT FOR:					
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River	Clearwater River
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Good	Good	Good	Average
		-\$21,000	-\$18,000	-\$18,250	\$0
AGE/YEARS	45	21	19	8	19
		-\$25,200	-\$23,400	-\$33,763	-\$6,370
BATHROOMS	1	2	2	2.5	1
		-\$5,000	-\$5,000	-\$7,500	\$0
HOUSE SIZE/SF	792	2,352	1,888	2,226	560
		-\$62,400	-\$43,840	-\$57,360	\$9,280
OUTBUILDINGS	Various	Superior	Superior	Superior	Inferior
		-\$5,000	-\$17,000	-\$7,000	\$2,000
TOTAL ADJUSTMENT		-\$118,600	-\$107,240	-\$123,873	\$4,910
NET ADJUSTMENT PERCENTAGE		-56%	-60%	-68%	10%
ADJUSTED PRICE INDICATION		\$91,400	\$72,760	\$58,628	\$53,910

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2013, 2014, and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2013. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and Sale 4 were rated as average in this category. No adjustment was necessary for Sale 4 in this category. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 1 bathroom. Adjustments were necessary in this category for Sales 1, 2, and 3. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$91,400, \$72,760, \$58,628, and \$53,910. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$70,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$ 70,000</u>
Total Value Indication	\$230,000

LOT 3

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 3, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.237	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.237	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	-50%	15%	20%
TOTAL ADJUSTMENT		-\$8,000	-\$150,000	\$20,100	\$26,000
ADJUSTED PRICE PER SF		\$152,000	\$150,000	\$154,100	\$156,000

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site includes a driveway for access to Lots 1 and 2. This driveway easement affects the usable area of this sale. The comparables do not include easements that affect value. There is not sufficient available market data to extract a specific adjustment in this category; however, most market participants would view this easement as a negative factor. Downward adjustments of 5% were made to all of the comparables in this category due to the subject easement. This adjustment is subjective but considered reflective of the actions of market participants regarding the subject easement.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$152,000, \$150,000, \$154,100, and \$156,000. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$150,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$150,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 3, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail	138 Little Wheel Ct
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14	08/19/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500	\$49,000
ADJUSTMENT FOR:					
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River	Clearwater River
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Good	Good	Good	Average
		-\$21,000	-\$18,000	-\$18,250	\$0
AGE/YEARS	58	21	19	8	19
		-\$38,850	-\$35,100	-\$45,625	-\$9,555
BATHROOMS	0	2	2	2.5	1
		-\$15,000	-\$15,000	\$17,500	-\$10,000
HOUSE SIZE/SF	976	2,352	1,888	2,226	560
		-\$55,040	-\$36,480	-\$50,000	\$16,640
OUTBUILDINGS	Various	Inferior	Inferior	Inferior	Inferior
		\$62,000	\$50,000	\$60,000	\$69,000
TOTAL ADJUSTMENT		-\$67,890	-\$54,580	-\$36,375	\$66,085
NET ADJUSTMENT PERCENTAGE		-32%	-30%	-20%	135%
ADJUSTED PRICE INDICATION		\$142,110	\$125,420	\$146,125	\$115,085

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2013, 2014, and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2013. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and Sale 4 were rated as average in this category. No adjustment was necessary for Sale 4 in this category. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence does not include an indoor bathroom. We made upward adjustments to all of the sales for the first bathroom and made additional adjustments as necessary for additional bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath after the larger adjustment for the first bathroom. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$142,110, \$125,420, \$145,125, and \$115,085. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$130,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$130,000</u>
Total Value Indication	\$290,000

LOT 4

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 4, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.133	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.133	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 4, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail	138 Little Wheel Ct
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14	08/19/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500	\$49,000
ADJUSTMENT FOR:					
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River	Clearwater River
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Good	Good	Good	Average
		-\$21,000	-\$18,000	-\$18,250	\$0
AGE/YEARS	51	21	19	8	19
		-\$31,500	-\$28,800	-\$39,238	-\$7,840
BATHROOMS	0	2	2	2.5	1
		-\$15,000	-\$15,000	\$17,500	-\$10,000
HOUSE SIZE/SF	648	2,352	1,888	2,226	560
		-\$68,160	-\$49,600	-\$63,120	\$3,520
OUTBUILDINGS	Various	Superior	Superior	Superior	Inferior
		-\$5,000	-\$17,000	-\$7,000	\$2,000
TOTAL ADJUSTMENT		-\$140,660	-\$128,400	-\$110,108	-\$12,320
NET ADJUSTMENT PERCENTAGE		-67%	-71%	-60%	-25%
ADJUSTED PRICE INDICATION		\$69,340	\$51,600	\$72,393	\$36,680

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2013, 2014, and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2013. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and Sale 4 were rated as average in this category. No adjustment was necessary for Sale 4 in this category. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence does not include an indoor bathroom. We made upward adjustments to all of the sales for the first bathroom and made additional adjustments as necessary for additional bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath after the larger adjustment for the first bathroom. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$69,340, \$51,600, \$72,393, and \$36,680. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$60,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$ 60,000</u>
Total Value Indication	\$220,000

LOT 6

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 6, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.325	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.325	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 6, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
AGE/YEARS	20	21	19	8
		\$1,050	-\$900	-\$10,950
BATHROOMS	3	2	2	2.5
		\$5,000	\$5,000	\$2,500
HOUSE SIZE/SF	2,168	2,352	1,888	2,226
		-\$7,360	\$11,200	-\$2,320
OUTBUILDINGS	Numerous	Inferior	Inferior	Inferior
		\$17,000	\$5,000	\$15,000
TOTAL ADJUSTMENT		\$15,690	\$20,300	\$4,230
NET ADJUSTMENT PERCENTAGE		7%	11%	2%
ADJUSTED PRICE INDICATION		\$225,690	\$200,300	\$186,730

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and comparables were all rated as good in this category. No adjustments were necessary.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 3 bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$225,690, \$200,300, and \$186,730. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$200,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$200,000</u>
Total Value Indication	\$360,000

LOT 9

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 9, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	0.861	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	0.861	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 9, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Good	Good
		-\$21,000	-\$18,000	-\$18,250
AGE/YEARS	76	21	19	8
		-\$57,750	-\$51,300	-\$62,050
BATHROOMS	1	2	2	2.5
		-\$5,000	-\$5,000	-\$7,500
HOUSE SIZE/SF	1,649	2,352	1,888	2,226
		-\$28,120	-\$9,560	-\$23,080
OUTBUILDINGS	Various	Superior	Superior	Superior
		-\$6,500	-\$18,500	-\$8,500
TOTAL ADJUSTMENT		-\$118,370	-\$102,360	-\$119,380
NET ADJUSTMENT PERCENTAGE		-56%	-57%	-65%
ADJUSTED PRICE INDICATION		\$91,630	\$77,640	\$63,120

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject was considered to be average in overall condition. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 1 bathroom. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$91,630, \$77,640, and \$63,120. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$80,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$ 80,000</u>
Total Value Indication	\$240,000

LOT 10

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 10, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.669	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.669	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 10, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
AGE/YEARS	56	21	19	8
		-\$36,750	-\$33,300	-\$43,800
BATHROOMS	1	2	2	2.5
		-\$5,000	-\$5,000	-\$7,500
HOUSE SIZE/SF	1,195	2,352	1,888	2,226
		-\$46,280	-\$27,720	-\$41,240
OUTBUILDINGS	Various	Inferior	Superior	Inferior
		\$9,000	-\$3,000	\$7,000
TOTAL ADJUSTMENT		-\$79,030	-\$69,020	-\$85,540
NET ADJUSTMENT PERCENTAGE		-38%	-38%	-47%
ADJUSTED PRICE INDICATION		\$130,970	\$110,980	\$96,960

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and comparables were considered to be in good condition. No adjustments were necessary in this category.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 1 bathroom. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$130,970, \$110,980, and \$96,960. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$110,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$110,000</u>
Total Value Indication	\$270,000

LOT 11

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 11, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.465	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.465	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 11, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Good	Good
		-\$21,000	-\$18,000	-\$18,250
AGE/YEARS	64	21	19	8
		-\$45,150	-\$40,500	-\$51,100
BATHROOMS	1	2	2	2.5
		-\$5,000	-\$5,000	-\$7,500
HOUSE SIZE/SF	1,406	2,352	1,888	2,226
		-\$37,840	-\$19,280	-\$32,800
OUTBUILDINGS	Various	Superior	Superior	Superior
		-\$3,000	-\$15,000	-\$5,000
TOTAL ADJUSTMENT		-\$111,990	-\$97,780	-\$114,650
NET ADJUSTMENT PERCENTAGE		-53%	-54%	-63%
ADJUSTED PRICE INDICATION		\$98,010	\$82,220	\$67,850

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject was considered to be average in overall condition. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 1 bathroom. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$98,010, \$82,220, and \$67,850. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$80,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$ 80,000</u>
Total Value Indication	\$240,000

LOT 21

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 21, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.311	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.311	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 21, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	84 Overland Trail	138 Little Wheel Ct
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14	08/19/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500	\$179,000
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500	\$49,000
ADJUSTMENT FOR:					
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River	Clearwater River
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Good	Good	Good	Average
		-\$21,000	-\$18,000	-\$18,250	\$0
AGE/YEARS	45	21	19	8	19
		-\$25,200	-\$23,400	-\$33,763	-\$6,370
BATHROOMS	2	2	2	2.5	1
		\$0	\$0	-\$2,500	\$5,000
HOUSE SIZE/SF	996	2,352	1,888	2,226	560
		-\$54,240	-\$35,680	-\$49,200	\$17,440
OUTBUILDINGS	Various	Superior	Superior	Superior	Inferior
		-\$3,000	-\$15,000	-\$5,000	\$4,000
TOTAL ADJUSTMENT		-\$103,440	-\$92,080	-\$108,713	\$20,070
NET ADJUSTMENT PERCENTAGE		-49%	-51%	-60%	41%
ADJUSTED PRICE INDICATION		\$106,560	\$87,920	\$73,788	\$69,070

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2013, 2014, and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2013. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and Sale 4 were rated as average in this category. No adjustment was necessary for Sale 4 in this category. Sales 1, 2, and 3 were rated as good in this category. We made downward adjustments of 10% to these sales for superior condition compared to the subject. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence has two bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath after the larger adjustment for the first bathroom. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$106,560, \$87,920, \$73,788, and \$69,070. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$80,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$ 80,000</u>
Total Value Indication	\$240,000

LOT 23

Site Value Estimate

All of the site sales presented were utilized to derive the value of this subject lot. Adjustments have been considered for differences between the sales and this subject site. Any adjustments made are noted on the spreadsheet below;

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 23, COS #5140, SEELEY LAKE OUTLET					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	ACTIVE 1
IDENTIFICATION		973 Riverview Dr	184 Boy Scout Rd	212 Shoreline Ct	388 Overland Trail
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$215,000	\$390,000	\$210,000	\$150,000
ADJUSTMENT FOR LIST PRICE		\$0	\$0	\$0	-\$20,000
ADJUSTMENT FOR IMPROVEMENTS		-\$50,000	-\$90,000	-\$76,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Non-Market	Market	Market	Market
FINANCING ADJUSTMENT		-\$5,000	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
DATE OF SALE		06/08/15	07/09/14	09/16/13	ACTIVE
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$160,000	\$300,000	\$134,000	\$130,000
SITE SIZE/ACRES	1.803	1.932	1.800	0.446	2.020
ADJUSTMENT FOR:					
LOCATION/WATERFRONT NAME	Seeley Lake Outlet	Clearwater River	Seeley Lake	Seeley Lake Outlet	Clearwater River
		0%	-45%	0%	25%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Public Road	Public Road	Public Road	Public Road
		0%	0%	0%	0%
ZONING	None	None	None	None	None
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	None	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.803	1.932	1.800	0.446	2.020
		0%	0%	20%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	-45%	20%	25%
TOTAL ADJUSTMENT		\$0	-\$135,000	\$26,800	\$32,500
ADJUSTED PRICE PER SF		\$160,000	\$165,000	\$160,800	\$162,500

Discussion of Adjustments

Adjustment for List Price: Active Listing 1 was not a closed sale as of the report effective date. This property was under contract prior to report completion. According to the listing agent, a downward adjustment of approximately \$20,000 results in a price reflective of the contract price. For this reason, a downward adjustment of \$20,000 was necessary for this comparable.

Adjustments for Improvements: The improvements included with each sale and the contributory values are noted on the sale write-ups. The contributory values of the improvements were removed from each sale in order to determine the subject site value as vacant.

Property Rights: The ownership interest in this report for the subject lot and for all of the land sales is the fee simple interest. Consequently no adjustments were necessary in this category.

Financing: Sales 2 and 3 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 1, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

Conditions of Sale: No adjustment is necessary to any of the comparables in this category.

Buyer Expenditures: No adjustments were necessary for the comparable sales in this category.

Market Conditions: The closed comparable sold in 2013, 2014, and 2015. The available data indicates that market conditions in Seeley Lake have not changed appreciably since the beginning of 2013. For this reason, no adjustment was necessary in this category.

Location/Waterfront Name: The subject property includes frontage along Seeley Lake Outlet. The comparables include frontage along Seeley Lake Outlet, the Clearwater River, or Seeley Lake. Land Sales 1 and 3 are located closest to the subject lot and are considered most similar in this category. We have paired these sales with Land Sale 2 and Active Listing 1. Based upon these comparisons a downward adjustment of 45% is appropriate for Land Sale 2 as it is along Seeley Lake which is considered superior to the subject frontage. An upward adjustment of 25% is appropriate for Active Listing 1 as it is along the Clearwater River with no access by boat to Seeley Lake.

Shape: The subject lot and all of the comparables have shapes that are suitable for development and no adjustment was necessary in this category.

Topography: The subject lot and all of the comparables have topographies that are suitable for development and no adjustment was necessary in this category.

Frontage/Access: The subject lot and all of the comparables have frontage along and access from public roads and no adjustment was necessary in this category.

Zoning: The subject property and the comparables are in areas with no zoning. No adjustments were necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that affect value. No adjustment was necessary in this category.

Electricity/Telephone: The subject property and all of the comparables have similar access to all necessary utilities. No adjustment was necessary in this category.

Size/Acres: The comparables bracket the subject site in acreage. Land Sale 3 is considered sufficiently dissimilar in size compared to the subject site and other comparables that some adjustment was necessary in this category. We paired this sale with Land Sale 1 and determined that an upward adjustment of 20% is appropriate in this category for this sale.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$160,000, \$165,000, \$160,800, and \$162,500. Approximately equal weight is placed on the indications from the closed sales; however, the value conclusion is supported by the adjusted indication from Active Listing 1. A value of \$160,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$160,000

Improvement Value Estimate

Home Sales 1, 2, and 3 were considered the best comparables for the improvements on this subject lot. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 23, COS #5140, SEELEY LAKE OUTLET				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		385 Whitetail Dr	624 Overland Trail	184 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$290,000	\$310,000	\$312,500
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/29/15	04/07/15	08/27/14
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$290,000	\$310,000	\$312,500
LESS SITE VALUE		(\$80,000)	(\$130,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$210,000	\$180,000	\$182,500
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake Outlet	Morrel Creek	Clearwater River	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
AGE/YEARS	14	21	19	8
		\$7,350	\$4,500	-\$5,475
BATHROOMS	2	2	2	2.5
		\$0	\$0	-\$2,500
HOUSE SIZE/SF	1,825	2,352	1,888	2,226
		-\$21,080	-\$2,520	-\$16,040
OUTBUILDINGS	Various	Inferior	Inferior	Inferior
		\$52,000	\$50,000	\$50,000
TOTAL ADJUSTMENT		\$38,270	\$51,980	\$25,985
NET ADJUSTMENT PERCENTAGE		18%	29%	14%
ADJUSTED PRICE INDICATION		\$248,270	\$231,980	\$208,485

Discussion of Adjustments

Property Rights, Financing, Conditions of Sale, & Adjustments for Buyer Expenditures: Based upon the information we verified, no adjustments were necessary in these categories for the comparables.

Market Conditions: The comparable sales closed in 2014 and 2015. The available data indicates that market conditions for residential properties in Seeley Lake have not changed appreciably since 2014. For this reason, no adjustment is necessary in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale.

Quality: The subject and comparable residences were all rated as average in overall construction quality and no adjustments were necessary in this category.

Condition: The subject and comparables were all rated as good in this category. No adjustments were necessary.

Age: Adjustments were considered necessary for differences in age between the subject and the comparables. The comparables were adjusted by 0.5% per year of age difference between the subject residences. This adjustment is reasonable based upon our analysis of annual physical depreciation typically found in single family residences.

Bathrooms: The subject residence includes 2 bathrooms. We utilized an adjustment amount of \$5,000 per full bathroom and \$2,500 for a half bath. There is not sufficient market data with which to develop a specific adjustment in this category; however, the adjustments made are considered indicative of the actions of market participants.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$40 per square foot is considered reasonable and appropriate.

Outbuildings: Adjustments were made for any differences between our opinions of the contributory values of outbuildings for the comparables compared to the subject property.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$248,270, \$231,980, and \$208,485. Approximately equal weight is accorded the indications from all three comparables. Considered together, the comparables provide a reasonable estimate of market value for the subject residence. The disparity between the value indications is due to the limited availability of market data. A value of \$230,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

The total value conclusion is derived by adding the subject site value to the estimated value of improvements. The calculations are below;

Subject Site Value	\$160,000
Subject Improvements Value	<u>\$230,000</u>
Total Value Indication	\$390,000

RECAPITULATION OF VALUE INDICATIONS

The market values for each subject property are recapitulated on the table below;

Lot #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
1	\$160,000	\$180,000	\$340,000	5/5/2016
2	\$150,000	\$70,000	\$220,000	5/5/2016
3	\$150,000	\$130,000	\$280,000	5/5/2016
4	\$160,000	\$60,000	\$220,000	5/5/2016
6	\$160,000	\$200,000	\$360,000	5/5/2016
9	\$160,000	\$80,000	\$240,000	5/6/2016
10	\$160,000	\$110,000	\$270,000	5/6/2016
11	\$160,000	\$80,000	\$240,000	5/6/2016
21	\$160,000	\$80,000	\$240,000	5/6/2016
23	\$160,000	\$230,000	\$390,000	5/5/2016

QUALIFICATIONS OF THE APPRAISERS

ELLIOTT (ELLIE) M. CLARK, MAI

PROFESSIONAL DESIGNATIONS

MAI Designated Member of the Appraisal Institute (2004)

FORMAL EDUCATION

College of Charleston, Charleston, SC
Bachelor of Science – Geology (1985)

REAL ESTATE EDUCATION

Appraisal Institute

1990 - Basic Valuation Procedures
1990 - Real Estate Principles
1992 - Capitalization Theory and Technique
1994 - Advanced Income Capitalization
2001 - Highest and Best Use and Market Analysis
2001 - Advanced Sales Comparison and Cost Approaches
2002 - Standards of Professional Practice, Part A
2002 - Standards of Professional Practice, Part B
2002 - Report Writing and Valuation Analysis
2002 - Advanced Applications
2003 - Comprehensive Exam
2003 - Separating Real & Personal Property from Intangible Business Assets
2004 - Demonstration Appraisal
2006 - 7 Hour National USPAP Update Course
2006 - Business Practices and Ethics
2008 - 7 Hour National USPAP Update Course
2010 - 7 Hour National USPAP Update Course
2012 – 7 Hour National USPAP Update Course
2012 – Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets
2012 – Valuation of Conservation Easements
2014 – 7 Hour National USPAP Update Course
2015 – Real Estate Finance Statistics and Valuation Modeling
2016 – 7 Hour National USPAP Update Course
2016 – Eminent Domain & Condemnation

Institute of Financial Education

1985 - Real Estate Law I
1986 - Real Estate Law II

IAAO

1991 - Standards of Practice and Professional Ethics

Citadel Evening College

1993 - Residential Appraisal Reports Using URAR Form

William H. Sharp & Associates

1995 - The Home Inspection

Trident Technical College

1997 - Uniform Standards of Appraisal

Historic Preservation Consulting

1998 - Appraising Historic Property

The Beckman Company

2004 - The Technical Inspection of Real Estate

WORK EXPERIENCE

2003 - Present Clark Real Estate Appraisal – Owner/Commercial Real Estate Appraiser
1995 - 2003 Sass, Herrin & Associates, Inc. – Commercial Real Estate Appraiser
1990 - 1995 Charleston County Assessor’s Office – Sr. Staff Real Estate Appraiser
1986 - 1989 First Sun Capital Corporation - Mortgage Loan Officer
1985 - 1986 First National Bank of Atlanta - Mortgage Loan Processor
1984 - 1985 South Carolina Federal Savings Bank - Mortgage Loan Processor

STATE LICENSES/CERTIFICATIONS

Montana State Certified General Real Estate Appraiser - REA-RAG-LIC-683

APPRAISAL SEMINARS ATTENDED

2000 – JT&T Seminars: Financial Calculator HP-12C
2000 – Appraisal Institute: Highest and Best Use Applications
2004 – Appraisal Institute: Evaluating Commercial Construction
2005 – Appraisal Institute: Scope of Work: Expanding Your Range of Services
2006 – Appraisal Institute: Subdivision Valuation
2006 – Appraisal Institute: Appraising from Blueprints and Specifications
2006 – Appraisal Institute: Uniform Appraisal Standards for Federal Land Acquisitions
2007 – Appraisal Institute: Analyzing Commercial Lease Clauses
2007 – Appraisal Institute: Condominiums, Co-ops, and PUDs
2008 – Appraisal Institute: Spotlight on USPAP
2008 – Appraisal Institute: Quality Assurance in Residential Appraisals: Risky Appraisals = Risky Loans
2008 – Appraisal Institute: Office Building Valuation: A Contemporary Perspective
2009 – Appraisal Institute: Appraisal Curriculum Overview (2-Day General)
2010 – Appraisal Institute: Hotel Appraising – New Techniques for Today’s Uncertain Times
2010 – Appraisal Institute: The Discounted Cash Flow Model: Concepts, Issues & Applications
2011 – Appraisal Institute: Understanding & Using Investor Surveys Effectively
2011 – Appraisal Institute: Advanced Spreadsheet Modeling for Valuation Applications
2012 – Appraisal Institute: Appraising the Appraisal: Appraisal Review-General
2013 – Appraisal Institute: Business Practices and Ethics

PARTIAL LIST OF CLIENTS

Rocky Mountain Bank
State of Montana Department of Natural Resources
United States Government Services Administration

CHRISTOPHER D. CLARK

FORMAL EDUCATION

Millikin University, Decatur, Illinois
Bachelor of Arts in Political Science

REAL ESTATE EDUCATION

Appraisal Institute

Course 110 – Appraisal Principles, 2005
Course 120 – Appraisal Procedures, 2005
Course 410 – 15- Hour National USPAP Course, 2005
Course 203R – Residential Report Writing & Case Studies, 2006
Course REA070513 – Analyzing Commercial Lease Clauses, 2007
Course 06RE0638 – Condominiums, Co-ops, PUD's, 2007
Course REA071154 –Hypothetical Conditions, Extraordinary Assumptions, 2008
Course 07RE0734 – 7-Hour National USPAP Update, 2008
Course 06RE0641 – Quality Assurance in Residential Appraisals, 2008
Course 06RE1286 – Office Building Valuation: A Contemporary Perspective, 2008
Course 430ADM 0 Appraisal Curriculum Overview – 2009
Course I400 - 7-Hour National USPAP Update – 2010
Course OL-202R - Online Residential Sales Comparison and Income Approach – 2011
Course OL-200R - Online Residential Market Analysis and Highest & Best Use – 2011
Course OL-201R - Online Residential Site Valuation & Cost Approach – 2011
Course I400 – 7-Hour National USPAP Update Course – 2012
Course REA110436 – Appraising the Appraisal: Appraisal Review General – 2012
Course 08REO643 – Business Practices and Ethics -2013
Course I400 – 7-Hour National USPAP Update – 2014
Course REA4380 – Online Introduction to Green Buildings: Principles and Concepts
Course REA120108 – Online Cool Tools: New Technology for Real Estate Appraisers
Course REA6260 – Real Estate Finance Statistics & Valuation Modeling 2015
Course REA-REC-REC-7415 – 2016-2017 7-Hour USPAP Update – 2016
Course REA-CEC-REC-7494 – Eminent Domain and Condemnation - 2016



WORK EXPERIENCE

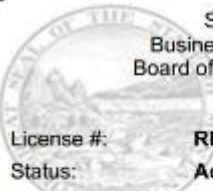

2005 - Present	Clark Real Estate Appraisal, Inc. – Real Estate Appraiser
2003 - 2005	IKON Office Solutions – Technology Marketing
2002 - 2003	Relational Technology Services – Technology Marketing
1998 - 2003	IKON Office Solutions – Technology Marketing
1988 – 1998	CMS Automation (Formerly Entré Computer Center) – Technology Marketing

STATE LICENSES/CERTIFICATIONS

Montana Licensed Appraiser # REA-RAL-LIC-841

APPRAISERS LICENSES

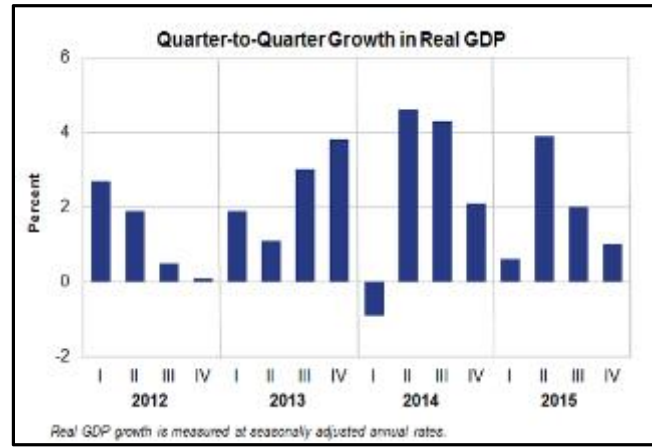
	State of Montana Business Standards Division Board of Real Estate Appraisers	This certificate verifies licensure as: CERTIFIED GENERAL APPRAISER With endorsements of: REAL ESTATE APPRAISER MENTOR
License #:	REA-RAG-LIC-683	
Status:	Active	
Expiration Date:	03/31/2017	
ELLIOTT M CLARK CLARK REAL ESTATE APPRAISAL 704C E 13TH STREET #509 WHITEFISH, MT 59937		 RENEW OR VERIFY YOUR LICENSE AT: https://ebiz.mt.gov/pol/

	State of Montana Business Standards Division Board of Real Estate Appraisers	This certificate verifies licensure as: LICENSED APPRAISER
License #:	REA-RAL-LIC-841	
Status:	Active	
Expiration Date:	03/31/2017	
CHRISTOPHER D CLARK CLARK REAL ESTATE APPRAISAL 704C E 13TH STREET #509 WHITEFISH, MT 59937		 RENEW OR VERIFY YOUR LICENSE AT: https://ebiz.mt.gov/pol/

ADDENDUM

NATIONAL ECONOMIC DATA

Real GDP increased by 1.0% in the fourth quarter of 2015 after increasing 2.1% in the third quarter of 2015 according to the Bureau of Economic Analysis of the US Department of Commerce (BEA). According to the BEA, the fourth quarter increase in real GDP reflected positive contributions from personal consumption expenditures, residential fixed investment, and federal government spending that were partly offset by negative contributions from exports, nonresidential fixed investment, state and local government spending, and private inventory investment.



According to the US Bureau of Labor and Statistics, the seasonally adjusted national unemployment rate for February 2016 was 4.9%. This is the same as the January 2016 rate but down from the October, November, December 2015 unemployment rate of 5.0%. This is the lowest national unemployment rate since July of 2008. Generally, continued slow growth is forecasted for the US economy during 2016.

STATE ECONOMIC DATA

Montana is the 44th most populous state in the US. 2010 US Census data estimated a population of 989,415 indicating a growth in population of 9.7% from 2000 to 2010. According to ESRI using US Census data, the 2015 population of Montana was forecasted to be 1,027,698. This estimate shows a 3.87% increase since the 2010 census. The state economy is diverse with a wide variety of industries. The top five employment categories in the state are;

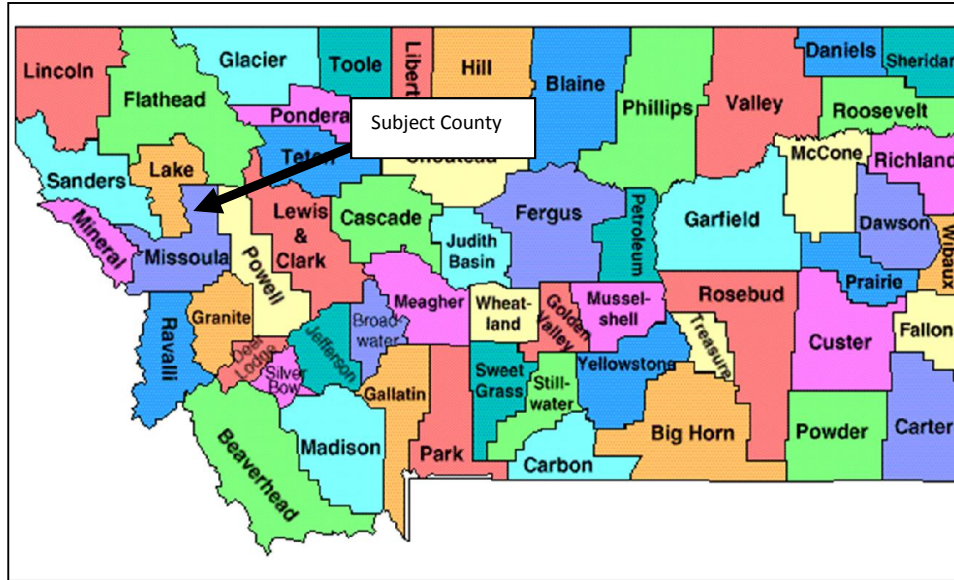
- Trade, Transportation, and Utilities
- Government (Federal, State, & Local)
- Education & Health Services
- Healthcare & Social Assistance
- Leisure & Hospitality

These industries employ from 11% to 16% of the workforce in Montana per category. The remaining categories employ less than 10% each.

According to the Federal Reserve Minneapolis economic models, employment growth is forecasted to slow in 2016 for the region; however, consumer spending and tourism expenditures are forecasted to increase. Specific to Montana, the Federal Reserve Minneapolis forecasts the following for 2016; nonfarm employment in Montana is projected to increase by 0.7%, unemployment for the state is projected to decrease to 3.8%, and personal income is projected to increase by 4.5%.

MISSOULA COUNTY DATA

The subject properties are in Missoula County which is the western half of the state. The total land area of the county is approximately 2,618 square miles. The county seat is the city of Missoula which is in the southern portion of the county. A map of Montana with counties identified is below.



Geographical Information

Missoula County is bordered to the north by Flathead, Lake, Sanders and Mineral Counties of Montana. It is bordered to the south and east by Ravalli, Granite and Powell Counties of Montana. A small portion of Missoula County is bordered to the west by Idaho and Clearwater Counties in Idaho. The general geography of the county is mountainous. Missoula County is comprised of five valleys and includes two significant rivers. There are a number of national protected areas in the county. These include; the Rattlesnake National Recreation Area and portions of Bitterroot, Flathead and Lolo National Forests.

City and Communities

Missoula is the only incorporated city in Missoula County. Towns and Census designated places in Missoula County include; Bonner, Clinton, Condon, East Missoula, Evaro, Frenchtown, Huson, Lolo, Milltown, Orchard Homes, Seeley Lake, and Wye

Population

Missoula County is the 2nd most populous county in Montana. The 2015 county population estimate from ESRI based upon US Census Bureau data was 113,665. The population is projected to increase to 118,223 by 2020 or 0.8% per year.

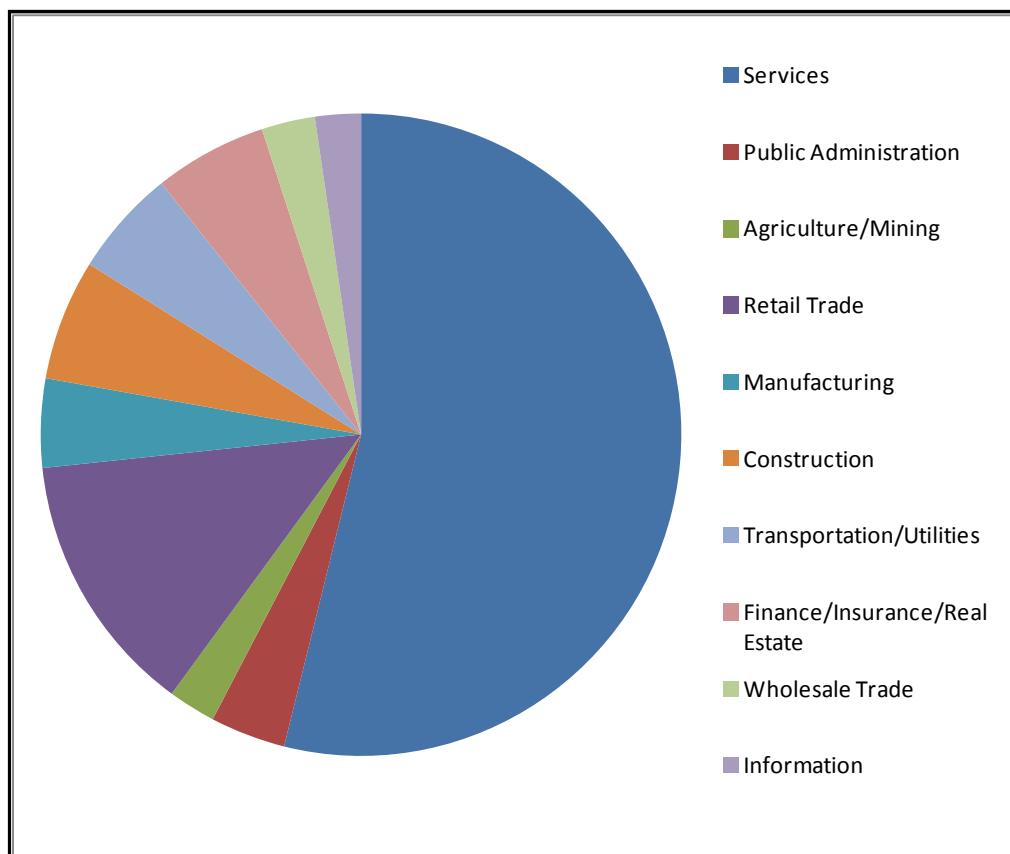
Income

According to data from the US Census the median household income for Missoula County was \$47,534 in 2015. This is 0.40% less than the median household income for the same period for the state of Montana. Approximately 16.8% of the population of Missoula County was below the poverty level between 2008 and 2012. This is higher than the percentage below the poverty level for the state of Montana for the same period of 13.7%.

Employment

According to ESRI there were 56,415 people over 16 years of age in the workforce in Missoula County in 2010. The county unemployment rate per the Montana Department of Labor and Industry as of December 2014 was 4.00%.

The workforce percentages by industry are included on the chart below;



Services comprise the largest employment by substantial margin. The next largest category is retail trade.

Real Estate

According to ESRI estimates based upon US Census data there were 52,799 housing units in Missoula County in 2015. The home ownership rate was estimated at 51.6% in 2015. The median home value was estimated to be \$224,299 in 2015. It is expected to increase by approximately 4.5% per year to \$275,920 in 2020.

Education & Healthcare

There are elementary, middle schools and high schools in the various population centers of Missoula County. The University of Montana and The University of Montana College of Technology are both located in Missoula County. There are two acute care hospitals in Missoula County.

Linkages & Transportation

United States Interstate Highway 90 runs through Missoula County. US Highway 12 and 93 both go through the county. There are Montana Highways in the county as well. There is an International Airport in Missoula.

County Data Conclusion

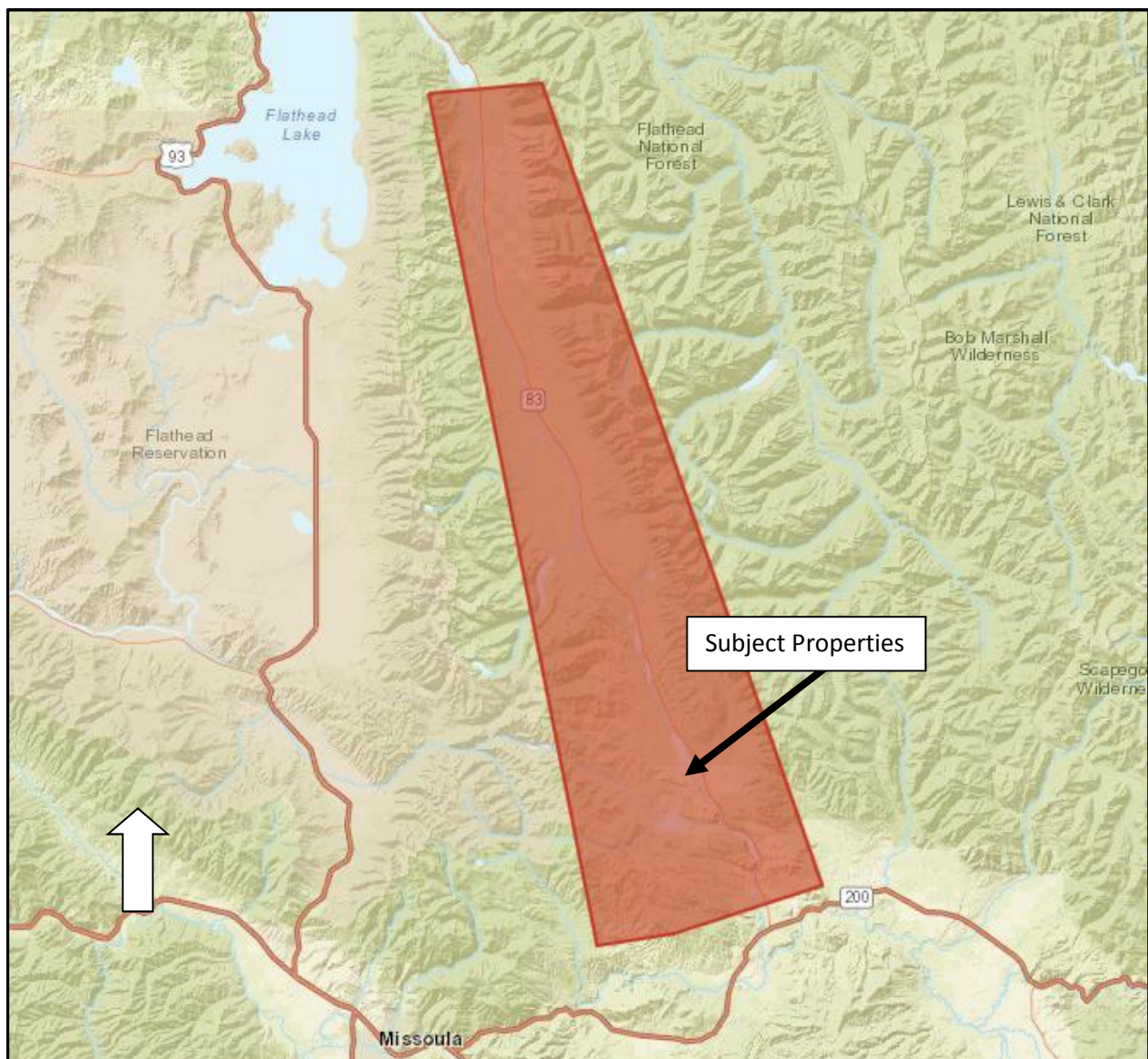
Missoula County is one of the most populous counties in Montana. The population is slated to increase approximately 0.8% per year through 2020. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The county unemployment rate is similar to that of the state but lower than of the nation. The economy and the real estate market have remained relatively stable for the past several years. Missoula County did experience the real estate “bubble”; however, the market appears to have stabilized. The economy of Missoula County is considered relatively stable with growth likely in the foreseeable future

SEELEY-SWAN VALLEY DATA

General Information

The subject property is located in a relatively remote, rural area generally known as the “Seeley-Swan Valley”. There is relatively little privately owned land in the area.

For report purposes the neighborhood boundaries consist of properties between Bigfork to the north and Montana Highway 200 to the south. Montana Highway 83 runs north to south through the entire area. The Mission Mountain Range forms the west side neighborhood boundary and the Swan Mountain Range forms the east side neighborhood boundary. The subject neighborhood is approximately 1 to 1.5 hour drive from Kalispell and approximately 1 to 1.5 hour drive from Missoula. A map depicting the area and the location of the subject properties is below;



Much of the land in the subject market area is protected. A recent cooperative project that involved a large amount of acreage in the area is known as “The Montana Legacy Project.” It is a cooperative project of The Nature Conservancy, The Trust for Public Land and state, federal and private partners. The Nature Conservancy and The Trust for Public Land have acquired approximately 310,000 acres of land formerly owned by Plum Creek since 2009. The land will eventually be conveyed to a mix of public and private owners. Under this partnership, actual land ownership and management responsibilities rest with The Nature Conservancy.

Geography

The subject area is generally bounded by the Swan Mountains on the east and the Mission Mountains on the west. Area mountain peaks extend as high as 9,000 feet. Portions of two national forests are in this area. They are the Lolo and Flathead National Forests. There are number of lakes, rivers and creeks in the area. Seeley Lake is the nearest relatively large lake to the subject properties.

Population

According to 2015 US Census data the population of the subject neighborhood (as defined by the map presented) was 2,911. According to ESRI forecasts the population is expected to increase to 3,038 by 2020. This equates to an increase of approximately 1% per year.

Economy/Income

There is no major employment in the area. Major employment is located in Kalispell or Missoula which are both over an hour drive away. According to ESRI, the 2015 median household income for the neighborhood was indicated to be \$50,843. The median household income is projected to increase by approximately 3% per year through 2020.

Housing & Real Estate

According to the ESRI there were 3,033 housing units in the identified subject neighborhood in 2015. Approximately 36% of the housing units were identified as owner occupied, approximately 10% were identified as renter occupied, and approximately 54% were identified as vacant. The relatively high percentage of vacant housing units is likely due to the remote nature of the subject area. Many of these properties are utilized only a portion of the year and are second or vacation homes. The population density increases along the area lakes, rivers and creeks and is less dense further from these amenities. Prices for real estate in the area typically increase substantially with water frontage.

According to ESRI forecasts the median home value for the neighborhood in 2015 was \$207,169. The home value is projected to increase to \$257,411 or approximately 34% by 2020. The most expensive homes are typically on navigable water or on large acreage tracts.

There are commercial properties located mostly along the highway. These primarily consist of service type businesses to provide for the area residents. There are some lodging facilities; however, they are mostly oriented to or based upon proximity to an area natural amenity or a particular activity.

Recreation

There are a large number of camp grounds and hiking trails in the subject area. The Bob Marshall Wilderness is located near (to the east) of this area. It is a popular destination for hikers and hunters. The numerous lakes, rivers and creeks provide many recreational opportunities. Area winter activities include snowmobiling, cross country skiing, and snowshoeing.

Conclusion

The immediate subject neighborhood is a remote area comprised of rural properties that are mostly residential in nature. There is little employment in the area. There is relatively little privately owned land in the area. The area is very attractive for recreation. Recreational opportunities include hiking, mountain biking, Nordic skiing, snowmobiling, hunting, boating, and fishing.

SCOPE OF WORK
(Page 1 of 3)

ATTACHMENT B

MONTANA DNRC TRUST LAND MANAGEMENT DIVISION
Supplemental Appraisal Instructions

This Scope of Work and Supplemental Appraisal Instructions are to be included in the appraiser's addendum.

Subject Properties:

GRANT CREEK		
Sale #	Acres	Legal Description
823	1.305 ±	Lot 5, Grant Creek Cabin Sites COS 6021, Section 16, T14N-R19W
823	1.305 ±	Lot 5, Grant Creek Cabin Sites COS 6021, Section 16, T14N-R19W
823	2.401 ±	Lot 5, Grant Creek Cabin Sites COS 6021, Section 16, T14N-R19W
823	1.385 ±	Lot 5, Grant Creek Cabin Sites COS 6021, Section 16, T14N-R19W
823	1.305 ±	Lot 1A, Grant Creek Cabin Sites COS 6021, Section 16, T14N-R19W
MCGREGOR LAKE		
823	1.37 ±	Lot 15 McGregor Lake Cabin Sites, COS 19909, Section 16, T26N-R25W
823	1.37 ±	Lot 1 McGregor Lake Cabin Sites, COS 19909, Section 16, T26N-R25W
809	1.37 ±	Lot 15 McGregor Lake Cabin Sites, COS 19909, Section 16, T26N-R25W
800	1.37 ±	Lot 26 McGregor Lake Cabin Sites, COS 19909, Section 16, T26N-R25W
PLACID LAKE		
800	0.827 ±	Lot 14 Placid Lake Cabin Sites, COS 5049, Section 30, T16N-R15W
PLACID LAKE		
800	1.803 ±	Lot 23 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
800	0.827 ±	Lot 2 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
823	2.401 ±	Lot 2 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
816	1.001 ±	Lot 1 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
800	1.803 ±	Lot 11 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
818	1.133±	Lot 4 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W

Rev. 11/15

819	1.311±	Lot 21 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
810	1.311±	Lot 6 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
821	1.325±	Lot 6 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W
821	1.325±	Lot 10 Seeley Lake Outlet West Cabin Sites, COS 5140, Section 4, T16N-R15W

Separate values must be supplied for each sale parcel including; total value, land value and improvement value.

DNRC Contact Information:

Emily Cooper, Lands Section Supervisor
 P.O. Box 201601
 1625 11th Avenue
 Helena, MT 59620-1601
 Phone: (406) 444-4165
ecooper@mt.gov

Sale 823 Vincent & Relinda Lindgren 10599 Grant Creek Road Missoula, MT 59808	824 James & Loretta Diede 10777 Grant Creek Road Missoula, MT 59808	825 Richard Bridges 10660 Grant Creek Road Missoula, MT 59808
826 Ross & Cynthia Rademacher 10755 Grant Creek Road Missoula, MT 59808	827 MMP Investors, et al. c/o Craig Langel 3819 Stephens, Suite 100 Missoula, MT 59801	806 Williams Living Trust PMB 2778 3916 Potsdam Ave. Sioux Falls, SD 57104
808 Joseph & Renee Russell 50 Bruyer Way Loop Kalispell, MT 59901	809 Peter & Colette Gross PO Box 7276 Kalispell, MT 59904	810 Howard & Tabatha Mann 670 McGregor Lane Marion, MT 59925
812 Susan Robinson PO Box 1551 Ketchum, ID 83340	813 Michael Evans PO Box 1324 Seeley Lake, MT 59868	814 George & Gail Kerscher 1203 Pineview Dr. Missoula, MT 59802
815 Beesnest Properties LLC 1540 Sunflower Drive Missoula, MT 59802	816 Corey & Kristi Markovich 2827 Lexington Ave. Butte, MT 59701	817 Lori Posey 3040 Tipperary Lane Idaho Falls, ID 83404
818 Joseph & Gina Bollinger 3816 Rue Left Bank Alexandria, LA 71303	819 James & Kathleen Workman PO Box 773 Great Falls, MT 59403	820 David & Julie Lapham 1572 Fox Field Missoula, MT 59802
821 Bertoglio Family LLC 34 Sidewinder Loop Montana City, MT 59634	822 Byron & Lysie Denzer PO Box 554 Conrad, MT 59425	

The following will be located in the body of the contract:

The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel. If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing the specific market data as a stand-alone document, which must be reviewed and accepted along with the appraisal, and will be returned to the appraiser for retention in his/her files. The appraiser must submit an electronic copy as well as a printed copy of the appraisal report.

The definition of market value is that as defined in 70-30-313 MCA.

The DNRC will provide access to the state parcel record, as maintained by the land office, including but not limited to aerial photos, land improvements, property issues, surveys (if any), and production history. The local land office will provide contact information to the appraiser, if necessary, in order for the appraiser to obtain access to the property.