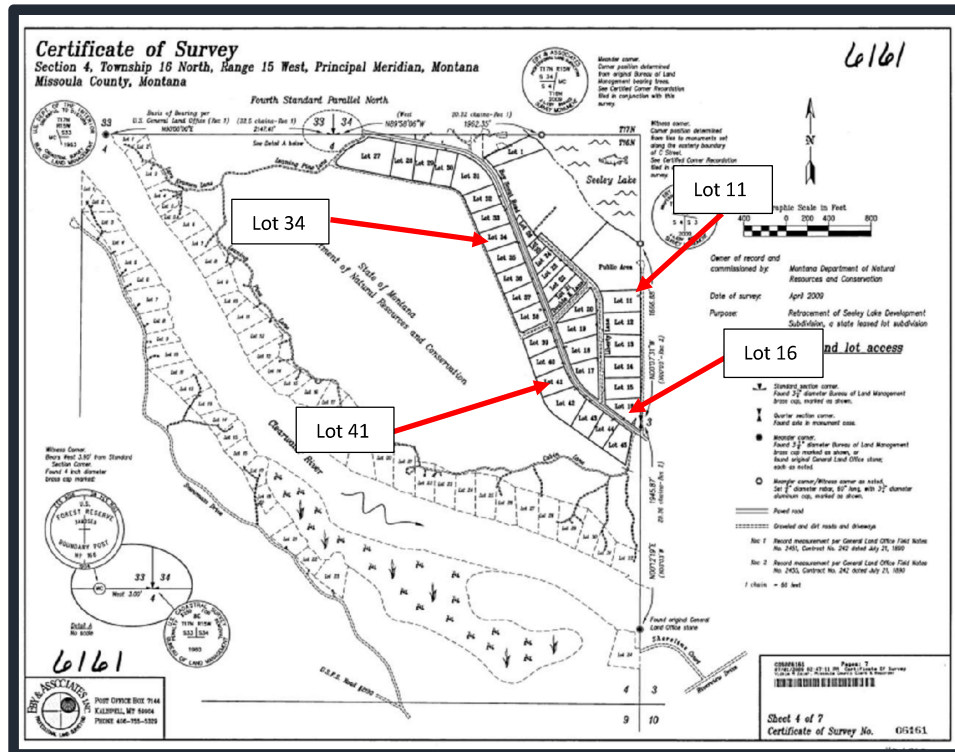


APPRAISAL REPORT OF:

LOTS 11, 16, 34, & 41
CERTIFICATE OF SURVEY 6161
SEELEY LAKE DEVELOPMENT
SEELEY LAKE, MISSOULA COUNTY, 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. Deidra Kloberdanz, Lands Section Supervisor

MARKET VALUES AS OF:

June 1, 2023

PREPARED BY:

Elliott M. Clark, MAI &
Christopher D. Clark
Clark Real Estate Appraisal
PO Box 1531
Seeley Lake, Montana 59868
(406) 862-8151



PO Box 1531
Seeley Lake, Montana 59868

LETTER OF TRANSMITTAL

June 23, 2023

Ms. Deidra Kloberdanz, 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 11, 16, 34, & 41 of COS 6161, Section 4, Township 16 North, Range 15 West, Seeley Lake Development, Missoula County, Montana

Dear Ms. Kloberdanz:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on June 1, 2023. 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 subject sites, the subject improvements, and the sites and improvements considered together are concluded in this report. These value conclusions were made after a 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 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 **Hypothetical Conditions** that the subject properties were legal parcels and that the parcels had legal and adequate access (as described in this report) as of the report effective date.

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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 conclusions for the properties. We specifically certify that we are competent (geographically and with regard to the property type) to complete this appraisal report. 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

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SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

Client/Intended User(s)	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	Conclude Market Values/Potential Sale Purposes
Property Owner(s)	Sites: State of Montana/Improvements: Individual Lessees

SUBJECT PROPERTY

Property Identifications	Lots 11, 16, 34, & 41, COS 6161, Section 4, Township 16 North, Range 15 West, Seeley Lake Development, Seeley Lake, Missoula County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-063-0018.02
Flood Zone	Subject Lots 11, 16, & 34 in Area of Low Flood Risk and Subject Lot 41 in Clearwater River 100 Year Regulatory Flood Plain per Missoula County
Zoning	None

HIGHEST AND BEST USE(S)

As Is	Recreational and/or Residential Use
As Improved	Recreational and/or Residential Use

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

Report Date	June 23, 2023
Inspection Date(s)	June 1, 2023
Effective Date of Value(s)	June 23, 2023
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 109 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 109 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 109 of Report

Extraordinary Assumption(s)	None
Hypothetical Condition(s)	See Scope of the Appraisal

MARKETING & EXPOSURE TIME

The appraised values for the subject lots, as if vacant, are based upon 6 to 12 month marketing and exposure times. The appraised values for the subject properties, as improved, are also based upon a 3 to 6 month marketing and 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.
- Clark Real Estate Appraisal has performed no services, as appraisers or in any other capacity, regarding the subject properties 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 clients, 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.



Dated Signed: June 23, 2023
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: June 23, 2023
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 the 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 value will be discussed.
13. This appraisal assignment was not made nor was the appraisal rendered on the basis of a requested minimum valuation or specific valuation.
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 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 are Lots 11, 16, 34, and 41 of COS 6161, Section 4, Township 16 North, Range 15 West, Seeley Lake Development, Seely Lake, Missoula County, Montana

The appraisers were asked to provide opinions of the market values of the fee simple interests in the sites and improvements for the subject properties for decisions regarding potential sale of the properties.

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 June 1, 2023. We measured the improvements on the subject lots and walked the lots.

Scope of Research

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

Area trends in development were researched based upon information from various offices of 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 2020-2023 version of the Uniform 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 are no **Extraordinary Assumptions** associated with this appraisal report.

Hypothetical Conditions

A **Hypothetical Condition** is defined in 2020-2023 version of the Uniform 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 the properties were legal parcels as of the report effective date and that there was legal and adequate access (as described in this report) to the properties.

Use of **Hypothetical Conditions** can affect assignment results.

Highest & Best Use

Our opinions 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 carefully considered analyses. The appraisal process presented was based upon the highest and best use conclusions for the subject properties.

Appraisal Process

The Sales Comparison Approach was developed to determine the values of the subject sites 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 homes in the subject market area do not base decisions upon the depreciated cost of the improvements. The Sales Comparison Approach produces the most credible value conclusions for properties like the subject lots as improved; however, if there are not sufficient comparables, it is necessary to rely on another approach to value. The Sales Comparison Approach was developed to determine the values for subject Lots 11, 34, and 41 as improved. The Cost Approach was not applicable or necessary for credible value conclusions for these properties. There were not sufficient comparables to develop a credible Sales Comparison Approach for subject Lot 16 as improved. For this reason, the Cost Approach was utilized to determine the value of this property as improved. 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.

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 any impact on the values 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;
- Montana Regional MLS;
- Various Area Real Estate Agents, Property Managers, Property Owners, and Builders

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County	Gross Acres
11	2048	6161	S04/T16N/R15W	Missoula	1.704
16	2047	6161	S04/T16N/R15W	Missoula	1.387
34	2045	6161	S04/T16N/R15W	Missoula	1.310
41	2044	6161	S04/T16N/R15W	Missoula	1.396

INTENDED USE & INTENDED USERS OF THE APPRAISAL

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

Lot #	Sale #	Lessee
11	2048	George & Glenda Tilden
16	2047	Levi & Ashlee Shypkowski
34	2045	Joseph & Melissa Flesch
41	2044	Daniel Carmine

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 conclude the market values of the fee simple interests in the subject properties for possible sale purposes.

DATE OF PROPERTY VIEWINGS

June 1, 2023

EFFECTIVE DATE OF MARKET VALUES

June 1, 2023

PROPERTY RIGHTS APPRAISED

The values concluded 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 following definition of market value is utilized in this report.

Market Value is defined in the following manner:

*"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus."*¹

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and each acting in what he considers his own best interest;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

¹ Office of the Comptroller of the Currency - Comptroller's Manual for National Banks, March 1990, 12CFR, Section 34.42h

STATEMENT OF OWNERSHIP & USE HISTORY

The subject sites are owned by the State of Montana. The improvements on the subject lots are owned by the lessees. The lessees and the most recent transfer documents available online via Missoula County, Montana are identified below;

Lot #	Sale #	Lessee	Address	Last Transfer Document
11	2048	George & Glenda Tilden	277 Liberty Lane	Bill of Sale - 2003 - Per Lessee Purchase Included no Improvements
16	2047	Levi & Ashlee Shypkowski	1254 Boy Scout Road	Bill of Sale - 2020 - Per Lessee the Price was Between \$20,000 and \$22,000
34	2045	Joseph & Melissa Flesch	1961 Boy Scout Road	Bill of Sale - 2018 - Per MLS the Sales Price was \$65,000
41	2044	Daniel Carmine	1465 Boy Scout Road	Bill of Sale - 2014

USE/MARKETING HISTORIES

The Montana Department of Natural Resources and Conservation manages hundreds of 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. There were homes or mobile homes on the subject lots. The home or mobile home construction date and any recent listing information for the improvements via the area MLS for each property are below;

Lot #	Sale #	Lessee	House Built	Listing History of Improvements via Area MLS
11	2048	George & Glenda Tilden	1996 Champion - Single Wide Mobile Home	N/A
16	2047	Levi & Ashlee Shypkowski	1965	N/A
34	2045	Joseph & Melissa Flesch	1977 (Updates & Addition)	Closed Listing - 06/08/2017 - 05/04/2018 - List Price \$75,000 - Sold for \$65,500
41	2044	Daniel Carmine	1940 (Updates)	N/A

According to our research, the improvements on the subject lots were not available for sale via the area MLS as of the report effective date and none were available for sale via the area MLS during the three years prior to the report effective date.

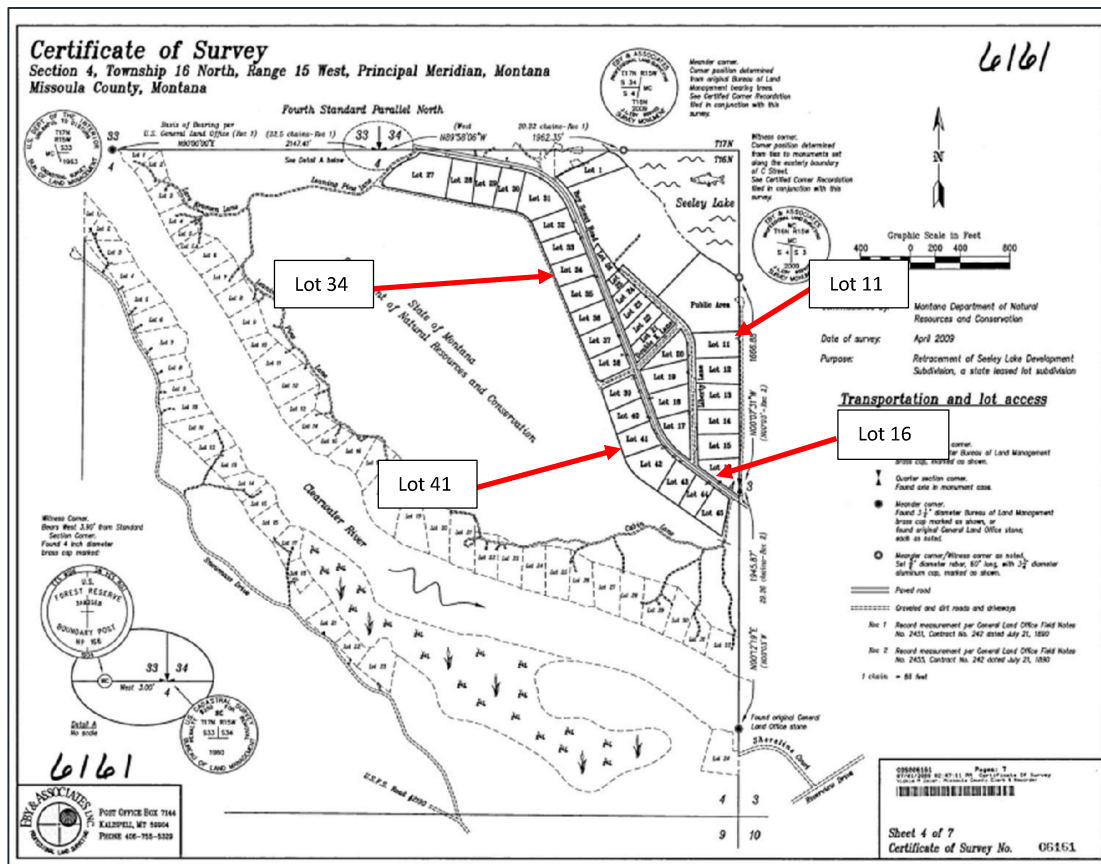
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Lots 11,16,34, and 41 of COS 6161, Section 4, Township 16 North, Range 15 West, Seeley Lake Development, Seely Lake, Missoula County, Montana. None of the subject lots include water frontage. The subject site sizes are below;

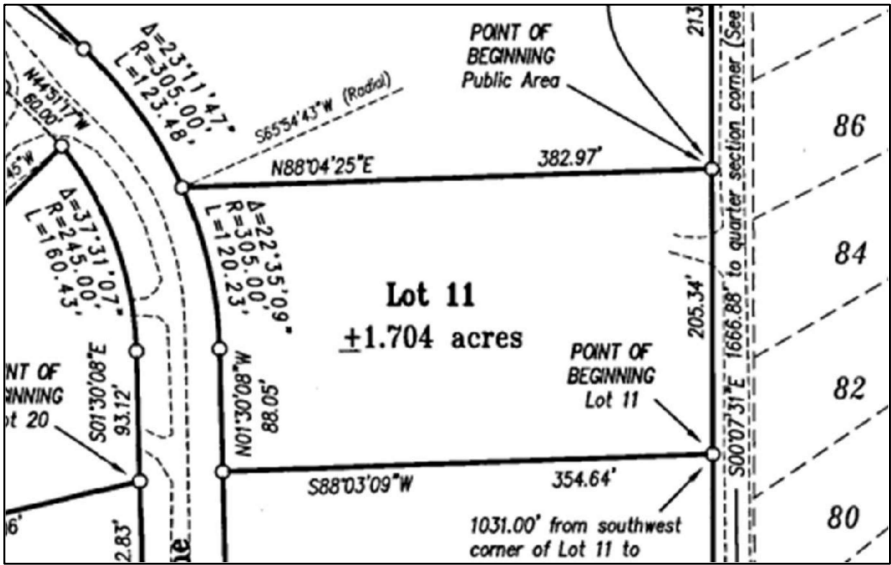
Lot #	Sale #	Gross Acres
11	2048	1.704
16	2047	1.387
34	2045	1.310
41	2044	1.396

Page 4 of COS 6161 depicting all four subject lots is below.

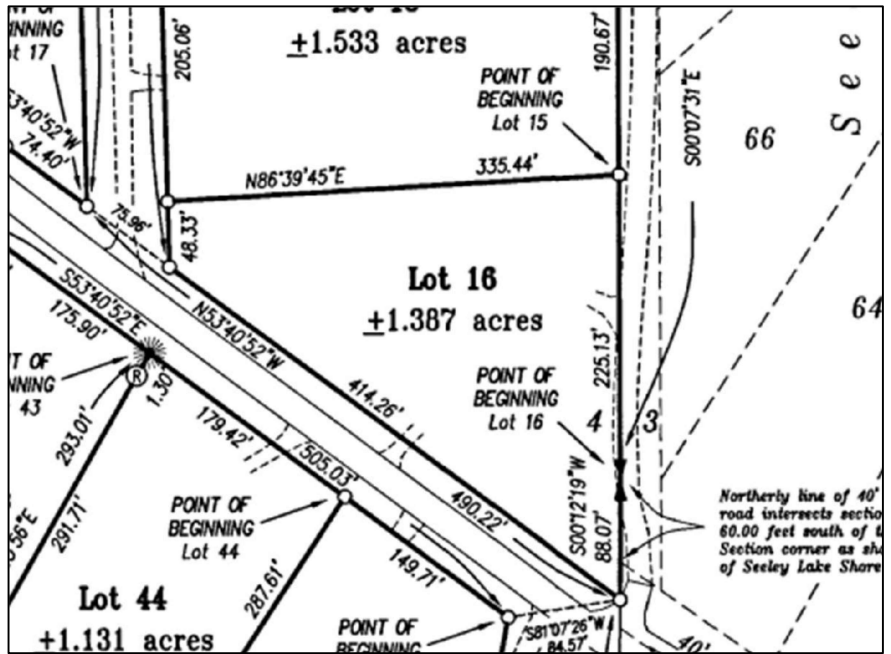


Zoomed in images of each subject lot from COS 6161 are on the following pages.

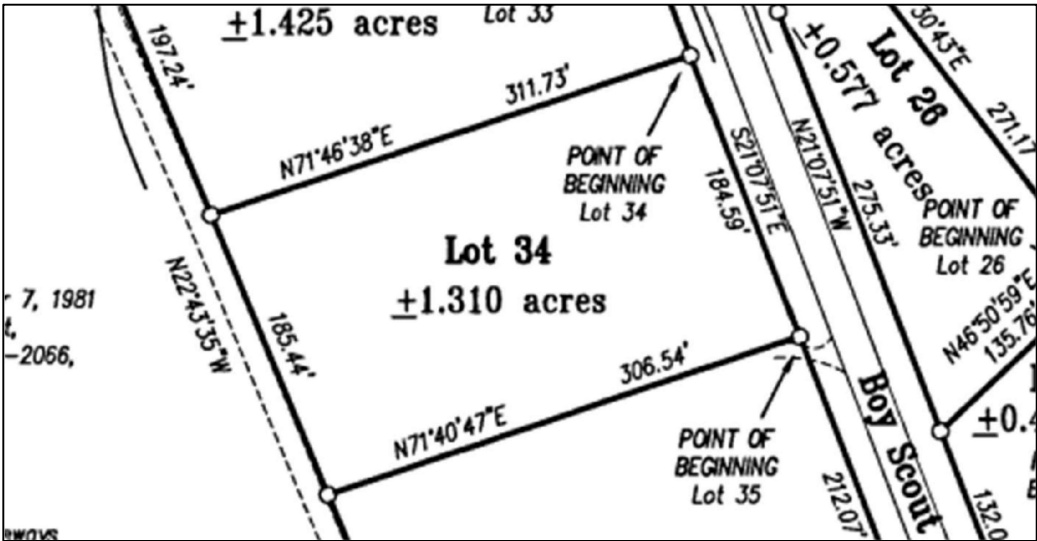
Lot 11
Zoomed Image from Page 2 of COS 6161



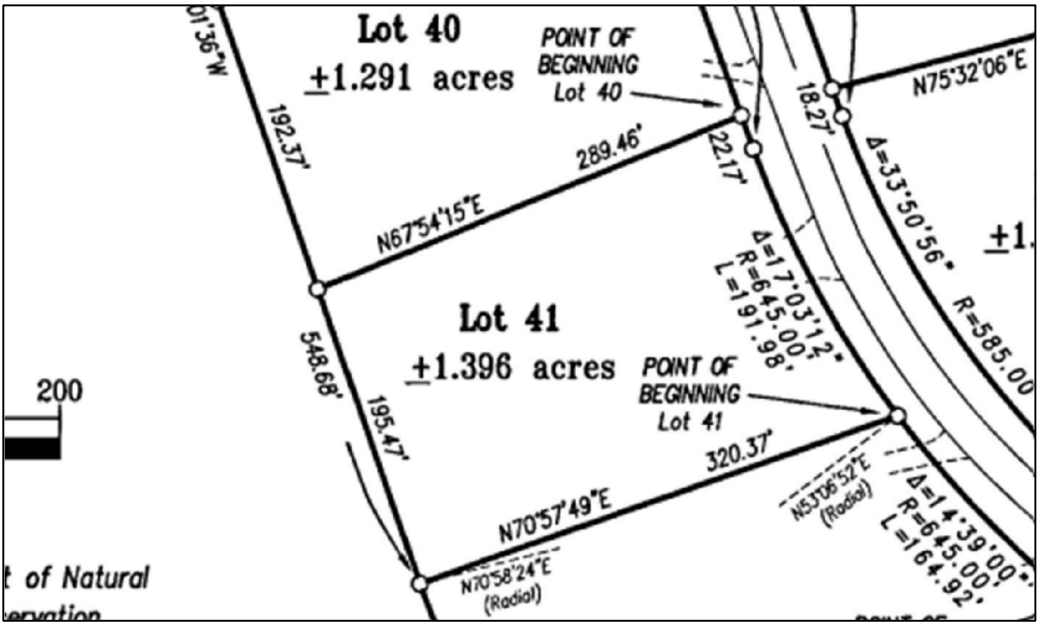
Lot 16
Zoomed Image from Page 3 of COS 6161



Lot 34
Zoomed Image from Page 2 of COS 6161



Lot 41
Zoomed Image from Page 3 of COS 6161



ACCESS AND VIEWS

Access for each site is described on the table below;

Lot #	Sale #	Lessee	Access
11	2048	George & Glenda Tilden	Liberty Lane
16	2047	Levi & Ashlee Shypkowski	Boy Scout Road
34	2045	Joseph & Melissa Flesch	Boy Scout Road
41	2044	Daniel Carmine	Boy Scout Road

The subject properties are interior sites and have views of surrounding sites and area mountains.

IMPROVEMENTS

The improvements on the subject lots are described on the table below.

Sale #	2048	2047	2045	2044
Lot #	11	16	34	41
Residence SF	713	396	1,697	1,219
Construction Type	Mobile Home (Champion Model)	Wood Frame	Wood Frame & Mobile Home	Wood Frame
Foundation	Piers	Piers	Piers	Concrete
Quality	Average	Average	Average	Average
Condition	Average	Average	Average	Fair
Year Built	1996	1965	1977 (with Updates & Addition)	1940 (with Updates)
# of Bedrooms	2	N/A	4	1
# of Bathrooms	1	N/A	1	1
Porches	None	None	230 SF Enclosed Porch, 173 SF Deck, & 48 SF Covered Porch	135 SF Covered Porch, & 119 SF Screened Porch
Outbuildings	72 SF Cover for Portable Toilet	64 SF Storage Building & 30 SF Outhouse	692 SF Detached Garage, 345 SF Lean-to, 93 SF Storage Building, 240 SF Storage Building, 80 SF Storage Building, & 30 SF Outhouse	572 SF Attached Garage, 32 SF Wood Shed, 72 SF Wood Shed, & 179 SF Storage Building
Well/Septic	None/None	None/None	Well/Septic	3 Wells/Septic
Landscaping	Lawn	Lawn	Lawn	Lawn

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

Reservations and encumbrances affecting the subject lots provided by Montana DNRC are on the table below;

Lot #	Sale #	Lessee	Access	Easement Affecting Property
11	2048	George & Glenda Tilden	Liberty Lane	Right of Way Deed to to Blackfoot Telephone Cooperative
16	2047	Levi & Ashlee Shypkowski	Boy Scout Road	Right of Way Deed to to Blackfoot Telephone Cooperative
34	2045	Joseph & Melissa Flesch	Boy Scout Road	None
41	2044	Daniel Carmine	Boy Scout Road	Right of Way Deed to to Blackfoot Telephone Cooperative

ZONING

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

ASSESSMENT/REAL PROPERTY TAXES

The subject lots are tax exempt; 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 2023 taxable market values for the **subject land and improvements** (as per the Montana Department of Revenue) and the 2023 tax bill amounts for the improvements only are on the table below;

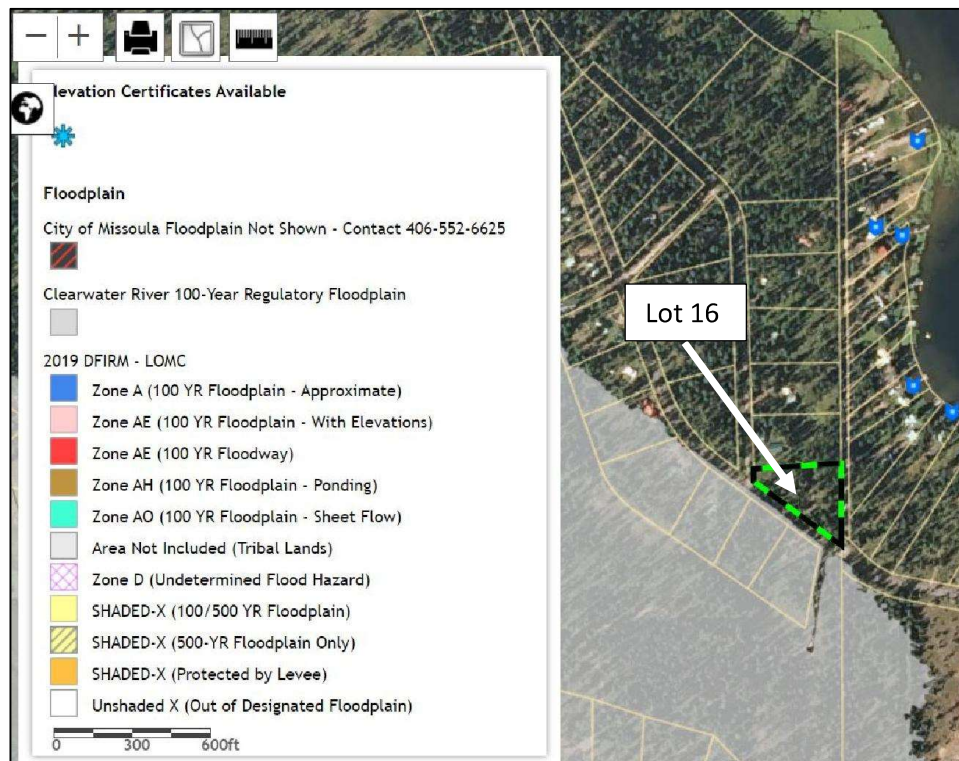
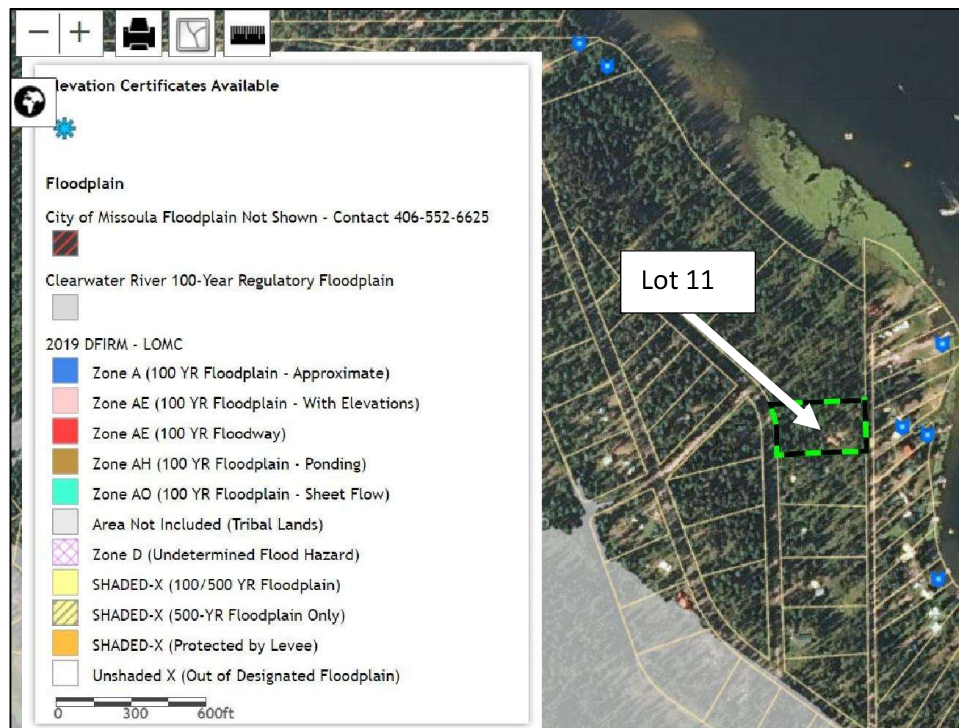
Tax Information						
Sale #	Lot #	Lessees	2023 Taxable Market Value for Land	Assessor # for Improvements	2023 Taxable Market Value for Improvements	2023 Tax Bill Amount for Improvements
11	2048	George & Glenda Tilden	\$87,814	3989307	\$2,270	\$31.00
16	2047	Levi & Ashlee Shypkowski	\$85,151	2461100	\$31,090	\$420.00
34	2045	Joseph & Melissa Flesch	\$84,504	1103652	\$121,250	\$1,637.00
41	2044	Daniel Carmine	\$85,226	0893214	\$97,090	\$1,311.00

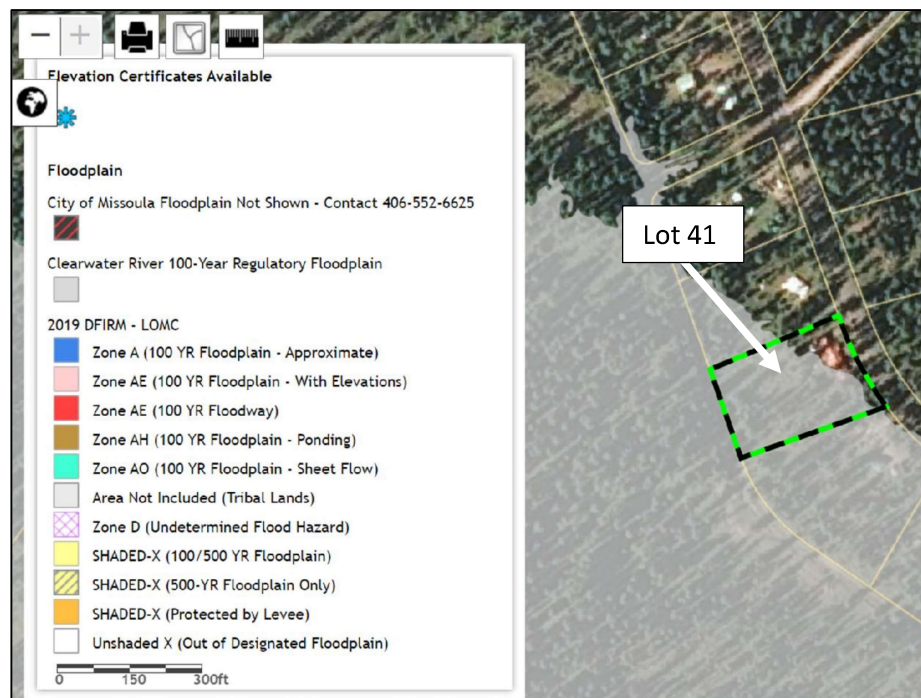
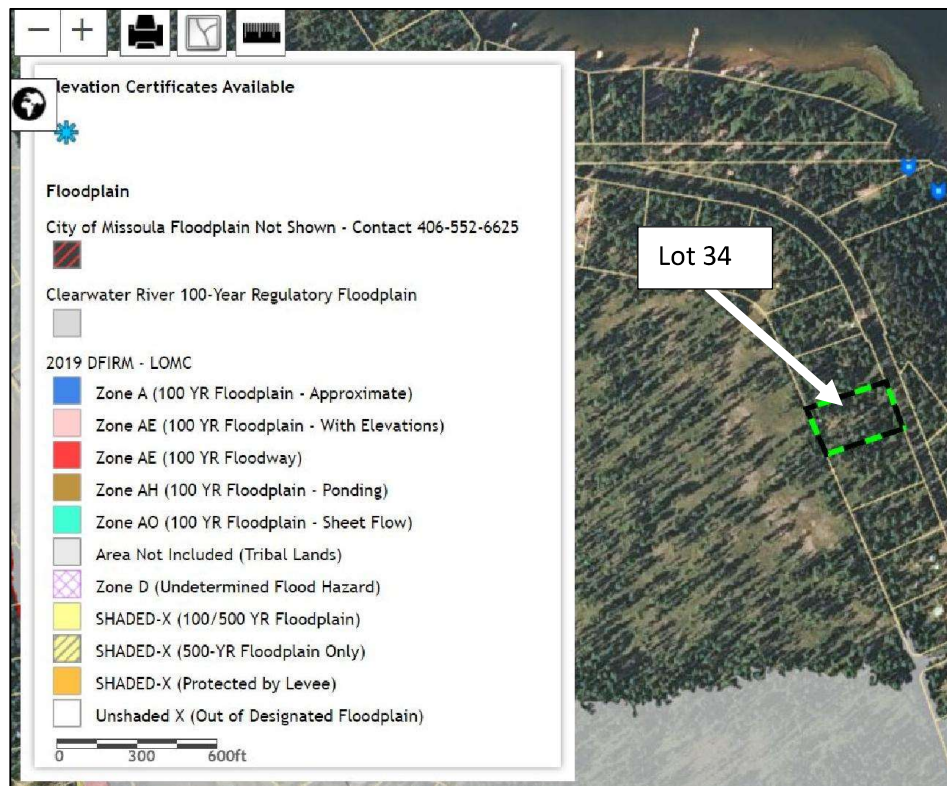
TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

Descriptions of the general topography (according to our observations in the field) are included on the table below;

Lot #	Sale #	Lessee	Topography
11	2048	George & Glenda Tilden	Level with Low Areas
16	2047	Levi & Ashlee Shypkowski	Level
34	2045	Joseph & Melissa Flesch	Level
41	2044	Daniel Carmine	Level

We consulted the Missoula County flood data. Flood maps from Missoula County for the subject lots are on the following pages.





According to Missoula County, subject Lots 11, 16, and 34 are not within areas of flood hazard. The majority of subject Lot 41 is within the Clearwater River 100 Year – Regulatory Floodplain and flood insurance is recommended by Missoula County for this property.

The subject lots include native vegetation and/or lawns.

We have not been provided with soil studies 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 and no groundwater contamination on or in the subject lots. Should any of these conditions be present, the values concluded in this report may be affected.

UTILITIES

The subject lots have access to electricity and phone lines. Information regarding septic systems and wells is below;

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
11	2048	George & Glenda Tilden	No	None	No	
16	2047	Levi & Ashlee Shypkowski	No	None	No	
34	2045	Joseph & Melissa Flesch	Yes	Well	Yes - #76F 33890-00	1983 Septic Permit
41	2044	Daniel Carmine	Yes	Well	Yes - #76F 10874-00	1985 Septic Permit

There are some septic systems on lots near and/or adjacent to the subject lots; however, due to the high water table in the area, approval for septic systems is never certain. We interviewed Mr. Charlie Shane (Sanitarian with Missoula City-County Health Department). Mr. Shane indicated that the subject lots that had septic permits (Lots 34 and 41) are allowed to construct replacement systems as necessary.

The subject lots without septic systems or permits (Lots 11 and 16) would be required to obtain subdivision approval from Montana DEQ at a cost of at least \$10,000. Additionally, monitoring wells to ensure that there was an area on these lots that could accommodate a septic system would be required. There is no guarantee that septic systems would be approved for subject Lots 11 and 16.

According to Mr. Shane, There is no way to definitively determine whether or not Lots 11 and 16 can accommodate septic systems without additional study using monitoring wells. For this reason, at the very least, there are additional risks associated with subject Lots 11 and 16. Also, there are additional costs involved to obtain approval through the MT DEQ subdivision process prior to construction of a typical area residence with a sanitary system.

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

Subject Lots 34 and 41 are legally and physically suited for residential improvements. Subject Lots 11 and 16 are suitable for dry cabins or as dry RV sites; however, it is unknown whether or not these lots can accommodate septic systems necessary for residences requiring sanitary systems.

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 11

SKETCH/AREA TABLE ADDENDUM					
SUBJECT INFO					
File No.:		Parcel No.: Lot #11			
Property Address: Lot #11 Liberty Lane					
City: Seeley Lake		County: Missoula	State: MT	ZipCode: 59868	
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 6/1/23		
SKETCH					
Sketch by ApexSketch					
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	713.0	132.1	713.0
OTH	Porta Potty Cover	1.0	72.3	34.0	72.3
Net LIVABLE					
cnt					
1 (rounded)					
713					
COMMENT TABLE 2					COMMENT TABLE 3

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 11



West Side of Residence



South Side of Residence



East Side of Residence



Kitchen



Living Room

ADDITIONAL PHOTOGRAPHS



Hallway



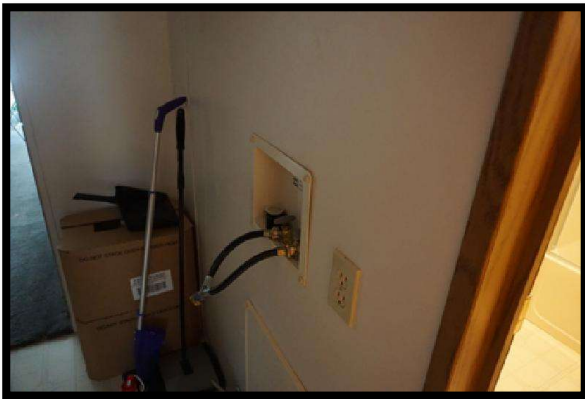
Bedroom #1



Bedroom #2



Bathroom



Washer & Dryer Connections



Covered Porta Potty

ADDITIONAL PHOTOGRAPHS



Residence on Lot Looking Northeast



Lot 11 Interior Looking Northeast



Lot 11 Interior Looking Northwest



Lot 11 Interior Looking West



View South along Approximate East Property Boundary



View North along Approximate East Property Boundary

ADDITIONAL PHOTOGRAPHS



View West along Approximate South Boundary



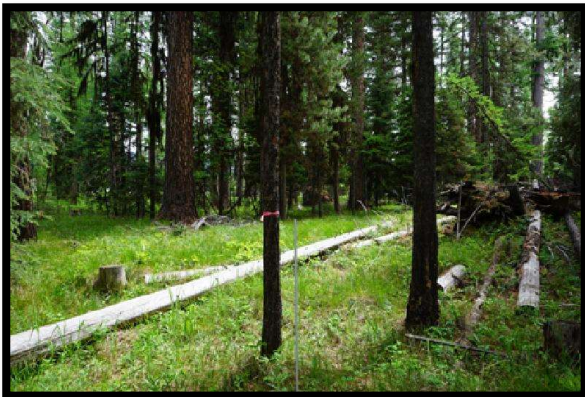
View East along Approximate South Boundary



View North along Approximate West Boundary



View South along Approximate West Boundary



View East along Approximate North Boundary



View West along Approximate North Boundary

ADDITIONAL PHOTOGRAPHS



Entrance Gate to Lot 11 from Liberty Lane



Liberty Lane Looking North



Liberty Lane Looking South



C Street Looking North



C Street Looking South

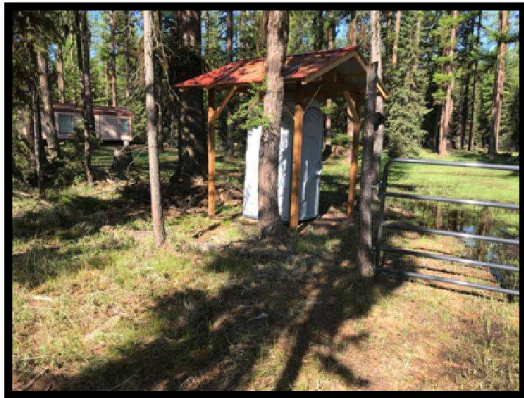
PHOTOGRAPHS FROM LESSEE



Water on West End of Residence



Water on North Side of Residence



Water at Property Entrance from C Street



Standing Water on C Street

LOT 16

SKETCH/AREA TABLE ADDENDUM					
SUBJECT INFO					
File No.:	Parcel No.: Lot #16				
Property Address: 1254 Boy Scout Road					
City: Seeley Lake	County: Missoula	State: MT	ZipCode: 59868		
Owner: MT DNRC					
Client: MT DNRC	Client Address:				
Appraiser Name: Clark Real Estate Appraisal	Inspection Date: 6/1/23				
SKETCH					
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p style="color: blue; font-size: 1.2em;">16'-6"</p> <p style="color: blue; font-size: 1.2em;">24'</p> <p style="font-size: 1.5em;">Cabin</p> </div> <div style="text-align: center;"> <p style="color: orange; font-size: 1.2em;">Storage Building</p> <p style="color: orange; font-size: 1.2em;">8'</p> <p style="color: orange; font-size: 1.2em;">8'</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p style="color: orange; font-size: 1.2em;">Outhouse</p> <p style="color: orange; font-size: 1.2em;">5'-6"</p> <p style="color: orange; font-size: 1.2em;">5'-6"</p> </div> <p style="text-align: right; font-size: 0.8em; color: gray;">Sketch by ApexSketch</p>					
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	396.0	81.0	396.0
OTH	Storage Building	1.0	64.0	32.0	
	Outhouse	1.0	30.3	22.0	94.3
<div style="display: flex; justify-content: space-between;"> Net LIVABLE cnt 1 (rounded) 396 </div>					
COMMENT TABLE 2					COMMENT TABLE 3

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 16



North Side of Residence



West Side of Cabin



South Side of Cabin



Cabin Interior



Cabin Interior

ADDITIONAL PHOTOGRAPHS



Woodstove in Kitchen Area



Storage Shed



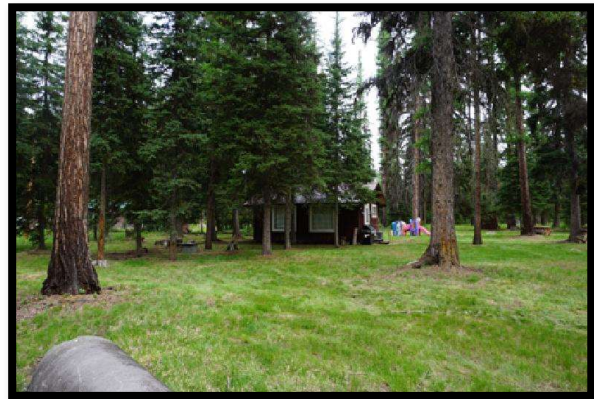
Outhouse



Outhouse Interior



Firepit Area



Lot 16 Interior

ADDITIONAL PHOTOGRAPHS



View toward West Portion of Lot 16



Lot 16 Interior Looking Northeast



Lot 16 from C Street



View North along Approximate East Property Boundary



View NW along Approximate South Property Boundary



View SE along Approximate South Property Boundary

ADDITIONAL PHOTOGRAPHS



View North along Approximate West Boundary and Liberty Lane



View South along Approximate West Boundary



View East along Approximate North Boundary



View West along Approximate North Boundary



View South along Approximate East Boundary



Driveway Looking toward Boy Scout Road

ADDITIONAL PHOTOGRAPHS



Driveway from Boy Scout Road



C Street Looking North



Boy Scout Road Looking Northwest



Boy Scout Road Looking Southeast

LOT 34

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Lot #34				
Property Address:	1951 Boy Scout Road				
City: Seeley Lake	County: Missoula	State: MT	ZipCode: 59868		
Owner: MT DNRC					
Client: MT DNRC	Client Address:				
Appraiser Name: Clark Real Estate Appraisal	Inspection Date: 6/1/23				
SKETCH					
<p style="text-align: right; font-size: small;">Sketch by ApexSketch</p>					
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	1472.5	266.0	1472.5
GLA2	2nd Floor	1.0	224.0	72.0	224.0
P/P	Enclosed Porch	1.0	230.0	66.0	
	Deck	1.0	172.5	53.0	
	Covered Porch	1.0	48.0	28.0	450.5
Net LIVABLE					1,697
					<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;">COMMENT TABLE 2</div> <div style="width: 48%;">COMMENT TABLE 3</div> </div>

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Lot #34				
Property Address: 1961 Boy Scout Road					
City: Seeley Lake	County: Missoula	State: MT	ZipCode: 59868		
Owner: MT DNRC					
Client: MT DNRC	Client Address:				
Appraiser Name: Clark Real Estate Appraisal	Inspection Date: 6/1/23				

SKETCH	
Sketch by ApexSketch	

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GAR	Garage	1.0	692.0	123.0	1037.0		
	Lean-to	1.0	345.0	88.0			
OTH	Storage Building	1.0	93.3	38.7	443.6		
	Outhouse	1.0	30.3	22.0			
	Storage Building	1.0	240.0	64.0			
	Storage Building	1.0	80.0	36.0			

COMMENT TABLE 2	COMMENT TABLE 3

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 34



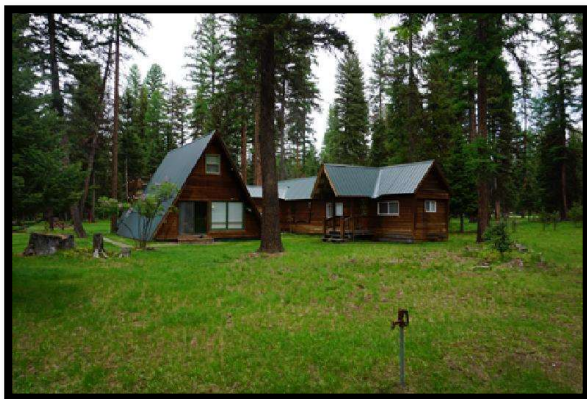
North Side of Residence



West Side of Residence



South Side of Residence



Residence and Lot 34 Interior



Heat Pump

ADDITIONAL PHOTOGRAPHS



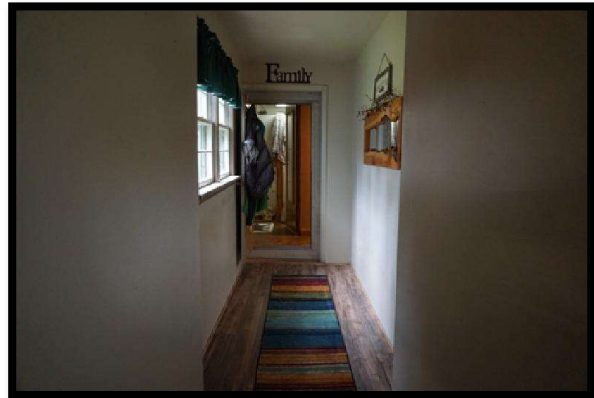
Living Room



Kitchen /Dining



Enclosed Porch



Hallway



Bedroom #1



Bathroom

ADDITIONAL PHOTOGRAPHS



Bedroom #2



Den/Bunk Area



Bedroom #3



2nd Floor Bedroom



2nd Floor Den Area

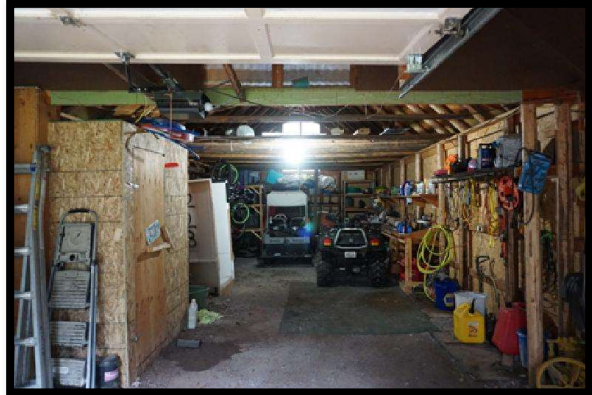


2nd Floor Deck

ADDITIONAL PHOTOGRAPHS



Garage



Garage Interior



Outhouse



Plexi-Glass Shed



Plexi-Glass Shed Interior



Storage Building

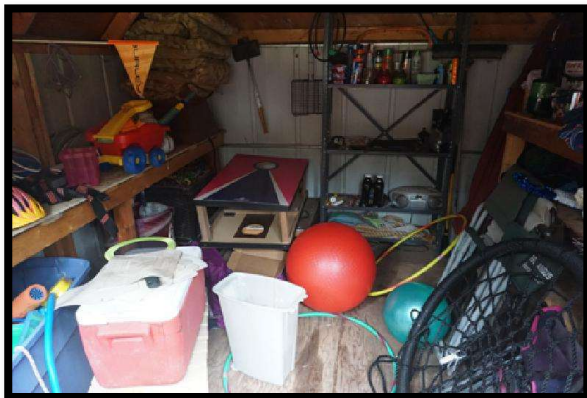
ADDITIONAL PHOTOGRAPHS



Storage Building Interior



Metal Storage Building



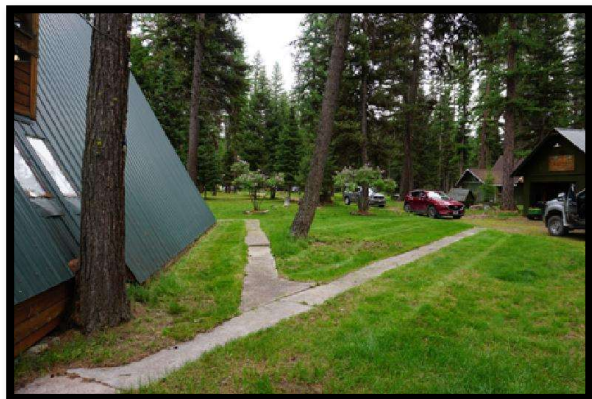
Metal Storage Building Interior



Lot #34 Interior



Firepit Area from 2nd Level Deck



Lot Interior Looking East toward Boy Scout Road

ADDITIONAL PHOTOGRAPHS



Lot Interior Looking North



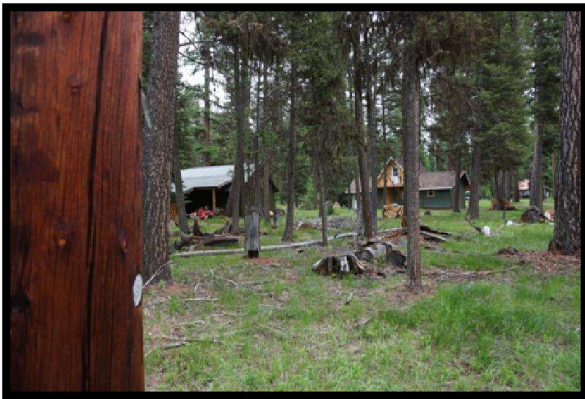
View East along Approximate North Property Boundary



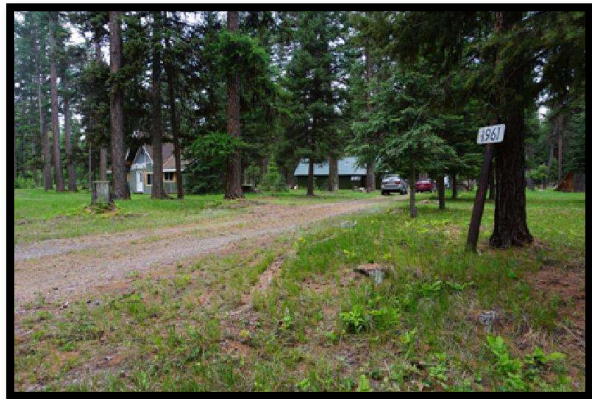
View South along Approximate West Property Boundary



View North along Approximate West Property Boundary



View East along Approximate South Property Boundary



View West along Approximate South Property Boundary

ADDITIONAL PHOTOGRAPHS



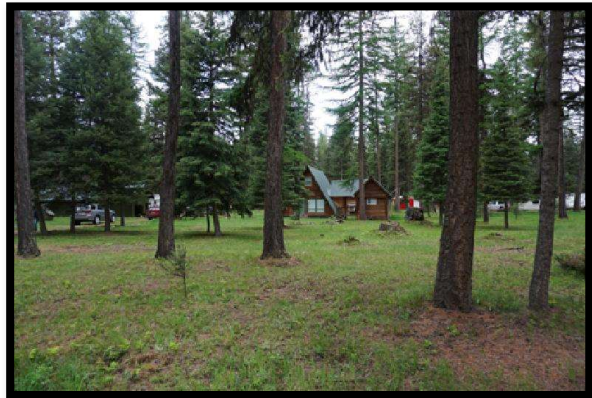
View North along Approximate East Property Boundary



View South along Approximate East Property Boundary



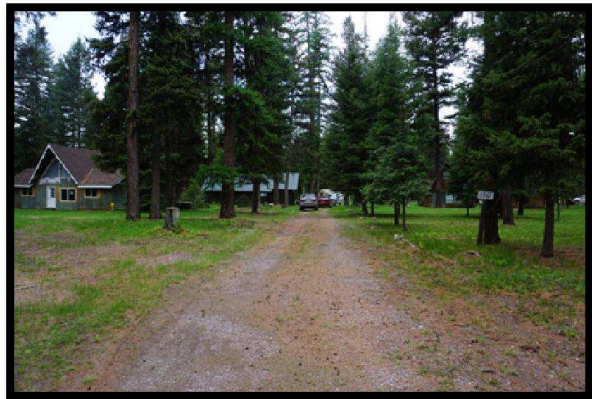
View West along Approximate North Boundary



Lot #34 Interior from Boy Scout Road



Lot #34 Interior Looking Southwest



Driveway to Lot #34

ADDITIONAL PHOTOGRAPHS



Boy Scout Road Looking North



Boy Scout Road Looking South

LOT 41

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:		Parcel No.: Lot #41			
Property Address: 1465 Boy Scout Road					
City: Seeley Lake		County:	State: MT	ZipCode: 59868	
Owner: MT DNRC					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 6/1/23		
SKETCH					
Sketch by ApexSketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	1219.0	178.0	1219.0
GAR	Garage	1.0	572.0	96.0	572.0
OTH	Wood Shed	1.0	32.0	24.0	
	Wood Shed	1.0	72.0	34.0	
	Storage Building	1.0	179.2	53.7	283.2
P/P	Covered Porch	1.0	135.0	51.0	254.0
	Screened Porch	1.0	119.0	48.0	
<div style="display: flex; justify-content: space-between;"> <div>Net LIVABLE</div> <div>cnt</div> <div>1 (rounded)</div> <div>1,219</div> </div>					
COMMENT TABLE 2			COMMENT TABLE 3		

SUBJECT PHOTOGRAPHS



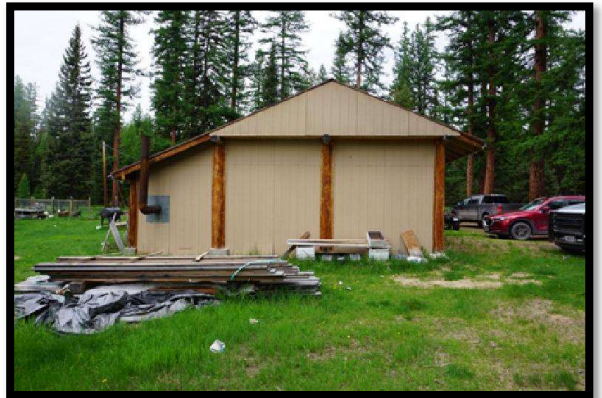
Front of Residence on Lot 41



West Side of Residence



North Side of Residence



Garage on South Side of Residence



Kitchen



Kitchen from Living Area

ADDITIONAL PHOTOGRAPHS



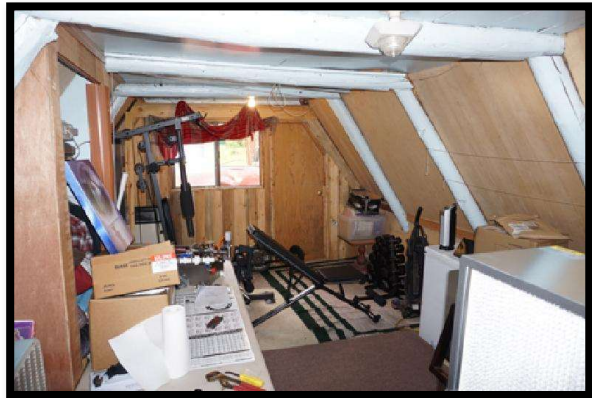
Living Room



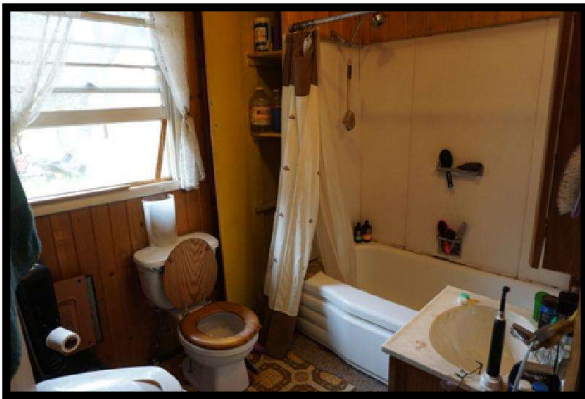
Bedroom



Utility / Laundry



Recreation Room



Bathroom



Screened Porch

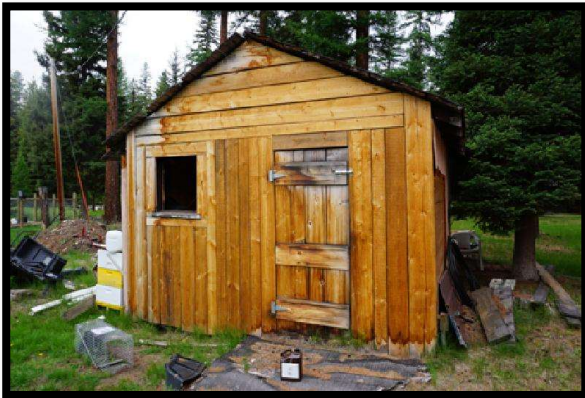
ADDITIONAL PHOTOGRAPHS



Wood Shed



Wood Shed



Storage Building



Garden



Well



Well #2

ADDITIONAL PHOTOGRAPHS



Septic Tank Cover



Well #3



Lot #41 Property Interior Looking South



Lot #41 Property Interior Looking East



Southeast Property Boundary Marker



View North along Approximate East Property Boundary

ADDITIONAL PHOTOGRAPHS



View South along Approximate East Property Boundary



View West along Approximate North Property Boundary



View East along Approximate North Property Boundary



View South along Approximate West Property Boundary



View North along Approximate West Property Boundary



View East along Approximate South Property Boundary

ADDITIONAL PHOTOGRAPHS



Trail along West End of Property Looking South



Boy Scout Road Looking South



Boy Scout Road Looking North

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 1.310 acres to 1.704 acres. None of the subject lots include water frontage. All are within a neighborhood with no covenants, conditions, or restrictions governing property use. The subject properties are located in the community of Seeley Lake and in Missoula County, Montana.

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 homeowners who are in the area on a seasonal basis. Properties with and without 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 properties would be market participants seeking to own recreational/residential property in the greater Seeley Lake area.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted a search of the area MLS for sales of vacant residential sites with no frontage on navigable water (including lakes, ponds, creeks, or river frontage) and up to 3.00 acres in size in Seeley Lake. 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 this search are below.

Seeley Lake				
Up to 3.00 Acres				
Site Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	51	\$68,765		353
2021	48	\$94,105	37%	262
2022	26	\$140,096	49%	149
2023 - Year-to-Date	4	\$172,250	23%	244
Actives	16	\$177,980		286
Avg Price Increase 2020-2022			36%	

This data indicates that the average sales price for interior home sites increased significantly since 2020. It is prudent to utilize caution with statistical analysis of small data sets.

Residential Improved Properties in Seeley Lake

There was sufficient market data regarding interior sites with 3.00 acres or less improved with homes (mobile homes were removed) 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 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 - Home Sales				
Up to 3.00 Acres				
Home & Sites Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	38	\$283,682		120
2021	33	\$413,124	46%	117
2022	24	\$542,783	31%	101
2023 Year-to-Date	6	\$510,833	-6%	72
Actives	16	\$570,563		72
Avg Price Increase 2020-2023			24%	

This data indicates that the average prices for homes on interior sites with 3.00 acres or less increased between 2020 and 2022 and decreased slightly from 2022 to 2023 Year-to-Date.

Competitive Supply

Vacant Home Sites

There were 16 active listings of interior vacant home sites up to 3.00 acres in size in Seeley Lake as of the report effective date. The average list price was \$177,980.

Residential Improved Properties in Seeley Lake

There were 16 active listings of homes on interior sites with up to 3.00 acres in size in Seeley Lake as of the report effective date. The average list price for these two homes was \$558,223.

Interaction of Supply and Demand

Vacant Home Sites

There is a demonstrated demand for interior home sites with less than 3.00 acres in size in Seeley Lake. Based upon the number of sales in 2021 and 2022, there is a less than five month supply of interior home sites available for sale. Supply and demand are in relative balance; however, the market is showing some signs of slowing and there may be downward price pressure on the active listings for them to sell within historical marketing times.

Residential Improved Properties in Seeley Lake

Based upon the number of sales in 2021 and 2022, there is an approximately seven month supply of homes on interior sites with 3.00 acres or less available for sale. Supply and demand are in relative balance; however, the market is showing some signs of slowing and there may be downward price pressure on the active listings for them to sell within historical marketing times.

Subject Marketability Conclusion

Vacant Home Sites

The subject lots (as if vacant) are considered most similar to area interior lots with less than 3.00 acres in size and in neighborhoods with few restrictions on property use and/or development.

Residential Improved Properties in Seeley Lake

The residences on the subject lots are considered to have similar marketability compared to homes in the Seeley Lake area with similar sizes and of similar quality and condition and on interior sites.

Estimated Marketing and Exposure Times

The average days on market for sales of interior vacant home sites averaged 149 days in 2022 and 244 in 2023 Year-to-Date. Based upon this data, a **marketing time** between 6 to 12 months is appropriate for the subject lots as if vacant. If the subject lots had sold as if vacant on the effective date of this report, at the appraised values concluded, 6 to 12 month **exposure times** would have been reasonable.

The home sales in Seeley Lake (on interior sites less than 3 acres in size) that closed in 2022 were marketed for an average of 101 days. The home sales in Seeley Lake that closed in 2023 Year-to-Date were marketed for 72 days. A **marketing time** between 3 to 6 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 concluded in this report, 3 to 6 month **exposure time** 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 pages.

SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

The subject properties are in an area of Missoula County that is not zoned. The subject properties are within the 2010 Seeley Lake Regional Plan area. The plan area is not a regulatory document; however, developers are strongly encouraged to adhere to the development patterns and policies and the land designation map. The subject properties are in an area with a density recommendation of 1 dwelling unit per 1 acre.

The Certificate of Survey which includes the subject lots was recorded in 2009. The subject lots were created prior to the 2010 Seeley Lake Regional Plan. Additionally, the plan is not a regulatory document which recommends uses but does not include requirements. Since there is no zoning in the subject area, there are many legally permissible uses for the subject lots as if vacant.

Although the subject lots are part of a recorded Certificate of Survey, the lots were not approved via Montana DEQ. For that reason, any sanitary issues involving the subject lots (without prior septic permits) would require approval via Montana DEQ.

Physically Possible

There is sufficient space on each subject site for a single family residence and related outbuildings. There is not sufficient space on each site for most other types of uses. As noted in the Property Description section of this report, it is unknown whether or not subject Lots 11 and 16 can accommodate septic systems necessary to support a typical residence.

Financially Feasible

Most similar lots in the area are improved with single family residences. According to our research, some area residences are occupied year round and some are utilized seasonally for recreational purposes. 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. Residences on Lots 11 and 16 may or may not be able to access a sanitary system.

Highest and Best Use Conclusion

Based upon the analysis of the legally permissible, physically possible, financially feasible, and maximally productive uses of the subject lots, the highest and best use for each lot as if vacant, is for construction of a single family residence for recreational and/or residential use. Residences on Lots 11 and 16 may or may not be able to access a sanitary system.

AS IMPROVED

The subject lots include single family residences and outbuildings. There is market acceptance of many types of residences in Seeley Lake. Alteration of the subject residences for any use other

than as a single family residence would require large capital expenditures. Continued use as a single family residences for the subject properties are the highest and best uses 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 market 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 homes in the subject market area do not base decisions upon the depreciated cost of the improvements. The Sales Comparison Approach produces the most credible value conclusions for properties like the subject lots as improved; however, if there are not sufficient comparables, it is necessary to rely on another approach to value. The Sales Comparison Approach was developed to determine the values for subject Lots 11, 34, and 41 as improved. The Cost Approach was not applicable or necessary for credible value conclusions for these properties. There were not sufficient comparables to develop a credible Sales Comparison Approach for subject Lot 16 as improved. For this reason, the Cost Approach was utilized to determine the value of this property as improved. 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.

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

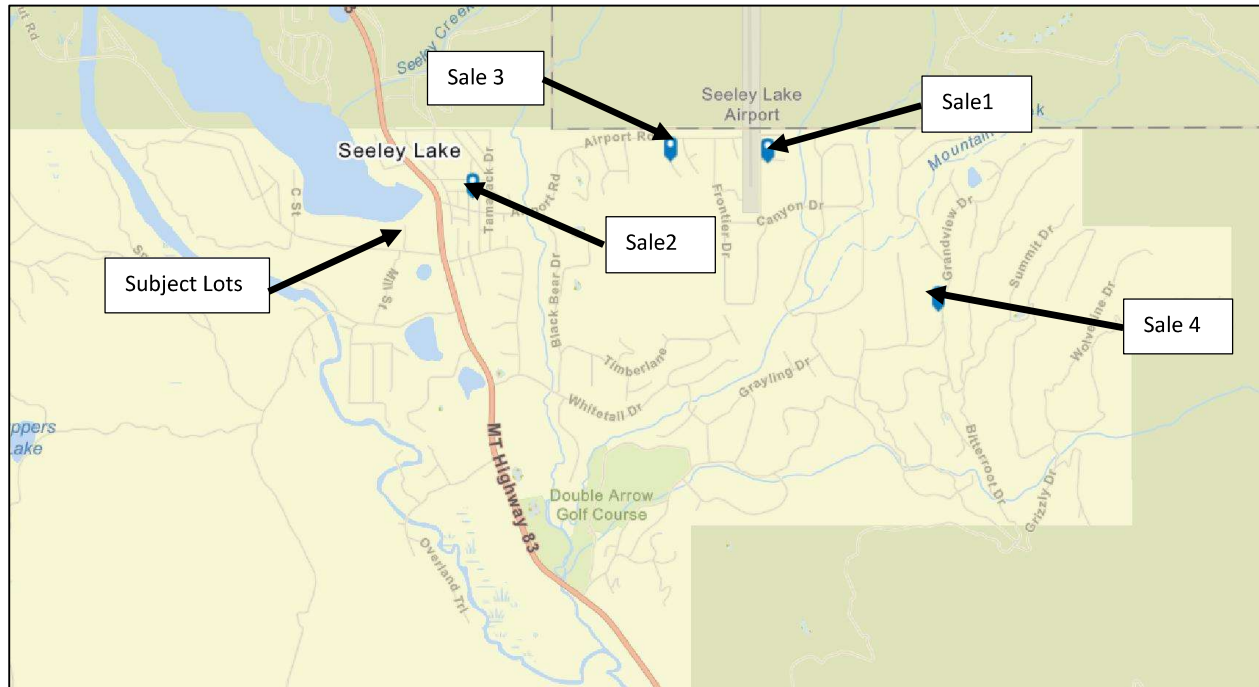
LOT SALES

We conducted a search for sales of vacant home sites similar to the subject lots in Seeley Lake. We located 4 sales that were reasonable comparables for the subject lots. Based upon our analysis, the appropriate unit of comparison is price per site. These comparables are described on the table below.

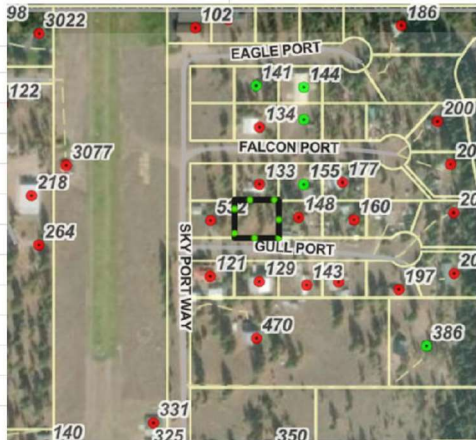
Sale #	Address	City	Sale Date	Acres	Sales Price
1	NHN Gull Port	Seeley Lake	2022	0.460	\$75,000
2	780 Juniper Dr	Seeley Lake	2022	0.204	\$73,000
3	305 Deer Park Dr	Seeley Lake	2022	0.665	\$80,000
4	NHN Grandview Dr	Seeley Lake	2023	2.600	\$45,000

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.

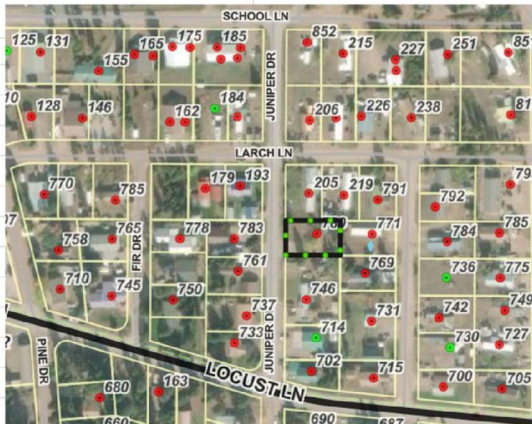
Map of Comparable Lot Sales




LAND SALE 1

COMPARABLE SALE INFORMATION				
	Location		NHN Gull Port	
	City/State		Seeley Lake, MT	
	County		Missoula	
	Assessor Number		0000893230	
	Zoning		Unzoned Portion of Missoula County	
	Site Size: Acres		0.460	
	Square Feet		20,020	
	Date of Sale		November 9, 2022	
	Sales Price		\$75,000	
	Less Cost of Improvements*		\$0	
Sales Price Adjusted		\$75,000		
MLS #		22214328		
ANALYSIS OF SALE				
Price per Acre		\$163,185		
Price per Square Foot			\$3.75	
Price Per Front Foot			N/A	
TRANSFER INFORMATION				
Grantor		Mark V. Buday	Grantee	Brandon Baker & Suzette C. Baker
Type of Instrument		Warranty Deed	Document #	202219330
Financing/Conditions		Cash/Market	Marketing Time	43 Days on Market
Legal Description		Lot 2 in Block 2, Seeley Lake Sky Park No.2, Seeley Lake, Missoula County, Montana	Verified By	Carrie Sokoloski, Listing Agent
Section/Township/Range		S01/T16N/R15W	Intended Use/Comments	Purchased for Residential Use
PROPERTY DETAILS				
Access		Paved Road	View	Similar Properties, Trees, Mountains
Topography		Level	Lot Dimensions	130' x 154'
Flood Plain		According to Missoula County, the property is not in an area of elevated flood risk.	Improvements	None
Feet of Water Frontage		N/A	Value of Improvements	
Utilities		Electricity & Telephone.	Miscellaneous	There are no CC&R's associated with this subdivision. This property is in a neighborhood that abuts the Seeley Lake Airport.
			Report File #	23-018ec


LAND SALE 2

COMPARABLE SALE INFORMATION					
	Location		780 Juniper Drive		
	City/State		Seeley Lake, MT		
	County		Missoula		
	Assessor Number		0001663102		
	Zoning		Unzoned Portion of Missoula County		
	Site Size: Acres		0.204		
	Square Feet		8,875		
	Date of Sale		November 2, 2022		
	Sales Price		\$73,000		
	Less Cost of Improvements*		\$0		
	Sales Price Adjusted		\$73,000		
	MLS #		22210684		
ANALYSIS OF SALE					
Price per Acre		\$358,300	Price per Square Foot	\$8.23	
			Price Per Front Foot	N/A	
TRANSFER INFORMATION					
Grantor		Estate of Bonny Resner	Grantee		Caleb Wilder & Jennifer Kistler
Type of Instrument		Warranty Deed	Document #		202219153
			Marketing Time		105 Days on Market
Financing/Conditions		Cash/Market	Verified By		Sydney Steibrenner, Listing Agent
Legal Description		Lot 13 in Block 5, Seeley Lake Homesites No. 2, Seeley Lake, Missoula County, Montana	Intended Use/Comments		Purchased for Residential Use
Section/Township/Range		S03/T16N/R15W			
PROPERTY DETAILS					
Access		Paved Road	View		Similar Properties, Mountains
Topography		Level	Lot Dimensions		75' X 118.33"
Flood Plain		According to Missoula County, the property is not in an area of elevated flood risk.	Improvements		None
Feet of Water Frontage		N/A	Value of Improvements		
Utilities		Electricity & Telephone. An Older Septic Permit is on File with Missoula County	Miscellaneous		There are relatively light CC&R's associated with this subdivision. This site includes a 10' wide utility easement within the north side property boundary.
Report File #					23-018ec

LAND SALE 3

COMPARABLE SALE INFORMATION			
	Location		305 Deer Park Drive
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0002282504
	Zoning		Unzoned Portion of Missoula County
	Site Size: Acres		0.665
	Square Feet		28,967
	Date of Sale		October 26, 2022
	Sales Price		\$80,000
	Less Cost of Improvements*		\$0
Sales Price Adjusted		\$80,000	
MLS #		22207617	
ANALYSIS OF SALE			
Price per Acre		\$120,301	
Price per Square Foot			\$2.76
Price Per Front Foot			N/A
TRANSFER INFORMATION			
Grantor		Dagny Kristine Krigbaum, Successor Trustee of the Marily M. Shettel Trust	Grantee Lee P. Huestis & Kyle Heistis
Type of Instrument		Warranty Deed	Document # 202218783
Financing/Conditions		Cash/Market	Marketing Time 144 Days on Market
Legal Description		Lot 6 in Block 4, Seeley Lake Pines Addition No. 1, Seeley Lake, Missoula County, Montana	Verified By Tanya Fyfe, Listing Agent
Section/Township/Range		S02/T16N/R15W	Intended Use/Comments Purchased for Residential Use
PROPERTY DETAILS			
Access		Gravel County Road	View Similar Properties, Mountains
Topography		Level	Lot Dimensions 131.75' X 217.23' X 166.45' X 220.32'
Flood Plain		According to Missoula County, the property is not in an area of elevated flood risk.	Improvements None
Feet of Water Frontage		N/A	Value of Improvements
Utilities		Electricity & Telephone.	Miscellaneous There are relatively light CC&R's associated with this subdivision. This property includes a utility easement within the west side site boundary.
		Report File #	23-018ec

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location		NHN Grandview Drive
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0001504805
	Zoning		Unzoned Portion of Missoula County
	Site Size: Acres		2.600
	Square Feet		113,256
	Date of Sale		March 17, 2023
	Sales Price		\$45,000
	Less Cost of Improvements*		\$0
	Sales Price Adjusted		\$45,000
MLS #		30000413	
ANALYSIS OF SALE			
Price per Acre		\$17,308	
		Price per Square Foot	\$0.40
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	David Biggers	Grantee	Renae Munson & Ronald W. Munson
Type of Instrument	Warranty Deed	Document #	202302813
Financing/Conditions	Cash/Market	Marketing Time	3 Days on Market
Legal Description	Lot 200 of Double Arrow Ranch Phase IV, Seeley Lake, Missoula County, Montana	Verified By	Dana Losee, Listing Agent
Section/Township/Range	S06/T16N/R15W	Intended Use/Comments	Purchased for Recreational Use
PROPERTY DETAILS			
Access	Gravel County Road	View	Similar Properties, Trees, Mountains
Topography	Sloping	Lot Dimensions	Various
Flood Plain	According to Missoula County, the property is not in an area of elevated flood risk.	Improvements	None
Feet of Water Frontage	Seasonal Stream	Value of Improvements	
Utilities	Electricity & Telephone (Property Cannot Accommodate a Septic System)	Miscellaneous	There are relatively significant CC&R's associated with this subdivision. This property includes a road easement within the east side site boundary.
		Report File #	23-018ec

HOME SALES

We conducted a search for sales of homes in Seeley Lake similar to those on the subject Lots 34 and 41. The contributory site value for each comparable home sale was concluded based upon sales of vacant sites near each sale. The most applicable and recent home sales located are described on the table below.


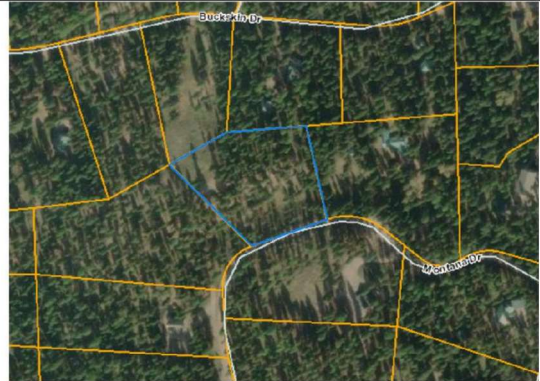
Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	220 Montana Dr	Seeley Lake	2023	\$400,000	\$200,000	\$200,000
Home Sale 2	544 Seeley Ln	Seeley Lake	2022	\$225,000	\$70,000	\$155,000
Home Sale 3	700 Spruce Dr	Seeley Lake	2022	\$375,000	\$140,000	\$235,000
Home Sale 4	656 Juniper Dr	Seeley Lake	2022	\$235,000	\$60,000	\$175,000

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 Home Sales



HOME SALE 1

COMPARABLE SALE INFORMATION			
		Location	220 Montana Drive
		City/State	Seeley Lake, MT
		County	Missoula
		Assessor Number	1509103
		Zoning	Unzoned Portion of Missoula County
		Site Size: Acres	2.55
		Square Feet	111,078
		Date of Sale	June 8, 2023
		Sales Price	\$400,000
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$400,000
		MLS #	30005512
TRANSFER INFORMATION			
Grantor	Robert A. McCandless	Grantee	Phillip J. Gouveia & Carol R. Gouveia
Recording Data	Warranty Deed #202306096	Marketing Time	17 Days on Market
Financing/Conditions	Cash/Market	Verified By	Jolene Tatum, Listing Agent
Legal Description	Lot 250 of Double Arrow Ranch Phase IV	Intended Use	Residential
Section/Township/Range	S07/T16N/R14W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$400,000
Access	Gravel Private Road	Estimated Site Value	\$200,000
House Square Feet	1,190	Sales Price of Improvements	\$200,000
Bedroom/Bathrooms	2BR/1BA	Improvement Price/SF	\$168
Year Built or Renovated	1983		
Basement	Crawl Space		
Construction	Wood Framed		
Quality	Average		
Condition	Good		
Water/Sewer	Well/Septic System		
Utilities	Electricity/Telephone		
Topography	Varied, Level and Sloped Areas		
Garage	2 Car Detached		
Outbuildings	N/A		
Miscellaneous	Property is located in the Double Arrow Ranch Subdivision which is governed by CC&R's. HOA Dues are \$530.00 per year.	Report File # 23-018ec	

HOME SALE 2

COMPARABLE SALE INFORMATION			
		Location	544 Seeley Lane
		City/State	Seeley Lake, MT
		County	Missoula
		Assessor Number	1554108
		Zoning	Unzoned Portion of Missoula County
		Site Size: Acres	1.83
		Square Feet	79,715
		Date of Sale	August 30, 2022
		Sales Price	\$225,000
		Adjustment to Sales Price	\$0
Adjusted Sales Price	\$225,000		
MLS #	22211677		
TRANSFER INFORMATION			
Grantor	Shawnee Jo Pringle	Grantee	James Forthun & Jane Forthun
Recording Data	Warranty Deed #202215768	Marketing Time	26 Days on Market
Financing/Conditions	Cash/Market	Verified By	Scott Kennedy, Listing Agent
Legal Description	Lot 12A of Garlich Seeley Lake Community Tracts No. 12	Intended Use	Residential
Section/Township/Range	S34/T17N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$225,000
Access	Gravel County Road	Estimated Site Value	\$70,000
House Square Feet	1,440	Sales Price of Improvements	\$155,000
Bedroom/Bathrooms	3BR/1BA	Improvement Price/SF	\$108
Year Built or Renovated	1975		
Basement	Crawl Space		
Construction	Wood Framed		
Quality	Average		
Condition	Fair		
Water/Sewer	City Water/Septic System		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	None		
Outbuildings	Storage Building		
Miscellaneous	House was described as needing some TLC. There was also a mobile home on the lot that did not convey. Mobile home pad site could be used for construction of an additional dwelling.		
		Report File # 23-018ec	

HOME SALE 3

[illegible]

HOME SALE 4

COMPARABLE SALE INFORMATION			
		Location	656 Juniper Drive
		City/State	Seeley Lake, MT
		County	Missoula
		Assessor Number	2291956
		Zoning	Unzoned Portion of Missoula County
		Site Size: Acres	0.19
		Square Feet	8,283
		Date of Sale	March 10, 2022
		Sales Price	\$235,000
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$235,000
		MLS #	22200267
TRANSFER INFORMATION			
Grantor	John R. Sisko	Grantee	Jerome E. Burns & Peri E. Burns
Recording Data	Warranty Deed #202204383	Marketing Time	59 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kerry Duff, Listing Agent
Legal Description	Lot 11 of Block 8, Seeley Lake Homesites #2	Intended Use	Residential
Section/Township/Range	S3/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$235,000
Access	Gravel County Road	Estimated Site Value	\$60,000
House Square Feet	1,515	Sales Price of Improvements	\$175,000
Bedroom/Bathrooms	2BR/1BA	Improvement Price/SF	\$116
Year Built or Renovated	1968		
Basement	Crawl Space		
Construction	Log		
Quality	Average		
Condition	Fair		
Water/Sewer	City Water/Septic System		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2 Car Detached		
Outbuildings	Covered RV Pad & Storage Shed		
Miscellaneous	Property was sold in "as-is" condition. Needed new carpeting, wall repairs, new appliances, new garage doors. Predated septic approval. Garage encroaches on neighboring lot.		
		Report File # 22-049ec	

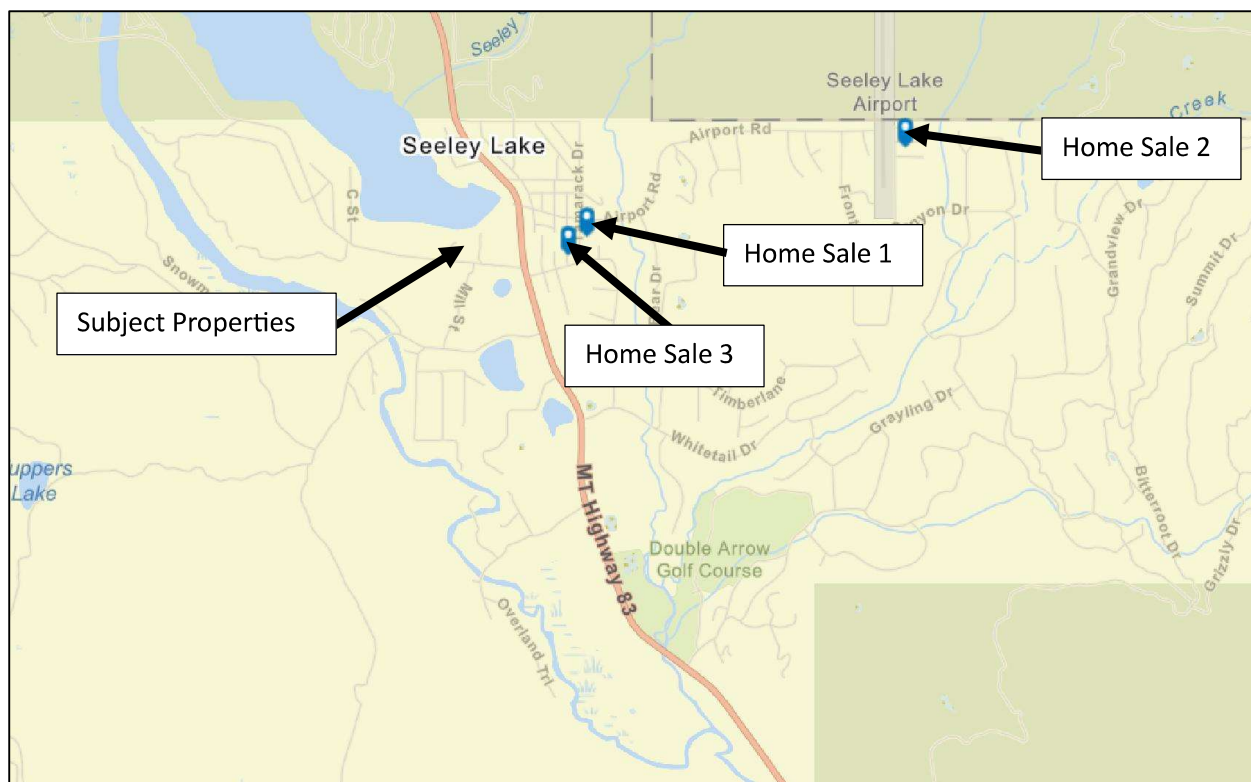
MOBILE HOME SALES

Subject Lot 11 is improved with a mobile home. We conducted a search for sales of mobile homes in the market area. The most applicable and recent sales located are described on the table below.

Mobile Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	610 Tamarack Dr	Seeley Lake	2023	\$225,000	\$80,000	\$145,000
Home Sale 2	133 Falcon Port	Seeley Lake	2022	\$185,000	\$80,000	\$105,000
Home Sale 3	554 Spruce Dr	Seeley Lake	2022	\$200,000	\$50,000	\$150,000

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

Map of Comparable Home Sales




MOBILE HOME SALE 1

[illegible]

MOBILE SALE 3

[illegible]

MOBILE SALE 3

COMPARABLE SALE INFORMATION			
	Location		554 Spruce Drive
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0001377506 & 000M089330
	Zoning		Unzoned
	Site Size: Acres		0.230
	Square Feet		10,019
	Date of Sale		February 7, 2022
	Sales Price		\$200,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$200,000
	MLS #		222000228
TRANSFER INFORMATION			
Grantor	Terry Osborne & Sandy Osborne	Grantee	Joseph J. Patrick & Jamie A. Patrick
Recording Data	Warranty Deed #202202350	Marketing Time	30 Days on Market
Financing/Conditions	Cash/Market	Verified By	Bruce Wold, Listing Agent
Legal Description	Lot 4 in Block 4 of Seeley Lake Homesites No. 10A, Missoula County, Montana	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$200,000
Access	Gravel County Road	Estimated Site Value	\$50,000
House Square Feet	1,322	Sales Price of Improvements	\$150,000
Bedroom/Bathrooms	2BR/2BA	Improvement Price/SF	\$113
Year Built or Renovated	1984 (Renovated)		
Basement	N/A		
Construction	Manufactured		
Quality	Average		
Condition	Good		
Water/Sewer	Community Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	Attached 2 Car Carport		
Outbuildings	2 Sheds & Pole Building		
Miscellaneous			

PROPERTY VALUATIONS

LOT 11

Site Value Estimate

The site sales presented were utilized to determine the value of this subject site as if vacant. 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 #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	277 Liberty Lane	NH N Gull Port	780 Juniper Drive	305 Deer Park Dr	NH N Grandview Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
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		11/09/22	11/02/22	10/26/22	03/17/23
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$75,000	\$73,000	\$80,000	\$45,000
SITE SIZE/ACRES	1.704	1.110	0.204	1.000	1.000
ADJUSTED SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Development	Seeley Lake Sky Park No.2 SD	Seeley Lake Homesites No. 2 SD	Seeley Lake Pines Addition No.1 SD	Double Arrow Ranch Phase IV SD
		Equal =	Equal =	Equal =	Superior +
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Sloped & Rolling
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Gravel County Rd	Paved County Rd	Paved County Rd	Gravel County Road	Gravel County Rd
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
UTILITIES	Electricity, Telephone, Possible Septic & Well Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, No Septic Permitted
		Superior +	Superior +	Superior +	Inferior -
SITE SIZE/ACRES	1.704	0.460	0.204	0.665	2.600
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior +	Superior +	Superior +	Inferior -
VALUE INDICATIONS		< \$75,000	< \$73,000	< \$80,000	> \$45,000

Discussion of Quantitative Adjustments

Adjustment for List Price: All of the comparables utilized in this analysis were closed sales as of the report effective date. For this reason, no adjustments were necessary in this category.

Adjustments for Improvements: None of the comparables include improvements and no adjustments were necessary in this category.

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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 comparable sold in fall of 2022 and spring of 2023. There are typically few sales each year of similar sites in the subject market area. We examined changes in annual average sales prices for residential sites (without pond, lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size in order to determine an appropriate adjustment for changes in market conditions. This information is below;

Seeley Lake				
Up to 3.00 Acres				
Site Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	51	\$68,765		353
2021	48	\$94,105	37%	262
2022	26	\$140,096	49%	149
2023 Year-to-Date	4	\$172,250	23%	244
Actives	16	\$177,980		286
Avg Price Increase 2020-2023			36%	

The price average increase per year from 2020 to 2023 Year-to-Date for non-waterfront sales averaged 36%. There have only been 4 sales in the search parameters to date in 2023. The data is inclusive as to whether an adjustment is necessary for changes in market conditions for sales that closed in fall of 2022 or spring of 2023. We did note evidence that the real estate market may be softening a bit. For that reason, no adjustment changes in market conditions was made to the sales that comparables utilized in this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject property and Land Sales 1, 2, and 3 are in locations that are considered similar to the subject site. Land Sale 4 is in the Double Arrow Subdivision. Based upon our analyses of paired sales data, vacant sites within the Double Arrow Subdivision typically sell for higher prices than otherwise similar vacant sites located in other areas of Seeley Lake. For this reason, Land Sale 4 is identified as Superior – compared to the subject property in this category.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = compared to the subject site in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject site has relatively level topography. The usable area of the subject site is similar to the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: The subject site and comparables are not within flood zones. The comparables are identified as Equal= compared to the subject site in this category.

Frontage/Access: The subject lot is accessed via a driveway from a gravel covered, county road. Access to the comparables is considered Equal = compared to the subject.

Zoning: The subject lot and comparables are in areas with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There were no atypical easements associated with the subject or comparables. The comparables are identified as Equal = compared to the subject in this category.

Utilities: The subject site and comparables have similar access to electricity and telephone services. It is unknown whether or not the subject site can accommodate a septic system. The ability to accommodate a septic system typically has a significant impact on value for a residential home site. Land Sales 1, 2, and 3 have suitable areas for septic systems. These sales are identified as Superior + compared to the subject property in this category. No septic system is allowed for Land Sale 4. Since the septic status of the subject site is unknown, Land Sale 4 is identified as Inferior - - compared to the subject property in this category. The two minuses reflect the order of magnitude for the impact on value due to the prohibited use of a septic system for Land Sale 4.

Size/Acres: The subject site totals 1.704 acres with much of that area considered buildable. There is no market data available suggesting that lots within the size ranges of the subject and comparables vary in price due to size differences. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

The comparables provided adjusted indications of less than \$75,000, less than \$73,000, less than \$80,000, and greater than \$45,000, respectively. The adjusted indications from Land Sales 2 (less than \$73,000) and Land Sale 4 (greater than \$45,000) bracket a likely market value for the subject property. Approximately equal weight is accorded to the adjusted indications from these two sales. The average of the adjusted indications is \$59,000. A market value of \$59,000 is considered well supported and appropriate for the subject lot.

Subject Site Value

\$59,000

Improvement Value Estimate

Mobile Home Sales 1, 2, and 3 are appropriate comparables for the mobile home on this subject site. A sales comparison analysis for the subject property utilizing these comparables is below.

SALES COMPARISON ANALYSIS FOR LOT 11, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	277 Liberty Ln	610 Tamarack Dr	133 Falcon Port	554 Spruce Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$185,000	\$200,000
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		02/02/23	10/21/22	02/07/22
ADJUSTED PRICE		\$225,000	\$185,000	\$200,000
LESS SITE VALUE		(\$80,000)	(\$80,000)	(\$50,000)
ADJUSTED IMPROVEMENT PRICE		\$145,000	\$105,000	\$150,000
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED IMPROVEMENT PRICE		\$145,000	\$105,000	\$150,000
ADJUSTMENT FOR:				
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Fair	Average	Good
		\$14,500	\$0	-\$15,000
BATHROOMS	1 (No Septic)	1	1.5	2
		-\$10,000	-\$15,000	-\$20,000
HOUSE SIZE/SF	713	1,573	750	1,322
		-\$51,600	-\$2,220	-\$36,540
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	72 SF Open Structure with Roof	Inferior	Equal	Superior
		\$1,000	\$0	-\$1,000
TOTAL ADJUSTMENT		-\$46,100	-\$17,220	-\$72,540
NET ADJUSTMENT PERCENTAGE		-32%	-16%	-48%
ADJUSTED PRICE INDICATION		\$98,900	\$87,780	\$77,460

Discussion of Adjustments

List Adjustment: The comparables were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market conditions. No adjustments were necessary for the sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2022 and 2023. We examined changes in annual average sales prices for homes (without lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size. This information is below;

Seeley Lake - Home Sales				
Up to 3.00 Acres				
Home & Sites Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	38	\$283,682		120
2021	33	\$413,124	46%	117
2022	24	\$542,783	31%	101
2023 Year-to-Date	6	\$510,833	-6%	72
Actives	16	\$570,563		72
Avg Price Increase 2020-2023			24%	

The average price increase per year from 2020 to 2023 Year-to-Date for non-waterfront home sales averaged 24%. We did note evidence that the real estate market may be softening a bit. There have only been 6 home sales year-to-date in 2023 but the average price decreased by 6% from the average price in 2022. Please note that this data is for site built residences. There was not sufficient data to prepare a credible statistical analysis for sales of mobile homes in Seeley Lake. Based upon our analysis, no adjustment was made to changes in market conditions for the comparable sales.

Location: The contributory site values for the home sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale. The site sales utilized to determine the contributory site values for the improved sales are retained in the appraisal work file.

Quality: The subject residence and the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject mobile home is considered to be in similar condition compared to Mobile Home Sale 2 and this sale required no adjustment in this category. Mobile Home Sale 1 was considered to be in inferior condition compared to the subject home and Mobile Home Sale 3 was considered to be in superior condition compared to the subject mobile home. Upward and downward adjustments of 10% were made to these comparables in this category, respectively. This adjustment percentage is considered representative of the actions of market participants with regard to condition.

Bathrooms: The subject mobile home includes 1 bathroom but does not have a septic system. For this reason, the bathroom is not usable. We have made adjustments that reflect \$10,000 per full bath and \$5,000 per half bath for the comparables. The adjustment amounts are considered to reflect the actions of market participants with regard to operable bathroom count.

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 \$60 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable mobile homes without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject and comparables do not include finished basement areas. No adjustments were necessary in this category.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings/amenities for the comparables compared to the subject property. The contributory values of the subject outbuildings/amenities were provided by the property lessee. This information is on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Structure with Roof	72	Section 17/Page 17	\$18.55	\$1,336
Total Cost New				\$1,336
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$334
Depreciated Cost Estimate				\$1,002
Rounded To				\$1,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$98,900, \$87,780, and \$77,460. All weight is placed on the adjusted value indications from Mobile Home Sale 2. The overall adjustment from this sale is less than 25%. For this reason, this sale is considered most similar to the subject property. We have rounded the value indication from Mobile Home Sale 2 to \$88,000.

Improvement Value

\$88,000

Total Value Conclusion

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

Subject Site Value	\$ 59,000
Subject Improvements Value	<u>\$ 88,000</u>
Total Value Indication	\$147,000

LOT 16

Site Value Estimate

The site sales presented were utilized to determine the value of this subject site as if vacant. 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 16 COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	277 Liberty Lane	NH N Gull Port	780 Juniper Drive	305 Deer Park Dr	NH N Grandview Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
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		11/09/22	11/02/22	10/26/22	03/17/23
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$75,000	\$73,000	\$80,000	\$45,000
SITE SIZE/ACRES	1.387	1.110	0.204	1.000	1.000
ADJUSTED SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Development	Seeley Lake Sky Park No.2 SD	Seeley Lake Homesites No.2 SD	Seeley Lake Pines Addition No.1 SD	Double Arrow Ranch Phase IV SD
		Equal =	Equal =	Equal =	Superior +
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Sloped & Rolling
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Paved County Rd	Paved County Rd	Paved County Rd	Gravel County Road	Gravel County Rd
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
UTILITIES	Electricity, Telephone, Possible Septic & Well Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, No Septic Permitted
		Superior +	Superior +	Superior +	Inferior - -
SITE SIZE/ACRES	1.387	0.460	0.204	0.665	2.600
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior +	Superior +	Superior +	Inferior -
VALUE INDICATIONS		< \$75,000	< \$73,000	< \$80,000	> \$45,000

Discussion of Quantitative Adjustments

Adjustment for List Price: All of the comparables utilized in this analysis were closed sales as of the report effective date. For this reason, no adjustments were necessary in this category.

Adjustments for Improvements: None of the comparables include improvements and no adjustments were necessary in this category.

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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 comparable sold in fall of 2022 and spring of 2023. There are typically few sales each year of similar sites in the subject market area. We examined changes in annual average sales prices for residential sites (without pond, lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size in order to determine an appropriate adjustment for changes in market conditions. This information is below;

Seeley Lake				
Up to 3.00 Acres				
Site Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	51	\$68,765		353
2021	48	\$94,105	37%	262
2022	26	\$140,096	49%	149
2023 Year-to-Date	4	\$172,250	23%	244
Actives	16	\$177,980		286
Avg Price Increase 2020-2023			36%	

The price average increase per year from 2020 to 2023 Year-to-Date for non-waterfront sales averaged 36%. There have only been 4 sales in the search parameters to date in 2023. The data is inclusive as to whether an adjustment is necessary for changes in market conditions for sales that closed in fall of 2022 or spring of 2023. We did note evidence that the real estate market may be softening a bit. For that reason, no adjustment changes in market conditions was made to the sales that comparables utilized in this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject property and Land Sales 1, 2, and 3 are in locations that are considered similar to the subject site. Land Sale 4 is in the Double Arrow Subdivision. Based upon our analyses of paired sales data, vacant sites within the Double Arrow Subdivision typically sell for higher prices than otherwise similar vacant sites located in other areas of Seeley Lake. For this reason, Land Sale 4 is identified as Superior – compared to the subject property in this category.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = compared to the subject site in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject site has relatively level topography. The usable area of the subject site is similar to the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: The subject site and comparables are not within flood zones. The comparables are identified as Equal= compared to the subject site in this category.

Frontage/Access: The subject lot is accessed via a driveway from a paved county road. Access to the comparables is considered Equal = compared to the subject.

Zoning: The subject lot and comparables are in areas with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There were no atypical easements associated with the subject or comparables. The comparables are identified as Equal = compared to the subject in this category.

Utilities: The subject site and comparables have similar access to electricity and telephone services. It is unknown whether or not the subject site can accommodate a septic system. The ability to accommodate a septic system typically has a significant impact on value for a residential home site. Land Sales 1, 2, and 3 have suitable areas for septic systems. These sales are identified as Superior + compared to the subject property in this category. No septic system is allowed for Land Sale 4. Since the septic status of the subject site is unknown, Land Sale 4 is identified as Inferior - - compared to the subject property in this category. The two minuses reflect the order of magnitude for the impact on value due to the prohibited use of a septic system for Land Sale 4.

Size/Acres: The subject site totals 1.387 acres with much of that area considered buildable. There is no market data available suggesting that lots within the size ranges of the subject and comparables vary in price due to size differences. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

The comparables provided adjusted indications of less than \$75,000, less than \$73,000, less than \$80,000, and greater than \$45,000, respectively. The adjusted indications from Land Sales 2 (less than \$73,000) and Land Sale 4 (greater than \$45,000) bracket a likely market value for the subject property. Approximately equal weight is accorded to the adjusted indications from these two sales. The average of the adjusted indications is \$59,000. A market value of \$59,000 is considered well supported and appropriate for the subject lot.

Subject Site Value

\$59,000

Improvement Value Estimate

We did not locate recent sales with improvements similar to the subject improvements. For this reason, the value of the improvements on this site were determined using the Cost Approach. The depreciated cost of the subject improvements are concluded on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Dry Cabin	396	Section 12/Page 15	\$150.00	\$59,400
Storage Building	64	Section 17/Page 16	\$16.05	\$1,027
Outhouse	30	Lump Sum		\$2,000
Total Cost New				\$62,427
Less Depreciation - Age/Life - 10/50 Years = 20%				-\$12,485
Depreciated Cost Estimate				\$49,942
Rounded To				\$50,000

Reconciliation of Cost Approach for Subject Improvements

Our conclusion of value for the improvements on this subject lot is \$50,000.

Improvement Value	\$50,000
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Total Value Conclusion

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

Subject Site Value	\$ 59,000
Subject Improvements Value	<u>\$ 50,000</u>
Total Value Indication	\$109,000

LOT 34

Site Value Estimate

The site sales presented were utilized to determine the value of this subject site as if vacant. 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 34 COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	1961 Boy Scout Road	NH N Gull Port	780 Juniper Drive	305 Deer Park Dr	NH N Grandview Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
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		11/09/22	11/02/22	10/26/22	03/17/23
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$75,000	\$73,000	\$80,000	\$45,000
SITE SIZE/ACRES	1.310	1.110	0.204	1.000	1.000
ADJUSTED SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Development	Seeley Lake Sky Park No.2 SD	Seeley Lake Homesites No.2 SD	Seeley Lake Pines Addition No.1 SD	Double Arrow Ranch Phase IV SD
		Equal =	Equal =	Equal =	Superior +
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Sloped & Rolling
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Paved County Rd	Paved County Rd	Paved County Rd	Gravel County Road	Gravel County Rd
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
UTILITIES	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, No Septic Permitted
		Equal =	Equal =	Equal =	Inferior - - -
SITE SIZE/ACRES	1.310	0.460	0.204	0.665	2.600
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Equal =	Equal =	Inferior - -
VALUE INDICATIONS		= \$75,000	= \$73,000	= \$80,000	> > \$45,000

Discussion of Quantitative Adjustments

Adjustment for List Price: All of the comparables utilized in this analysis were closed sales as of the report effective date. For this reason, no adjustments were necessary in this category.

Adjustments for Improvements: None of the comparables include improvements and no adjustments were necessary in this category.

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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 comparable sold in fall of 2022 and spring of 2023. There are typically few sales each year of similar sites in the subject market area. We examined changes in annual average sales prices for residential sites (without pond, lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size in order to determine an appropriate adjustment for changes in market conditions. This information is below;

Seeley Lake				
Up to 3.00 Acres				
Site Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	51	\$68,765		353
2021	48	\$94,105	37%	262
2022	26	\$140,096	49%	149
2023 Year-to-Date	4	\$172,250	23%	244
Actives	16	\$177,980		286
Avg Price Increase 2020-2023			36%	

The price average increase per year from 2020 to 2023 Year-to-Date for non-waterfront sales averaged 36%. There have only been 4 sales in the search parameters to date in 2023. The data is inclusive as to whether an adjustment is necessary for changes in market conditions for sales that closed in fall of 2022 or spring of 2023. We did note evidence that the real estate market may be softening a bit. For that reason, no adjustment changes in market conditions was made to the sales that comparables utilized in this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject property and Land Sales 1, 2, and 3 are in locations that are considered similar to the subject site. Land Sale 4 is in the Double Arrow Subdivision. Based upon our analyses of paired sales data, vacant sites within the Double Arrow Subdivision typically sell for higher prices than otherwise similar vacant sites located in other areas of Seeley Lake. For this reason, Land Sale 4 is identified as Superior – compared to the subject property in this category.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = compared to the subject site in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject site has relatively level topography. The usable area of the subject site is similar to the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: The subject site and comparables are not within flood zones. The comparables are identified as Equal= compared to the subject site in this category.

Frontage/Access: The subject lot is accessed via a driveway from a paved county road. Access to the comparables is considered Equal = compared to the subject.

Zoning: The subject lot and comparables are in areas with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There were no atypical easements associated with the subject or comparables. The comparables are identified as Equal = compared to the subject in this category.

Utilities: The subject site and comparables have similar access to electricity and telephone services. The subject site is permitted for a septic system through Missoula County. The ability to accommodate a septic system typically has a significant impact on value for a residential home site. Land Sales 1, 2, and 3 have suitable areas for septic systems. These sales are identified as Equal = compared to the subject property in this category. No septic system is allowed for Land Sale 4. Land Sale 4 is identified as Inferior - - - compared to the subject property in this category. The three minuses reflect the order of magnitude for the impact on value due to the prohibited use of a septic system for Land Sale 4.

Size/Acres: The subject site totals 1.310 acres with much of that area considered buildable. There is no market data available suggesting that lots within the size ranges of the subject and comparables vary in price due to size differences. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

The comparables provided adjusted indications of equal to \$75,000, equal to \$73,000, equal to \$80,000, and far greater than \$45,000, respectively. The adjusted indications from Land Sales 1, 2, and 3 are accorded all weight since they are equal to the market value for the subject property. Approximately equal weight is accorded to the adjusted indications from these three sales. The average of the adjusted indications is \$76,000. A market value of \$76,000 is considered well supported and appropriate for the subject lot.

Subject Site Value

\$76,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 are appropriate comparables for the residence on this subject site. A sales comparison analysis for the subject property utilizing these comparables is below.

SALES COMPARISON ANALYSIS FOR LOT 34, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	1961 Boy Scout Rd	220 Montana Dr	544 Seeley Ln	700 Spruce Dr	656 Juniper Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$400,000	\$225,000	\$375,000	\$235,000
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		06/08/23	08/30/22	07/27/22	03/10/22
ADJUSTED PRICE		\$400,000	\$225,000	\$375,000	\$235,000
LESS SITE VALUE		(\$200,000)	(\$70,000)	(\$140,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$200,000	\$155,000	\$235,000	\$175,000
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED IMPROVEMENT PRICE		\$200,000	\$155,000	\$235,000	\$175,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Good	Fair	Good	Fair
		-\$20,000	\$15,500	-\$23,500	\$17,500
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$5,000	\$0
HOUSE SIZE/SF	1,697	1,190	1,440	1,260	1,515
		\$35,490	\$17,990	\$30,590	\$12,740
FINISHED BASEMENT SIZE/SF	0	0	0	0	0
		\$0	\$0	\$0	\$0
OUTBUILDINGS	692 SF Detached Garage, 345 SF Lean-to, 93 SF Storage Building, 240 SF Storage Building, 80 SF Storage Buidling, & 30 SF Outhouse	Inferior	Inferior	Inferior	Inferior
		\$10,000	\$29,000	\$18,000	\$7,000
TOTAL ADJUSTMENT		\$25,490	\$62,490	\$20,090	\$37,240
NET ADJUSTMENT PERCENTAGE		13%	40%	9%	21%
ADJUSTED PRICE INDICATION		\$225,490	\$217,490	\$255,090	\$212,240

Discussion of Adjustments

List Adjustment: The comparables were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market conditions. No adjustments were necessary for the sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2022 and 2023. We examined changes in annual average sales prices for homes (without lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size. This information is below;

Seeley Lake - Home Sales				
Up to 3.00 Acres				
Home & Sites Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	38	\$283,682		120
2021	33	\$413,124	46%	117
2022	24	\$542,783	31%	101
2023 Year-to-Date	6	\$510,833	-6%	72
Actives	16	\$570,563		72
Avg Price Increase 2020-2023			24%	

The average price increase per year from 2020 to 2023 Year-to-Date for non-waterfront home sales averaged 24%. We did note evidence that the real estate market may be softening a bit. There have only been 6 home sales year-to-date in 2023 but the average price decreased by 6% from the average price in 2022. Please note that this data is for site built residences. Based upon our analysis, no adjustment was made to changes in market conditions for the comparable sales.

Location: The contributory site values for the home sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale. The site sales utilized to determine the contributory site values for the improved sales are retained in the appraisal work file.

Quality: The subject residence and the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject residence is considered to be in inferior condition compared to Home Sales 1 and 3 and in superior condition compared to Home Sales 2 and 4. Downward or upward adjustments of 10% were made to the comparables in this category as appropriate. This adjustment percentage is considered representative of the actions of market participants with regard to condition.

Bathrooms: The subject residence and Home Sales 1, 2, and 4 included 1 full bathroom and no adjustments were necessary in this category for these sales. Home Sale 3 included an additional half bath and a downward adjustment of \$5,000 was made to this sale in this category. This adjustment amount is considered representative of the actions of market participants with regard to additional half baths.

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 \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject and comparables do not include finished basement areas. No adjustments were necessary in this category.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings/amenities for the comparables compared to the subject property. The contributory values of the subject outbuildings/amenities were provided by the property lessee. This information is on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Detached Garage	692	Section 12/Page 15	\$43.50	\$30,102
Lean to	345	Section 17/Page 16	\$12.95	\$4,468
Storage Building	93	Section 17/Page 16	\$16.05	\$1,493
Storage Building	240	Section 17/Page 16	\$16.05	\$3,852
Storage Building	80	Section 17/Page 16	\$16.05	\$1,284
Outhouse	30	Lump Sum		\$2,000
Total Cost New				\$43,198
Less Depreciation - Age/Life - 10/30 Years = 30%				-\$12,960
Depreciated Cost Estimate				\$30,239
Rounded To				\$30,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$225,490, \$217,490, \$255,090, and \$212,240. Approximately equal weight is accorded the

indications from Home Sales 1, 3, and 4. The overall adjustments necessary for these sales were less than 25% which indicates that these sales are more comparable to the subject home than Home Sale 2. The average of the three indications is \$230,940. We have rounded this to \$231,000.

Improvement Value **\$231,000**

Total Value Conclusion

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

Subject Site Value	\$ 76,000
Subject Improvements Value	<u>\$231,000</u>
Total Value Indication	\$307,000

LOT 41

Site Value Estimate

The site sales presented were utilized to determine the value of this subject site as if vacant. 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 41 COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	1961 Boy Scout Road	NH N Gull Port	780 Juniper Drive	305 Deer Park Dr	NH N Grandview Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
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		11/09/22	11/02/22	10/26/22	03/17/23
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$75,000	\$73,000	\$80,000	\$45,000
SITE SIZE/ACRES	1.396	1.110	0.204	1.000	1.000
ADJUSTED SALES PRICE		\$75,000	\$73,000	\$80,000	\$45,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Development	Seeley Lake Sky Park No.2 SD	Seeley Lake Homesites No.1 SD	Seeley Lake Pines Addition No.1 SD	Double Arrow Ranch Phase IV SD
		Equal =	Equal =	Equal =	Superior +
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Sloped & Rolling
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	Yes	None	None	None	None (Septic Issue)
		Superior +	Superior +	Superior +	Equal =
FRONTAGE/ACCESS	Paved County Rd	Paved County Rd	Paved County Rd	Gravel County Road	Gravel County Rd
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
UTILITIES	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, Septic Approval	Electricity, Telephone, No Septic Permitted
		Equal =	Equal =	Equal =	Inferior - - -
SITE SIZE/ACRES	1.396	0.460	0.204	0.665	2.600
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior +	Superior +	Superior +	Inferior - -
VALUE INDICATIONS		< \$75,000	< \$73,000	< \$80,000	> > \$45,000

Discussion of Quantitative Adjustments

Adjustment for List Price: All of the comparables utilized in this analysis were closed sales as of the report effective date. For this reason, no adjustments were necessary in this category.

Adjustments for Improvements: None of the comparables include improvements and no adjustments were necessary in this category.

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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 comparable sold in fall of 2022 and spring of 2023. There are typically few sales each year of similar sites in the subject market area. We examined changes in annual average sales prices for residential sites (without pond, lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size in order to determine an appropriate adjustment for changes in market conditions. This information is below;

Seeley Lake				
Up to 3.00 Acres				
Site Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	51	\$68,765		353
2021	48	\$94,105	37%	262
2022	26	\$140,096	49%	149
2023 Year-to-Date	4	\$172,250	23%	244
Actives	16	\$177,980		286
Avg Price Increase 2020-2023			36%	

The price average increase per year from 2020 to 2023 Year-to-Date for non-waterfront sales averaged 36%. There have only been 4 sales in the search parameters to date in 2023. The data is inclusive as to whether an adjustment is necessary for changes in market conditions for sales that closed in fall of 2022 or spring of 2023. We did note evidence that the real estate market may be softening a bit. For that reason, no adjustment changes in market conditions was made to the sales that comparables utilized in this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject property and Land Sales 1, 2, and 3 are in locations that are considered similar to the subject site. Land Sale 4 is in the Double Arrow Subdivision. Based upon our analyses of paired sales data, vacant sites within the Double Arrow Subdivision typically sell for higher prices than otherwise similar vacant sites located in other areas of Seeley Lake. For this reason, Land Sale 4 is identified as Superior – compared to the subject property in this category.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = compared to the subject site in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject site has relatively level topography. The usable area of the subject site is similar to the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: The subject site is within the 100 year flood plain. Land Sales 1, 2, and 3 are not within a flood plain and are identified as Superior – compared to the subject property in this category. Land Sale 4 is not within a flood plain but does include a seasonal creek within the boundaries and the location of this creek results in some similar restrictions on use for this property as if it were in a flood plain. Consideration for the high water table is included with the adjustment for Utilities. For this reason, this sale is identified as Equal = compared to the subject property in this category.

Frontage/Access: The subject lot is accessed via a driveway from a paved county road. Access to the comparables is considered Equal = compared to the subject.

Zoning: The subject lot and comparables are in areas with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There were no atypical easements associated with the subject or comparables. The comparables are identified as Equal = compared to the subject in this category.

Utilities: The subject site and comparables have similar access to electricity and telephone services. The subject site is permitted for a septic system through Missoula County. The ability to accommodate a septic system typically has a significant impact on value for a residential home site. Land Sales 1, 2, and 3 have suitable areas for septic systems. These sales are identified as

Equal = compared to the subject property in this category. No septic system is allowed for Land Sale 4. Land Sale 4 is identified as Inferior - - - compared to the subject property in this category. The three minuses reflect the order of magnitude for the impact on value due to the prohibited use of a septic system for Land Sale 4.

Size/Acres: The subject site totals 1.396 acres with much of that area considered buildable. There is no market data available suggesting that lots within the size ranges of the subject and comparables vary in price due to size differences. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

The comparables provided adjusted indications of less than \$75,000, less than \$73,000, less than \$80,000, and far greater than \$45,000, respectively. Fewer adjustments were necessary for Land Sales 1, 2, and 3 and the final value indications resulted in a single adjustment. For this reason, these sales are accorded 30% of the total weight for the final value indication. Land Sale 4 required a greater number of adjustments and is accorded 10% of the final indication. The weighted average of the adjusted indications is \$72,900. A market value of \$73,000 (rounded from \$72,900) is considered well supported and appropriate for the subject lot.

Subject Site Value

\$73,000

Improvement Value Estimate

Home Sales 1, 2, 3, and 4 are appropriate comparables for the residence on this subject site. A sales comparison analysis for the subject property utilizing these comparables is below.

SALES COMPARISON ANALYSIS FOR LOT 41, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	1465 Boy Scout Rd	220 Montana Dr	544 Seeley Ln	700 Spruce Dr	656 Juniper Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$400,000	\$225,000	\$375,000	\$235,000
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		06/08/23	08/30/22	07/27/22	03/10/22
ADJUSTED PRICE		\$400,000	\$225,000	\$375,000	\$235,000
LESS SITE VALUE		(\$200,000)	(\$70,000)	(\$140,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$200,000	\$155,000	\$235,000	\$175,000
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED IMPROVEMENT PRICE		\$200,000	\$155,000	\$235,000	\$175,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Fair	Good	Fair	Good	Fair
		-\$40,000	\$0	-\$47,000	\$0
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$5,000	\$0
HOUSE SIZE/SF	1,219	1,190	1,440	1,260	1,515
		\$2,030	-\$15,470	-\$2,870	-\$20,720
FINISHED BASEMENT SIZE/SF	0	0	0	0	0
		\$0	\$0	\$0	\$0
OUTBUILDINGS	572 SF Attached Garage, 32 SF Wood Shed, 72 SF Wood Shed, & 179 SF Storage Building	Inferior	Inferior	Inferior	Superior
		\$1,000	\$20,000	\$9,000	-\$2,000
TOTAL ADJUSTMENT		-\$36,970	\$4,530	-\$45,870	-\$22,720
NET ADJUSTMENT PERCENTAGE		-18%	3%	-20%	-13%
ADJUSTED PRICE INDICATION		\$163,030	\$159,530	\$189,130	\$152,280

Discussion of Adjustments

List Adjustment: The comparables were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market conditions. No adjustments were necessary for the sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2022 and 2023. We examined changes in annual average sales prices for homes (without lake, creek, or river frontage) in Seeley Lake and up to 3.00 acres in size. This information is below;

Seeley Lake - Home Sales				
Up to 3.00 Acres				
Home & Sites Sales (Not on Water)				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2020	38	\$283,682		120
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2022	24	\$542,783	31%	101
2023 Year-to-Date	6	\$510,833	-6%	72
Actives	16	\$570,563		72
Avg Price Increase 2020-2023			24%	

The average price increase per year from 2020 to 2023 Year-to-Date for non-waterfront home sales averaged 24%. We did note evidence that the real estate market may be softening a bit. There have only been 6 home sales year-to-date in 2023 but the average price decreased by 6% from the average price in 2022. Please note that this data is for site built, residences. Based upon our analysis, no adjustment was made to changes in market conditions for the comparable sales.

Location: The contributory site values for the home sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale. The site sales utilized to determine the contributory site values for the improved sales are retained in the appraisal work file.

Quality: The subject residence and the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject residence is considered to be in far inferior condition compared to Home Sales 1 and 3. Downward or upward adjustments of 20% were made to these comparables in this category as appropriate. These adjustment percentages are considered representative of the actions of market participants with regard to condition. Homes Sales 2 and 4 were identified as similar in condition to the subject and these sales required no adjustment in this category.

Bathrooms: The subject residence and Home Sales 1, 2, and 4 included 1 full bathroom and no adjustments were necessary in this category for these sales. Home Sale 3 included an additional half bath and a downward adjustment of \$5,000 was made to this sale in this category. This adjustment amount is considered representative of the actions of market participants with regard to additional half baths.

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 \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject and comparables do not include finished basement areas. No adjustments were necessary in this category.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings/amenities for the comparables compared to the subject property. The contributory values of the subject outbuildings/amenities were provided by the property lessee. This information is on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Attached Garage	572	Section 12/Page 35	\$43.50	\$24,882
Wood Shed	32	Section 17/Page 16	\$16.05	\$514
Wood Shed	72	Section 17/Page 16	\$16.05	\$1,156
Storage Building	179	Section 17/Page 16	\$16.05	\$2,873
Total Cost New				\$29,424
Less Depreciation - Age/Life - 10/30 Years = 30%				-\$8,827
Depreciated Cost Estimate				\$20,597
Rounded To				\$21,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$163,030, \$159,590, \$189,130, and \$152,280. Approximately equal weight is accorded the indications from all four comparables. The overall adjustments necessary for these sales were less than 25% which indicates that these sales are all reasonable comparables for the subject home. The

average of the four indications is \$165,993. We have rounded this to \$166,000.

Improvement Value	\$166,000
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Total Value Conclusion

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

Subject Site Value	\$ 73,000
Subject Improvements Value	<u>\$166,000</u>
Total Value Indication	\$239,000

RECAPITULATION OF VALUE INDICATIONS

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

Lot #	Sale #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
11	2048	\$59,000	\$88,000	\$147,000	6/1/2023
16	2047	\$59,000	\$50,000	\$109,000	6/1/2023
34	2045	\$76,000	\$231,000	\$307,000	6/1/2023
41	2044	\$73,000	\$166,000	\$239,000	6/1/2023

The values above are based upon the **Hypothetical Conditions** that the subject properties were legal parcels and that the parcels had legal and adequate access (as described in this report) as of the report effective date.

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
2006 – Uniform Appraisal Standards for Federal Land Acquisitions
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
2017 – Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications
2018 – 7 Hour National USPAP Update Course
2019 – 7 Hour National USPAP Update Course
2019 – Business Practice & Ethics
2020 – Small Hotel/Motel Valuation
2020 – Appraisal of Medical Office Buildings
2022 – 7 Hour USPAP Update Course
2022 – Analyzing Operating Expenses
2022 – Appraisal of Automobile Dealerships

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

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

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

2018 – Appraisal Institute: Real Estate Finance, Value, and Investment Performance

2019 – Appraisal Institute: The Cost Approach: Unnecessary or Vital to a Healthy Practice

2022 – Appraisal Institute: Introduction of Green Buildings: Principles and Concepts

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

PARTIAL LIST OF CLIENTS

United States Department of Interior
United States Government Services Administration
State of Montana Department of Natural Resources
Montana Department of Transportation
City of Whitefish
City of Kalispell
Flathead County
Glacier Bank
Rocky Mountain Bank
Freedom Bank
Whitefish Credit Union
Parkside Credit Union
First Interstate Bank
Three Rivers Bank

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
Course REA-CEC-REC-14476 – 7-Hour National USPAP Update – 2022
Course REA-CEC-REC-13680 – Comparative Analysis – 2022
Course REA-CEC-REC-14201 – Analyzing Operating Expenses – 2022
Course REA-CEC-REC-14584 – Appraising Automobile Dealerships – 2022

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


REA-RAG-LIC-683

Status: **Active**
Expires: **03/31/2024**

CLARK REAL ESTATE APPRAISAL
ELLIOTT M CLARK
CLARK REAL ESTATE APPRAISAL
P.O. BOX 1531
SEELEY LAKE, MT 59868

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

With endorsements of:
* **REAL ESTATE APPRAISER MENTOR**



Montana Department of
LABOR & INDUSTRY
RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol>




State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAL-LIC-841

Status: **Active**
Expires: **03/31/2024**

CLARK REAL ESTATE APPRAISAL
CHRISTOPHER D CLARK
CLARK REAL ESTATE APPRAISAL
P.O. BOX 1531
SEELEY LAKE, MT 59868

This certificate verifies licensure as:
LICENSED APPRAISER

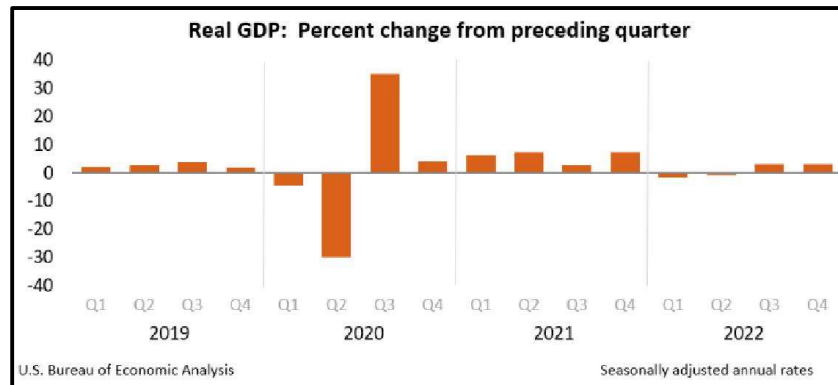


Montana Department of
LABOR & INDUSTRY
RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol>

ADDENDUM

NATIONAL ECONOMIC DATA

According to an advance estimate from the Bureau of Economic Analysis of the US Department of Commerce (BEA), real GDP increased 2.9% in the fourth quarter of 2022 after increasing by 3.2% in the third quarter of 2022. According to the BEA, “The increase in real GDP reflected increases in private inventory investment, consumer spending, federal government spending, state and local government spending, and nonresidential fixed investment that were partly offset by decreases in residential fixed investment and exports. Imports, which are a subtraction in the calculation of GDP, decreased.”



STATE ECONOMIC DATA

Montana is the 44th most populous state in the US. As of 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 estimates using US Census data, the 2020 population of Montana was estimated to be 1,096,002. This estimate shows a 10.8% increase since the 2010 census. A 2021 estimate had the population of Montana at 1,099,333. 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 ESRI, as of 2021 the median household income was estimated at \$56,296 and is projected to increase to \$61,054 (an increase of about 8.5%) by 2026. This compares to the United States, which has an estimated median household income of \$64,730 as of 2021 and is projected to increase to \$72,932 (an increase of about 12.7%) by 2026.

The following table summarizes unemployment rates in Montana over the past 10 years.

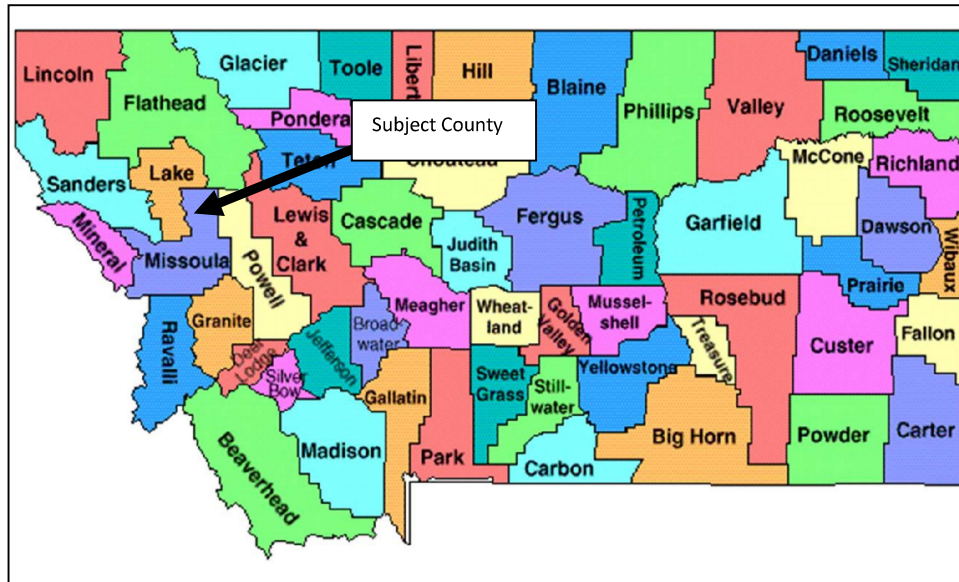
State of Montana					
Year	Month	Labor Force	Employment	Unemployment	Unemployment Rate
2013	Annual Average	511,199	483,798	27,401	5.4%
2014	Annual Average	512,613	488,738	23,875	4.7%
2015	Annual Average	517,901	495,725	22,176	4.3%
2016	Annual Average	521,736	499,266	22,470	4.3%
2017	Annual Average	528,441	506,871	21,570	4.1%
2018	Annual Average	533,821	513,858	19,963	3.7%
2019	Annual Average	542,279	522,898	19,381	3.6%
2020	Annual Average	542,917	511,616	31,301	5.8%
2021	Annual Average	549,743	531,202	18,541	3.4%
2022	Y-T-D Average (through December)	565,779	550,678	15,100	2.7%
2022	December	566,515	553,036	13,479	2.4%
Average (2013-2022)					4.2%
Source: United States Department of Labor, Bureau of Labor Statistics					

As shown in the previous table, the annual average unemployment rate decreased every year from 2011 through 2019. However, due in large part to the coronavirus pandemic (which began in March 2020), the overall unemployment rate in Montana increased in 2020. However, since approximately mid-2020 the rate began to trend down, and it was reported at 2.4% as of December 2022.

The real estate market in portions of Montana has been strong from 2020 through YTD 2023 despite the COVID-19 pandemic; however, it is too soon to discern long term impacts to the state economy.

MISSOULA COUNTY DATA

The subject property is 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

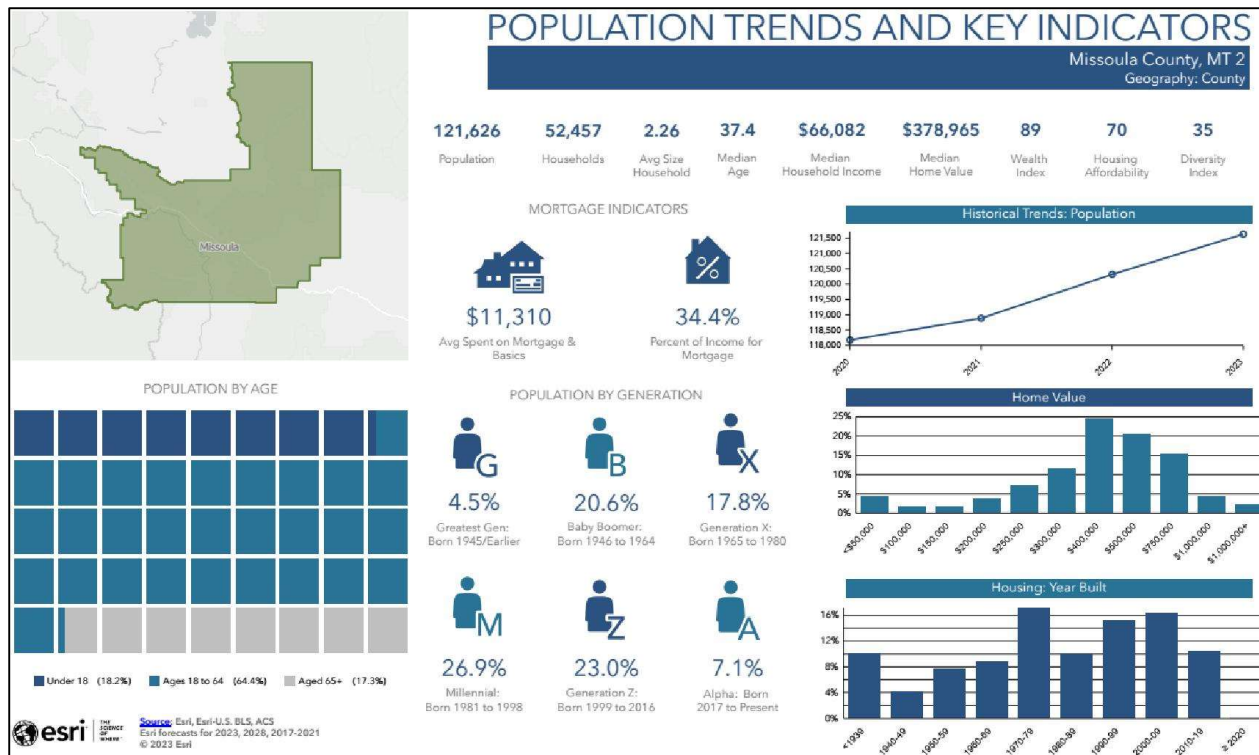
Missoula County is bordered to the north by Flathead, Lake, Sanders and Mineral Counties of Montana. It is bordered to the south and east by Ravalli, Granite and Powell Counties of Montana. A small portion of Missoula County is bordered to the west by Idaho and Clearwater Counties in Idaho. The general 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

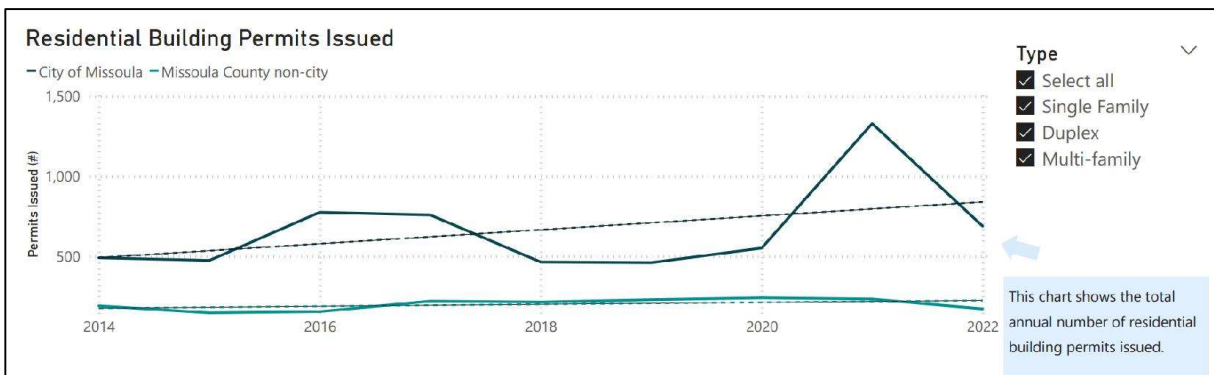
Population

Missoula County is the 2nd most populous county in Montana. The 2023 county population estimate from ESRI based upon US Census Bureau data was 121,626. A chart with population trends for Missoula County is on the following page.



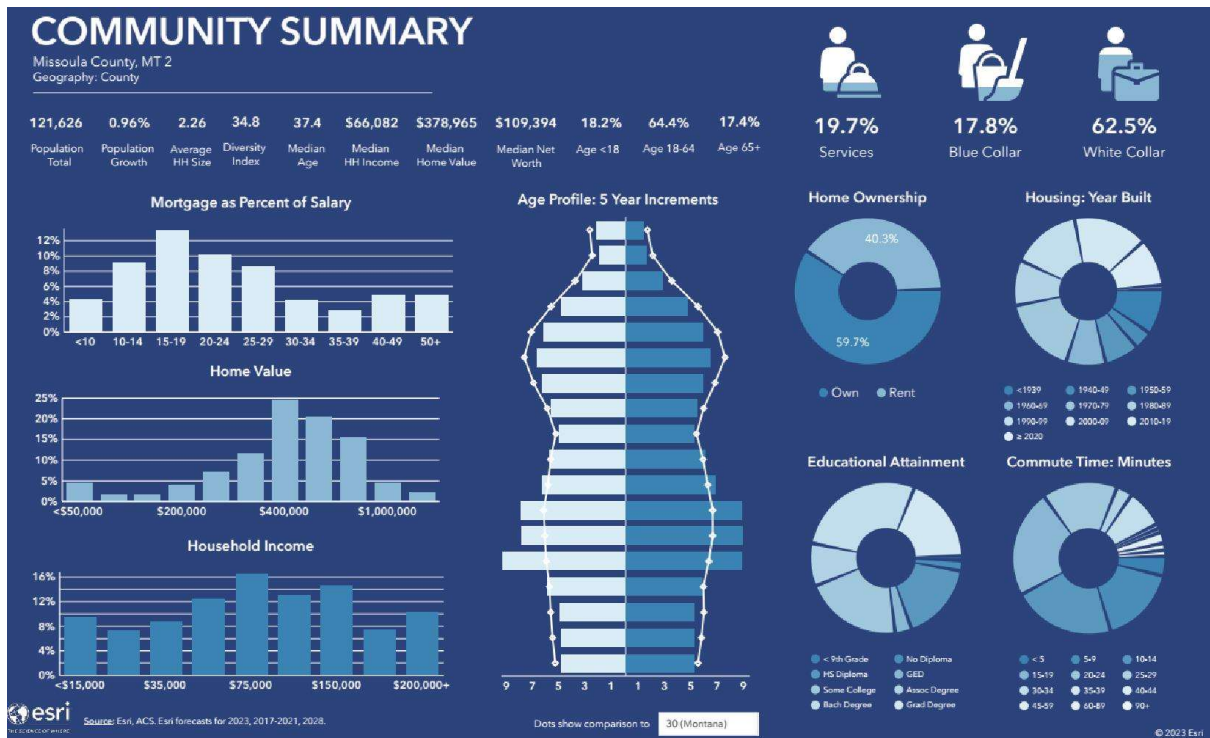
Housing, Income, & Employment

Residential building permits of all types (single family, duplex and multi-family) issued in Missoula County and the City of Missoula between 2014 and 2022 are on the graph below;



The total number of permits issues in the county generally increased between 2014 and 2022.

The tables on the following page include information regarding home values, home ownership, and employment.



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 and the population is forecasted to continue increasing. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The economy and the real estate market had remained relatively stable for the past several years. Missoula County has been experiencing increases in sales volume and limited supply of property for sale in most real estate sectors. The economy of Missoula County is expected to grow during 2023 and growth is expected to continue for the foreseeable future.

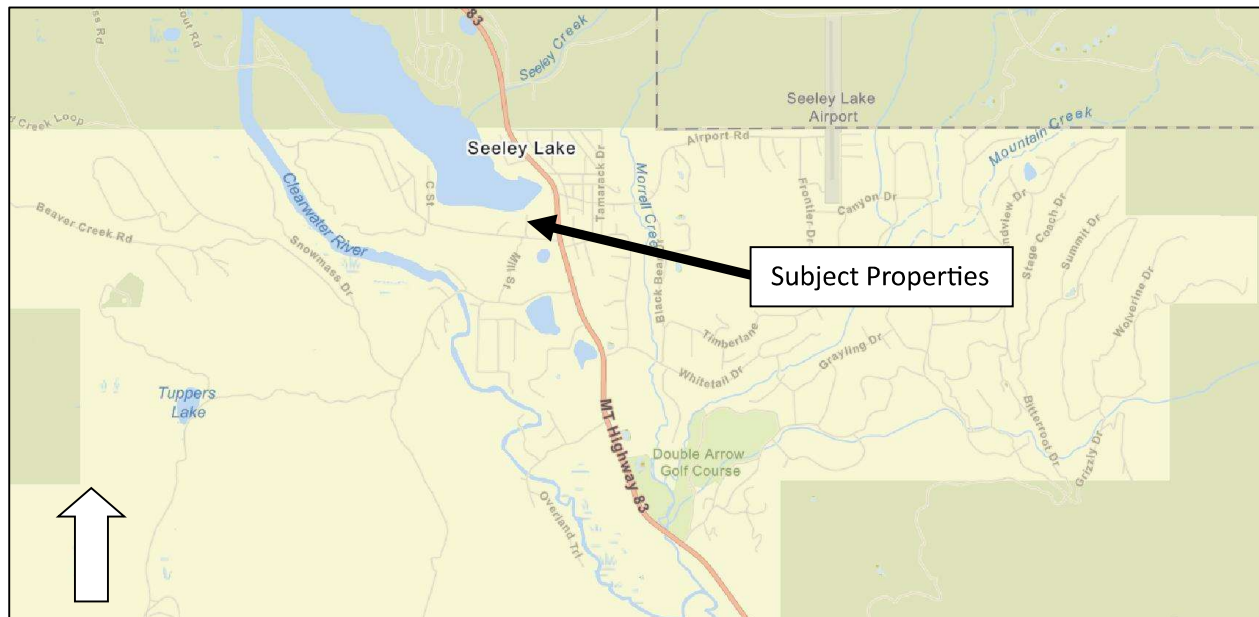
According to the Bureau of Business and Economic Research at the University of Montana, economic impacts on Northwest Montana Counties (which include Missoula County) due to COVID-19 have been forecasted to be significant.

SEELEY LAKE DATA

General Information

The subject properties are located in the community of Seeley Lake. The general area is known as the “Seeley-Swan Valley”. There is relatively little privately owned land in the area.

For report purposes the neighborhood boundaries consists of the Seeley Lake Census Designated Place (CDP). Montana Highway 83 runs north to south through the area. Seeley Lake is approximately 1 hour drive from Missoula and approximately 1.5 hour drive from Kalispell.



Much of the land off of Montana Highway 83 (between Bigfork and Montana Highway 200) is protected. A recent cooperative project that involved a large amount of acreage in the greater 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. Mountain peaks extend as high as 9,000 feet. Portions of two national forests are in the greater 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 ESRI 2023 estimates based upon US Census data the population of Seeley Lake, CDP was 1,685.

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 2023 median household income for the area was \$52,957.

Housing & Real Estate

According to the ESRI there were 1,135 housing units in Seeley Lake in 2022. Approximately 62.2% of the housing units were identified as owner occupied, approximately 7.9% were identified as renter occupied, and approximately 29.9% 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 Seeley Lake in 2023 was \$355,429. The most expensive homes are typically on navigable water or on large acreage tracts.

Demand and pricing for properties in the Seeley Lake area have increased since the onset of the COVID-19 pandemic. ESRI forecasts may not have included the most current data available.

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 & SUPPLEMENTAL INSTRUCTIONS

(Page 1 of 7)

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Attachment A

Scope of Work for Appraisals of Potential Property Sales through the Cabin/Home Site Sale Program

DNRC TLMD Real Estate Management Bureau Cabin/Home Site Sale Program

Scope of Work for the Appraisal of Potential Property Sale Through the Cabin/Home Site Sales Program: 2023 Seeley Lake Development Missoula County Appraisal

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board) and the Department of Natural Resources and Conservation (DNRC). The intended users are the State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC) and Lessee's Daniel Carmine, Joseph & Melissa Flesch, Levi & Ashlee Shypkowski, and George & Glenda Tilden. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject property and is intended for use in the decision-making process concerning the potential sale of said subject property.

DEFINITIONS:

Current fair market value. (12 C.F.R. § 34.42 (h)) Market value means the most probably price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Highest and best use. The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

PROPERTY RIGHTS APPRAISED:

State of Montana lands are always to be appraised as if they are in private ownership and could be sold on the open market and are to be appraised in Fee Simple interest. For analysis purposes, properties that have leases or licenses on them are to be appraised with the Hypothetical Condition the leases/licenses do not exist.

202301

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EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:

The latest date of inspection by the appraiser will be the effective date of the valuation.

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:

The legal descriptions and other characteristics of the state's property that are known by the state will be provided to the appraiser. However, the appraiser should verify, as best as possible, any information provided. Further, should any adverse conditions be found by the appraiser in the course of inspecting the property and neighborhood, or through researching information about the property, neighborhood and market, those conditions shall be communicated to the clients and may change the scope of work required.

The legal descriptions and other characteristics of the lessee's property that are known by the lessee will be provided to the appraiser. However, the appraiser should verify, as best as possible, any information provided. Further, should any adverse conditions be found by the appraiser in the course of inspecting the property, or through researching information about the property, neighborhood and market, those conditions shall be communicated to the clients and may change the scope of work required.

ASSIGNMENT CONDITIONS:

The appraiser must be a Montana certified general appraiser and be competent to appraise the subject property. The appraisal is to conform to the latest edition of USPAP, and the opinion of value must be credible. The appraiser is to physically inspect the subject properties at a level that will allow the appraiser to render a credible opinion of value about the properties. The appraiser must have knowledge of the comparables through either personal inspection or with use of sources the appraiser deems reliable and must have at least viewed the comparables.

The appraiser will consider the highest and best use of the subject properties. (Note: it may be possible that because of the characteristics of a subject property, or market, there may be different highest and best uses for different components of the property. Again, that will depend on the individual characteristics of the subject property and correlating market. The appraiser must look at what a typical buyer for the property would consider.)

Along with using the sales comparison approach to value in this appraisal, (using comparable sales of like properties in the subject's market or similar markets), the appraiser will also consider the cost and income approaches to value. The appraiser will use those approaches, as applicable, in order to provide a credible opinion of value. Any approaches not used are to be noted, along with a reasonable explanation as to why the approach or approaches were not applicable.

The appraisal will be an Appraisal Report as per USPAP, that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that support the analyses, opinions and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values of the 4 (four) cabin sites identified in the Supplemental Appraisal Instructions.

The subject property must be valued with the actual or hypothetical condition that the site has legal access.

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All appraisals are to describe the market value trends, and provide a rate of change, for the markets of the subject property. Comparable sales used should preferably be most recent sales available or be adjusted for market trends if appropriate. The comparable sales must be in reasonable proximity to the subject, preferably within the same county or a neighboring county. Use comparable sales of like properties.

The cabin sites (land) should be valued under the hypothetical condition that they are vacant raw land, without any site improvements, utilities, or buildings.

The appraisal report must list all real property improvements that were considered when arriving at the appraised values for the improvements. Improvements means a home or residence, outbuildings and structures, sleeping cabins, utilities, water systems, septic systems, docks, landscaping or any other improvements to the raw land.

The appraised value of state-owned land added to the allocated market value of the non-state-owned improvements value will not be greater than total market value of the property, with the hypothetical condition that land and improvements are in fee simple ownership, with one owner.

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

1. Include a total market value of the properties, with the hypothetical condition that land and improvements are in fee simple ownership, with one owner.
2. Include a separate market value for the state-owned cabin or home sites (land), under the hypothetical condition of it being vacant raw land exclusive of real property improvements.
3. Allocate a separate market value for the non-state-owned improvements, from the total market value derived in 1 above.
4. Valuation of the improvements must account for all forms of obsolescence.

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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 Property (Located in Missoula County):

Sale #	Acres ±	Legal Description
2044	1.396	LOT 41 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W
2045	1.31	LOT 34 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W
2047	1.387	LOT 16 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W
2048	1.704	LOT 11 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W

DNRC Contact Information:
Deidra Kloberdanz,
Lands Section Supervisor
PO Box 201601
Helena, MT 59620-1601
Phone: (406) 444-4165
Fax: (406) 444-2684
Deidra.Kloberdanz@mt.gov

Lessees:

Sale 2044: Daniel Carmine - (406) 760-1572
Sale 2045: Joseph & Melissa Flesch - (406) 239-2660
Sale 2047: Levi & Ashlee Shypkowski - (406) 239-1277
Sale 2048: George & Glenda Tilden - (406) 274-4866

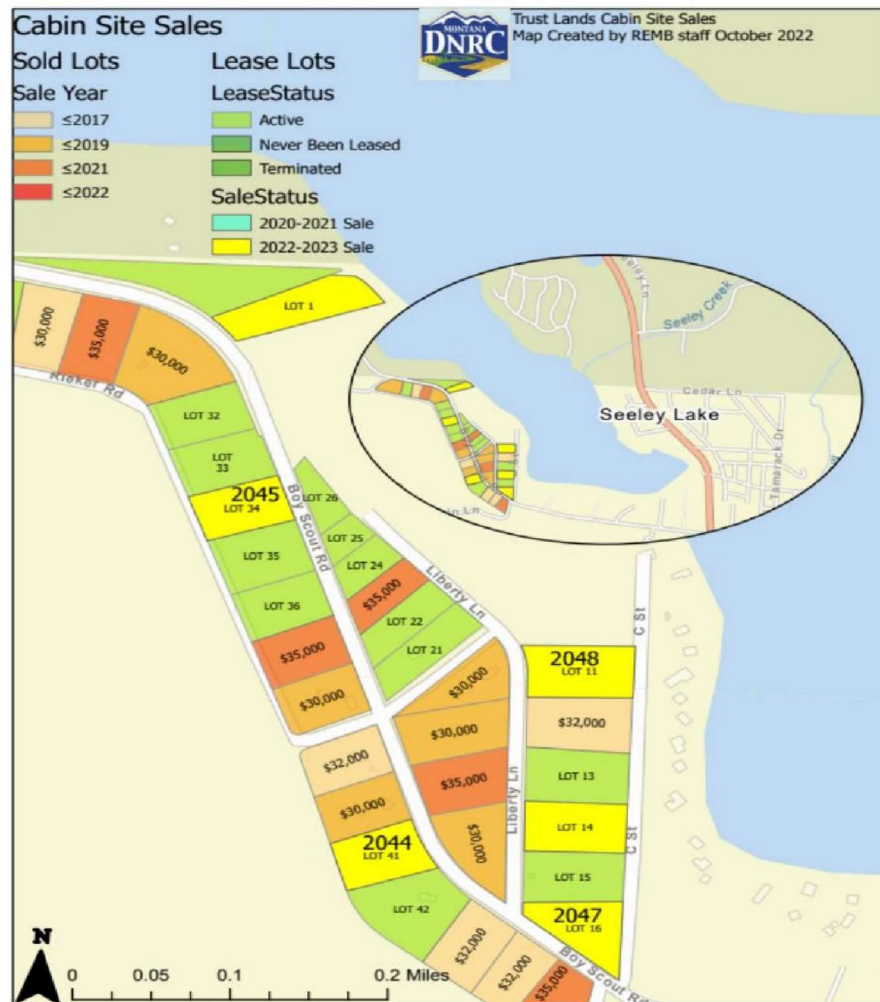
The following will be located in the body of the contract:

The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of values for the parcels. 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 may be returned to the appraiser for retention in his/her files upon request. 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 12 C.F.R. § 34.42 (h).

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

Sales 2044, 2045, 2047, 2048, Missoula
County



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Seeley Lake Development COS 6161

