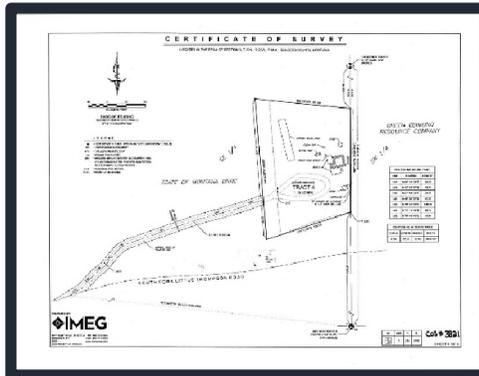
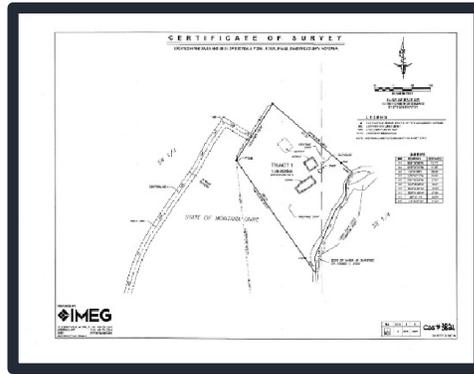
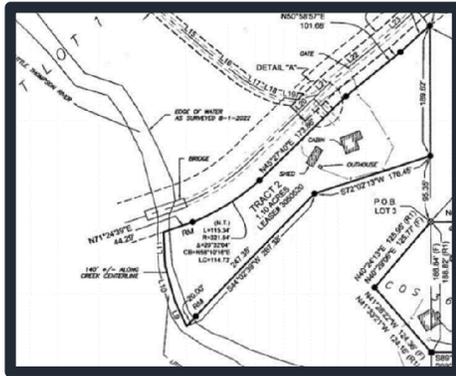


APPRAISAL REPORT OF:

**TRACT 2 OF CERTIFICATE OF SURVEY #3820
TRACTS 1 AND 4 OF CERTIFICATE OF SURVEY #3821
PLAINS, SANDERS 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:
July 19, 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

September 18, 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: Tract 2 of COS #3820 (Section 2, Township 22 North, Range 27 West) and Tracts 1 and 4 of COS #3821 (Sections 4 and 8, Township 22 North, Range 26 West), Plains, Sanders County, Montana

Dear Ms. Kloberdanz:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on July 19, 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	Tract 2 of COS 3820 and Tracts 1 & 4 of COS 3821 Plains, Sanders County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-089-0001.00
Flood Zone	See Property Description
Zoning	None

HIGHEST AND BEST USE(S)

As If Vacant	Recreational and/or Residential Use
As Improved	Recreational and/or Residential Use

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

Report Date	September 18, 2023
Inspection Date(s)	July 19, 2023
Effective Date of Value(s)	July 19, 2023
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 85 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 85 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 85 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 6 to 12 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
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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.

Elliott M. Clark

Date Signed: September 18, 2023
Elliott M. Clark, MAI
MT REA-RAG-LIC-683

Christopher D. Clark

Date Signed: September 18, 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 Tract 2 of COS #3820 (Section 2, Township 22 North, Range 27 West) and Tracts 1 & 4 of COS #3821(Sections 4 & 8, Township 22 North, Range 26) Plains, Sanders 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 July 19, 2023. We measured the improvements on the applicable 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, Sanders County Records, and the area Multiple Listing Service.

Area trends in development were researched based upon information from various offices of Sanders 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. For this reason, the Cost Approach is not considered applicable and was not developed in this report. The subject properties are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach was developed to determine the values of subject properties as improved.

Environmental

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

General Data Sources

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

- Sanders County – Various Offices;
- Flathead 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;

Cabin #	Sale #	Certificate of Survey	Section/Township/Range	County	Gross Acres
22	2049	Tract 2 of #3820	S02/T22N/R27W	Sanders	1.10
20	2050	Tract 4 of #3821	S08/T22N/R26W	Sanders	1.13
18	2055	Tract 1 of #3821	S04/T22N/R26W	Sanders	1.56

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;

Cabin #	Sale #	Lessee	Certificate of Survey	Section/Township/Range
22	2049	Richard, Walter, & Greg Largent	Tract 2 of #3820	S02/T22N/R27W
20	2050	Wilfred & Carolyn Ovitt	Tract 4 of #3821	S08/T22N/R26W
18	2055	Brad & Tina Forman	Tract 1 of #3821	S04/T22N/R26W

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

July 19, 2023

EFFECTIVE DATE OF MARKET VALUES

July 19, 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 are owned by the lessees. The lessees and the most recent transfer documents available online via Sanders County, Montana are identified below;

Cabin #	Sale #	Lessee	Address	House Built	Last Transfer Document	Certificate of Survey	Section/Township/Range
22	2049	Richard, Walter, & Greg Largent	Blanchard's Corner Road	1934	Unknown	Tract 2 of #3820	S02/T22N/R27W
20	2050	Wilfred & Carolyn Ovitt	S. Fork Little Thompson River Road	1949 Remodelled since purchase in 2019	Bill of Sale - 2/22/19 Richard Broughton to Wilfred & Carolyn Ovitt	Tract 4 of #3821	S08/T22N/R26W
18	2055	Brad & Tina Forman	Little Thompson River Road	1955 Remodelled since purchase in 2014	Unknown	Tract 1 of #3821	S04/T22N/R26W

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 on all three subject lots. The home construction date and any recent listing information for the improvements via the area MLS for each property are below;

Cabin #	Sale #	Lessee	House Built	Last Transfer Document	Listing History of Improvements via Area MLS
22	2049	Richard, Walter, & Greg Largent	1934	Unknown	N/A
20	2050	Wilfred & Carolyn Ovitt	1949 Remodelled since purchase in 2019	Bill of Sale - 2/22/19 Richard Broughton to Wilfred & Carolyn Ovitt	Unknown
18	2055	Brad & Tina Forman	1955 Remodelled since purchase in 2014	Unknown	Unknown

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.

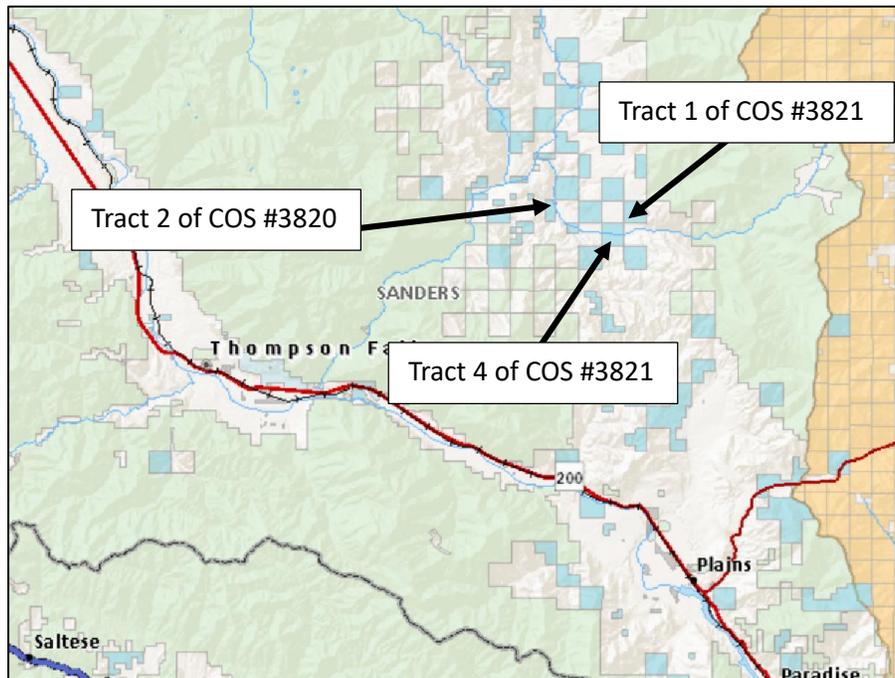
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Tract 2 of COS #3820 and Tracts 1 & 4 of COS #3821. Tract 2 of COS #3820 includes frontage along the Little Thompson River. Tract 1 of COS #3821 includes frontage along the North Fork of the Little Thompson River. Tract 4 of COS #3821 does not include water frontage. The gross acreages and water frontage amounts for the subject lots are on the table below.

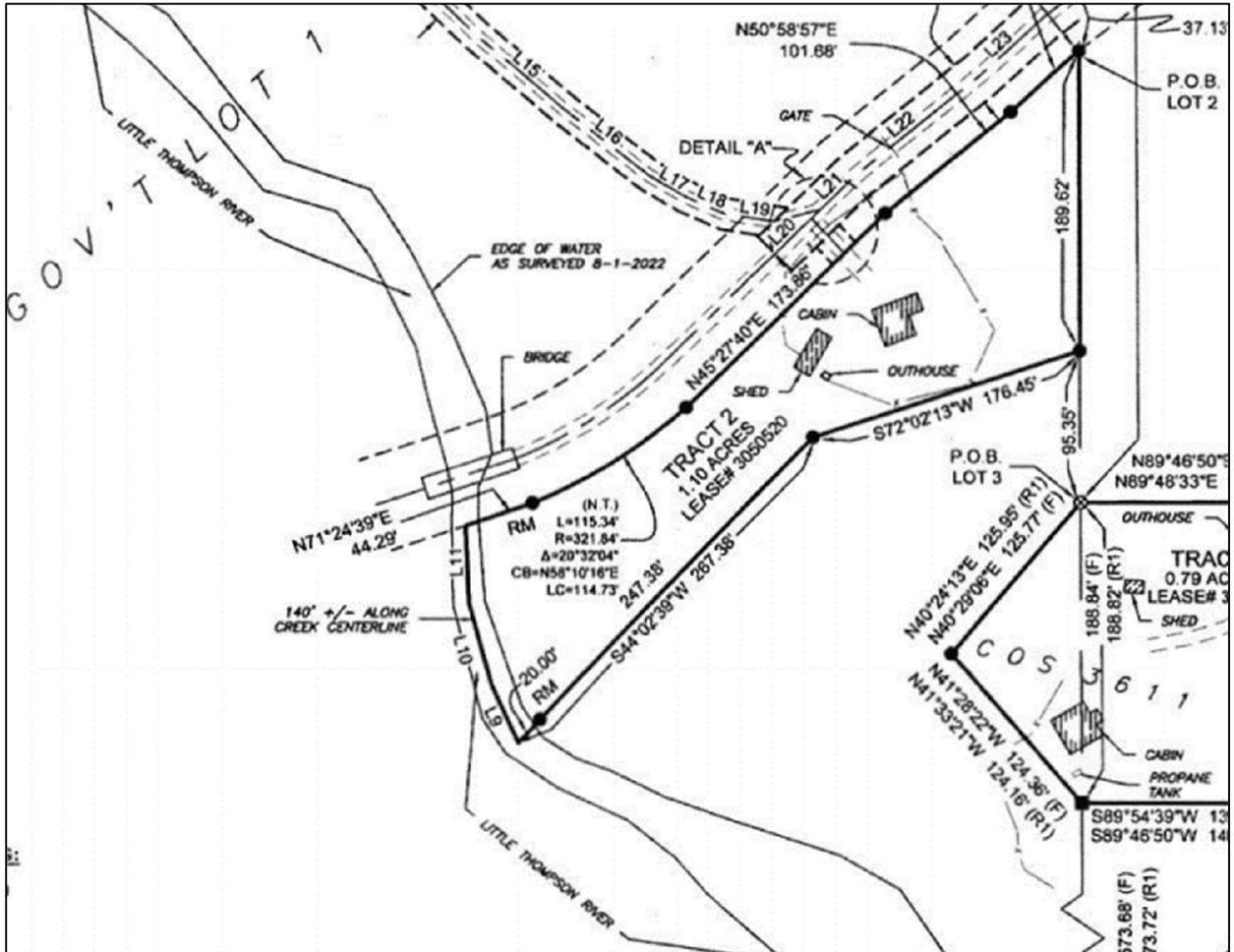
Cabin #	Sale #	Lessee	Certificate of Survey	Section/Township/Range	County	Gross Acres	Water Frontage (Feet)
22	2049	Richard, Walter, & Greg Largent	Tract 2 of #3820	S02/T22N/R27W	Sanders	1.10	140' +/-
20	2050	Wilfred & Carolyn Ovitt	Tract 4 of #3821	S08/T22N/R26W	Sanders	1.13	N/A
18	2055	Brad & Tina Forman	Tract 1 of #3821	S04/T22N/R26W	Sanders	1.56	300' +/-

A portion of the Montana Cadastral Map depicting the approximate locations of the subject properties is below.

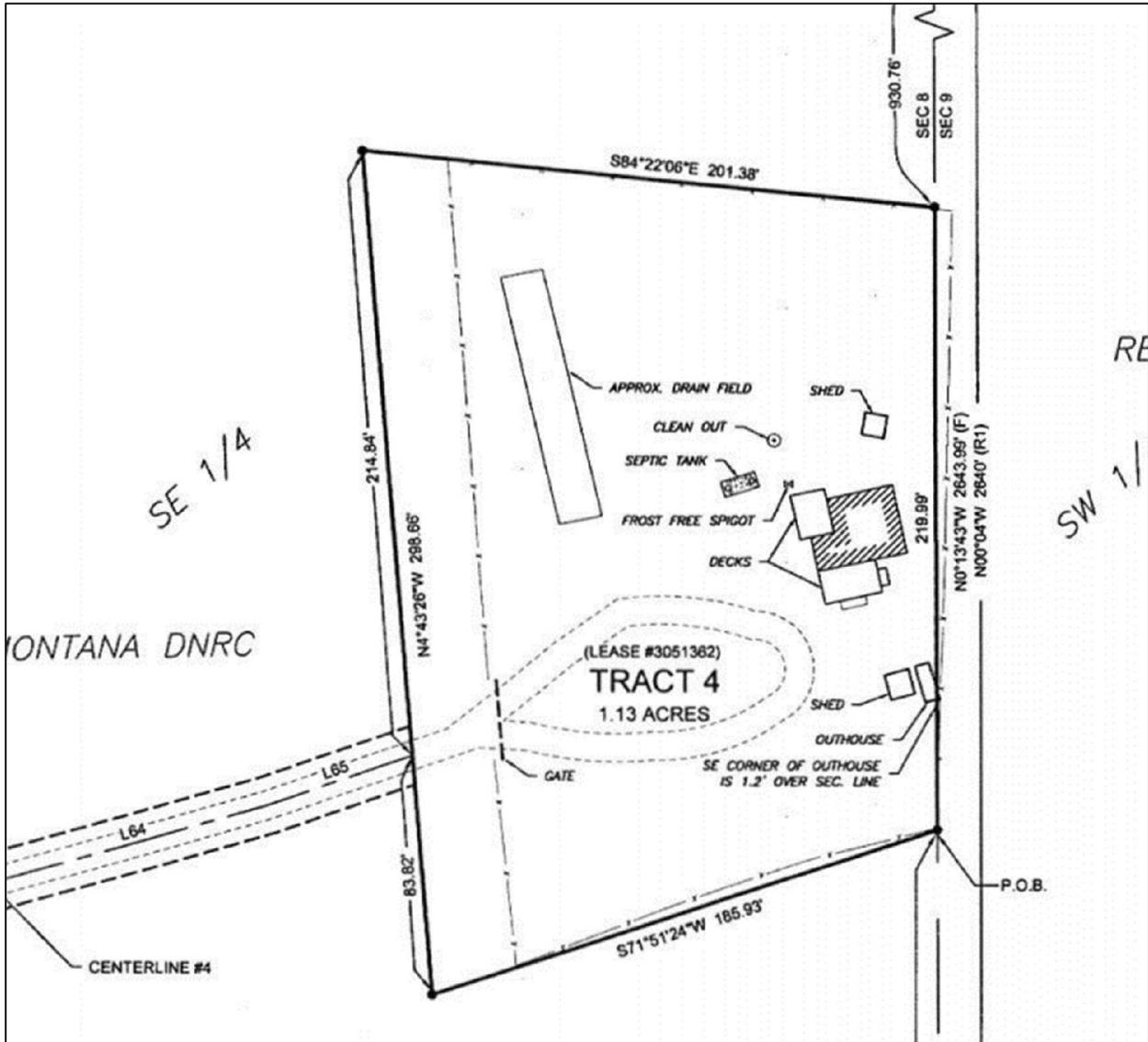


Zoomed in images of each subject lot from their respective COS's are on the following pages.

Tract 2 of COS #3820
 Zoomed Image from Page 2 of COS #3820



Tract 4 of COS #3821
 Zoomed Image from Page 5 of COS #3821



ACCESS AND VIEWS

Access for each site is described on the table below;

Cabin #	Sale #	Lessee	Certificate of Survey	Section/Township/Range	Water Frontage (Feet)	Access
22	2049	Richard, Walter, & Greg Largent	Tract 2 of #3820	S02/T22N/R27W	140' +/-	Blanchard's Corner Road
20	2050	Wilfred & Carolyn Ovitt	Tract 4 of #3821	S08/T22N/R26W	N/A	S. Fork Little Thompson River Road
18	2055	Brad & Tina Forman	Tract 1 of #3821	S04/T22N/R26W	300' +/-	Little Thompson River Road

Tract 2 of COS #3820 has frontage along the Little Thompson River. Tract 4 of COS 3821 is an interior site. Tract 1 of COS #3821 includes frontage along the North Fork of the Little Thompson River.

IMPROVEMENTS

There are improvements on all three subject lots. The improvements are described below.

Sale #	2049	2050	2055
Cabin #	22	20	18
Residence SF	480	592	1,268
Construction Type	Log	Wood Frame	Wood Frame
Foundation	Railroad Ties	Piers	Concrete Slab
Quality	Average	Average	Average
Condition	Average	Average	Good
Year Built	1934	1949	1955
# of Bedrooms	1	2	2
# of Bathrooms	None	1	1
Porches	Screened Porch	2 Decks, 1 Covered Porch	Deck
Outbuildings	Outhouse, Storage Building, Open Storage	Wood Shed, Storage Bldg., Outhouse/Storage	Shop Building, Outhouse, Storage
Well/Septic	None/Unused Septic	Cistern/Septic	River Water/Septic
Landscaping	Natural Vegetation / Lawn Area	Natural Vegetation / Lawn Area	Natural Vegetation / Lawn Area
Notes	Original Log Cabin	Cabin Updated since purchase	Significant Renovation since purchase. 900 sf metal shop building.

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

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

Cabin #	Sale #	Lessee	Certificate of Survey	Section/Township/Range	Easement Affecting Property	Other Issues
22	2049	Richard, Walter, & Greg Largent	Tract 2 of #3820	S02/T22N/R27W	None identified on Land Status Report or Certificate of Survey	Limited Winter Access
20	2050	Wilfred & Carolyn Ovitt	Tract 4 of #3821	S08/T22N/R26W	None identified on Land Status Report or Certificate of Survey	Limited Winter Access
18	2055	Brad & Tina Forman	Tract 1 of #3821	S04/T22N/R26W	None identified on Land Status Report or Certificate of Survey	Limited Winter Access

ZONING

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

ASSESSMENT/REAL PROPERTY TAXES

The subject lots are tax exempt. The improvements on each site are taxable. The 2022 taxable market values for the **subject improvements** (as per the Montana Department of Revenue) and the 2022 tax bill amounts for the improvements only are on the table below;

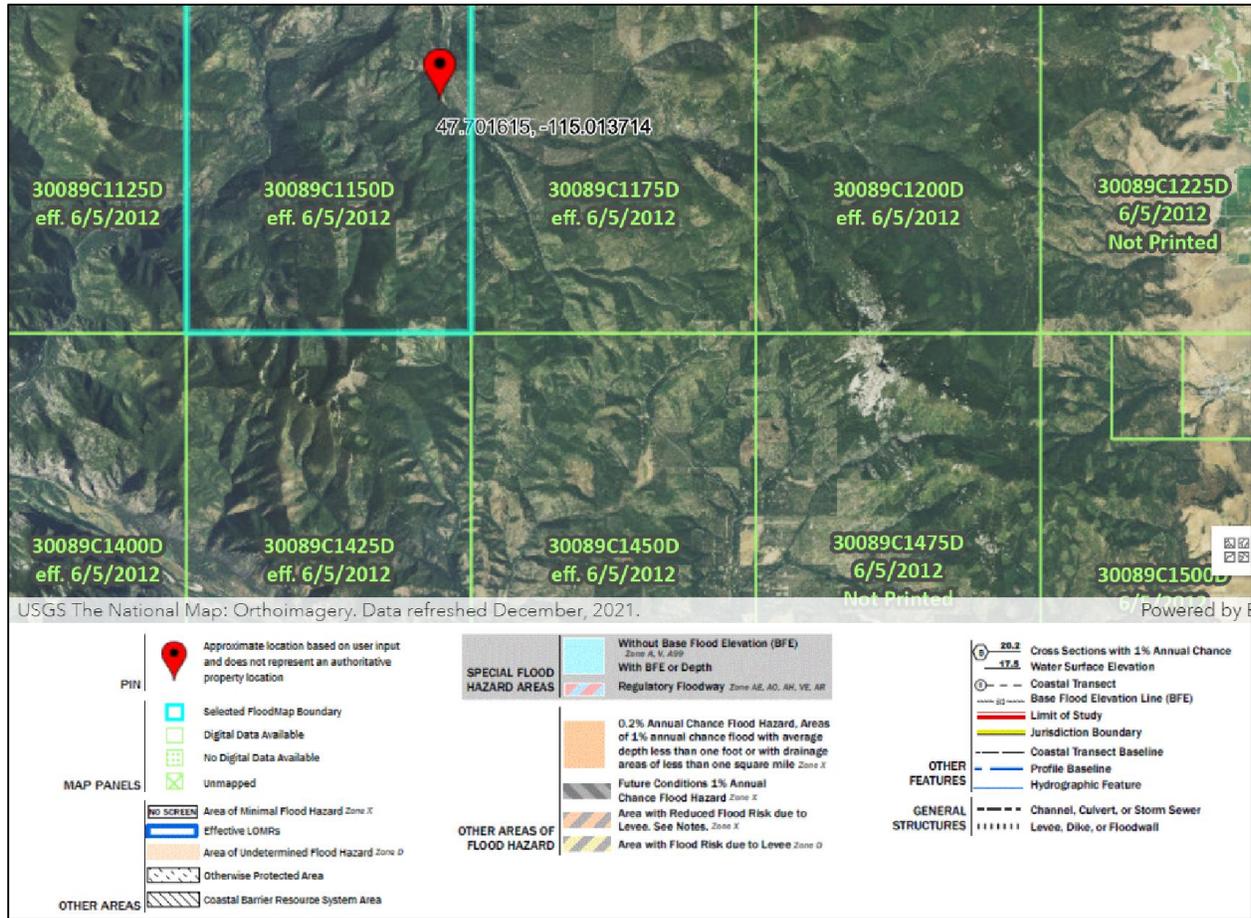
Tax Information						
Sale #	Cabin #	Lessees	2022 Taxable Market Value for Land	Assessor # for Improvements	2022 Taxable Market Value for Improvements	2022 Tax Bill Amount for Improvements
2049	22	Richard, Walter, & Greg Largent	Unknown	0006424	\$35,410	\$377.76
2050	20	Wilfred & Carolyn Ovitt	Unknown	0002870	\$36,920	\$387.07
2055	18	Brad & Tina Forman	Unknown	0002871	\$46,540	\$446.34

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

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

Cabin #	Sale #	Lessee	Topography
22	2049	Richard, Walter, & Greg Largent	Relatively level
20	2050	Wilfred & Carolyn Ovitt	Level with slope up along east boundary
18	2055	Brad & Tina Forman	Relatively level with slope down toward N. Fork of Little Thompson River

It appears that the subject properties are within FEMA Map Panels 30089C1150D, 30089C1175D, or 30089C1200D. These panels are on the image below. It is very difficult to discern the exact subject locations on the map panels. **For that reason, we were not able to definitively determine flood risk for each subject property. The subject properties are valued in this report as if they are not within areas of flood risk.**



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 do not have access to electricity or phone lines. Information regarding septic systems and wells is below;

Sale #	Cabin #	Lessees	Septic Tank	Water Source	Water Right	Notes
2049	22	Richard, Walter, & Greg Largent	Unused	Spring	Yes	Generator for Power
2050	20	Wilfred & Carolyn Ovitt	Yes	Cistern	Yes	Solar & Generator for Power
2055	18	Brad & Tina Forman	Yes	River	Yes	Solar & Propane Generator for Power

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

The subject lots are legally and physically suited for residential/recreational improvements that do not require connection to electricity generated by a power company. As noted, there is no electricity or telephone service in the subject area.

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

Tract 2 of Certificate of Survey #3820

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO	
File No.: 23-032ec	Parcel No.: Sale #2049
Property Address: Tract 2 of COS#3820	
City: Plains	County: Sanders State: MT ZipCode:
Owner: Largent	
Client: MT DNRC Client Address:	
Appraiser Name: Clark Real Estate Appraisal Inspection Date: 7/19/23	

SKETCH

Sketch by ApexSketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1		
Code	Description	Factor	Net Size	Perimeter	Net Totals			
GLA1	First Floor	1.0	480.0	88.0	480.0			
GAR	Open Storage	1.0	137.5	47.0				
	Enclosed Storage	1.0	176.0	54.0	313.5			
OTH	Outhouse	1.0	20.0	18.0	20.0			
P/P	Screened Porch	1.0	126.0	45.0	126.0			
Net LIVABLE						cnt	1 (rounded)	480

COMMENT TABLE 2	COMMENT TABLE 3

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SUBJECT PHOTOGRAPHS



West Side of Cabin



South Side of Cabin



East Side of Cabin



North Side of Cabin



Screened Porch



Kitchen Area

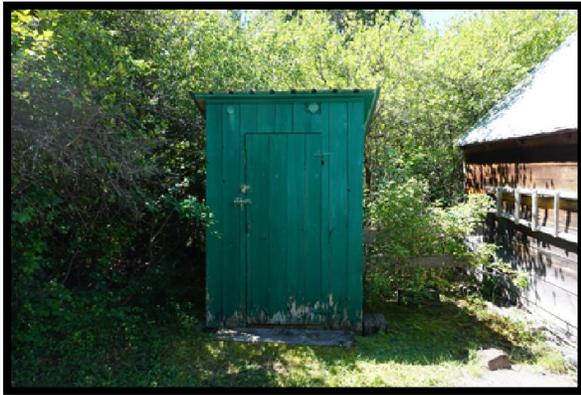
ADDITIONAL PHOTOGRAPHS



View of Living Area



Bedroom Area



Outhouse



Storage Building



Small Stream on Property



Little Thompson River Frontage Looking South from Bridge

ADDITIONAL PHOTOGRAPHS



Little Thompson River Looking North from Bridge



Little Thompson River



River Frontage Looking North



View toward Northwest Corner of Property from Road



View along Road to Northwest of Property Boundary



Property Boundary Marker Near Driveway Looking Southwest

ADDITIONAL PHOTOGRAPHS



Property Boundary Marker near Driveway Looking Northeast

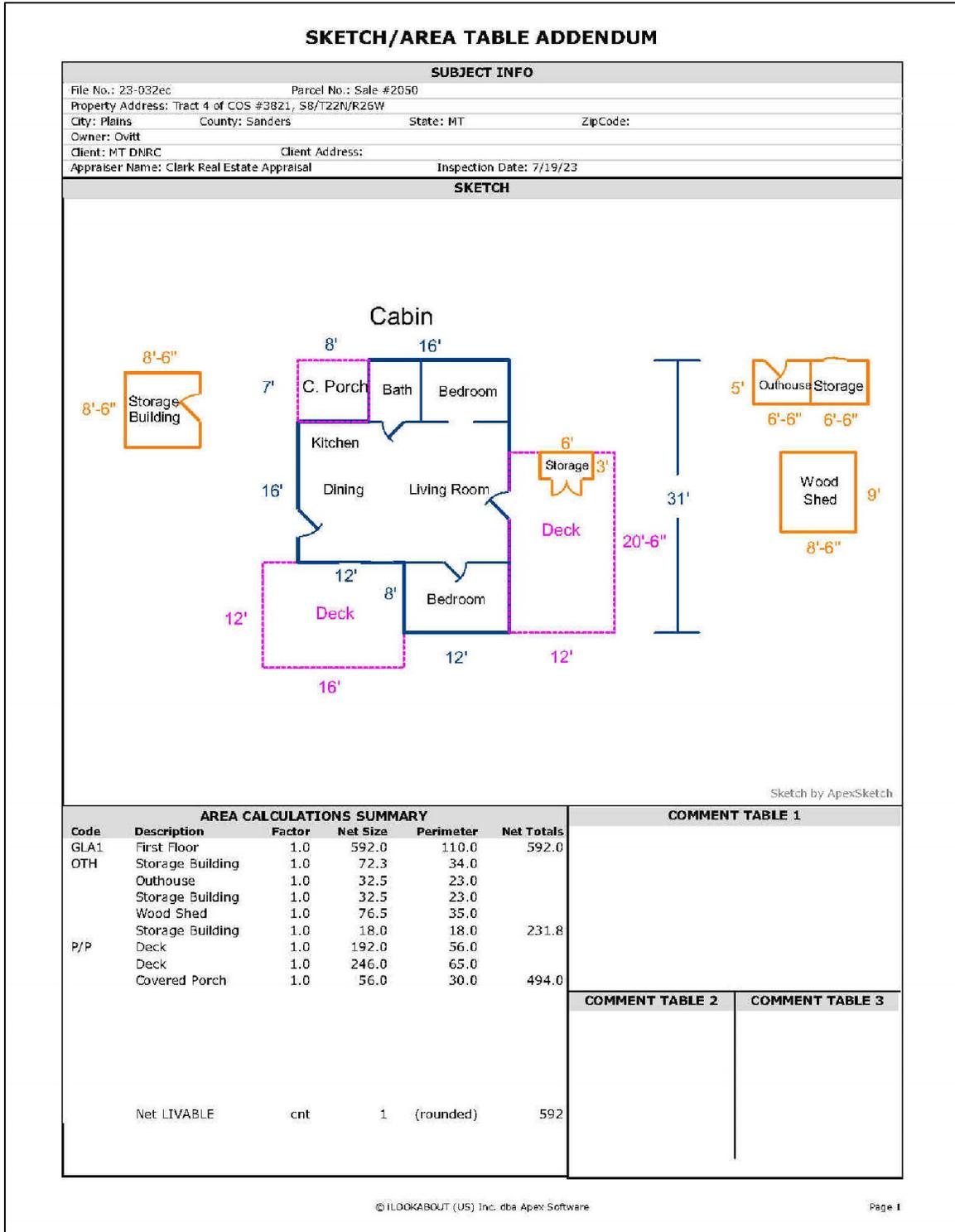


View Southwest along Approximate Property Boundary



Property Boundary Marker along South Property Boundary

Tract 4 of Certificate of Survey #3821


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SUBJECT PHOTOGRAPHS



South Side of Cabin and Deck



West Side of Cabin



North Side of Cabin



East Side of Cabin and Deck



Cabin Interior



Kitchen/Dining Area

ADDITIONAL PHOTOGRAPHS



Bedroom #1



Bedroom #2



Bathroom



Storage Building



Storage Building Interior



Outhouse and Storage Building

ADDITIONAL PHOTOGRAPHS



Woodshed



Storage Building on Deck



Cistern and Water Tank



Septic Tank



Property Interior and Cabin



West Side of Cabin

ADDITIONAL PHOTOGRAPHS



Property Interior Looking Southeast near NW Property Corner



Property Interior Looking Southwest near NE Property Corner



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking East

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West

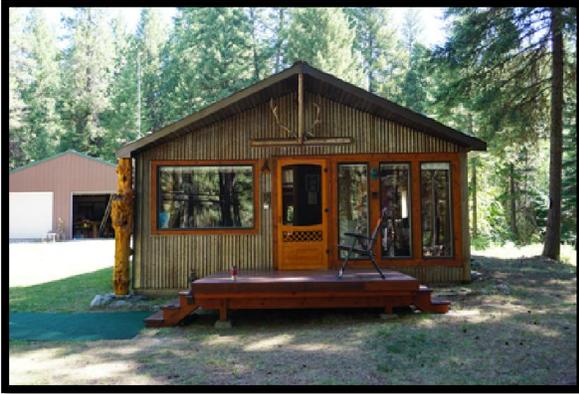


Driveway Looking toward Cabin



Driveway Looking toward Access Road

SUBJECT PHOTOGRAPHS



Front of Cabin and Deck



North Side of Cabin



East Side of Cabin



South Side of Cabin



Den and Dining Area



Living and Office Area

ADDITIONAL PHOTOGRAPHS



Living Area



Kitchen



Bedroom #1



Bedroom #2



Bathroom / Laundry



Shower and On-Demand Water Heater

ADDITIONAL PHOTOGRAPHS



Propane Heater in Bathroom



Shop Building



Shop Building Interior



Outhouse



Storage Building



Propane Tank

ADDITIONAL PHOTOGRAPHS



Property Interior Looking Southeast



Property Interior



North Fork Little Thompson River



North Fork Little Thompson River



North Fork Little Thompson River Looking Southwest



North Fork Little Thompson River Looking Northeast

ADDITIONAL PHOTOGRAPHS



View toward Sitting Area along River from Cabin



Property Interior Looking Southwest



Southeast Property Boundary Marker Looking Northeast



Southeast Property Boundary Marker Looking Northwest



Southwest Property Boundary Marker Looking Southeast



Southwest Property Boundary Marker Looking Northeast

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking Southwest



Northwest Property Boundary Marker Looking Southeast



Northeast Property Boundary Marker Looking Northwest



Northeast Property Boundary Marker Looking Southwest



Driveway Looking toward Cabin



Driveway Looking toward Access Road

SUBJECT MARKET ANALYSIS

National, state, county, and local demographic and economic information is included in the Addendum of this report.

Subject Productivity Analysis

General Property Description

The subject sites range in size from 1.10 to 1.56 acres and are located in a remote area of Sanders County. The subject properties include residential improvements; however, there are no utility services available in the subject area.

Area Land Use Trends

The subject neighborhood is described as a rural and remote area between US Highway 2 to the north and Montana Highway 200 to the south. The area includes property owned by the federal and state government and a significant amount of property owned by Green Diamond Resource Company. Much of the land owned by Green Diamond Resource Company in this area is encumbered with a conservation easement. The conservation easement was intended to preserve this land for public use and to preserve wildlife habitat while allowing timber production. There is very little privately owned land in this area that is not owned by Green Diamond Resource Company. Most of the area tracts are vacant; however, there are some ranches and recreational cabins. The Thompson River, the Little Thompson River, and a number of smaller creeks such as Mudd Creek and Fishtrap Creek flow through this area.

Potential Users of Subject Property

The potential users of the subject lots as if vacant would be market participants seeking to own recreation property in a remote area surrounded by thousands of acres of land available for public use.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted searches of the area MLS for sales (vacant and improved) in the subject immediate area. Very limited market data was located.

Since very limited market data or property transfers were located in the immediate subject area, we expanded our search to all portions of Sanders County. We prepared searches for sales of vacant sites ranging from 0.50 up to 4.00 acres in size in Sanders County. We located one reasonable comparable site sale in 2023 from this data. For this reason, the remaining site comparables sold more than 1 year prior to the report effective date and/or are in nearby counties.

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.

This data is on the table on the following page

Sanders County - Vacant Site Sales											
0.50 to 4.00 Acres											
Site Sales (Not on Navigable Water)						Waterfront Sales (Navigable Water)					
Year	# of Sales	Average Sales Price	Percent Price Change	Average Acres	Days on Market	Year	# of Sales	Average Sales Price	Percent Price Change	Average Acres	Days on Market
2019	46	\$40,218		1.59	343	2019	8	\$96,875		1.29	223
2020	78	\$56,604	41%	1.93	287	2020	10	\$128,090	32%	1.32	166
2021	114	\$64,767	14%	1.40	175	2021	16	\$163,939	28%	1.56	277
2022	46	\$85,739	32%	1.34	55	2022	8	\$233,403	42%	1.44	72
2023 Year-to-Date	24	\$111,529	30%	1.63	116	2023 Year-to-Date	2	\$290,000	24%	2.00	140
Actives	24	\$133,700		1.84	200	Actives	1	\$265,000		1.20	94

This data indicates that average annual sales prices for vacant sites (not on navigable water) ranging in size from 0.50 to 4.00 acres have increased by an overall average of 23% per year between 2020 and 2022. There are remaining months in 2023 and it is too soon to discern the annual average price.

This data indicates that average annual sales prices for vacant sites (on navigable water) ranging in size from 0.50 to 4.00 acres have increased by an overall average of 35% per year between 2020 and 2022. The average sales prices for sites on navigable water have historically been more than double those not on navigable water. The vast majority of the waterfront sales are along the Clark Fork River or the Flathead River with the minority on area creeks. For this reason, this data generally represents riverfront lot prices.

It is significant to note that sales volume decreased substantially from 2021 to 2022 in both categories. The sales volume in 2022 and to date in 2023 indicates that the market for sites like the subject sites as if vacant may be slowing compared to prior years. Price decreases may result from limited demand. The MLS data depicts general market trends.

It is prudent to examine sales and re-sales of the same or similar properties to discern more specific trends. We developed the paired sales analysis presented on the following pages to discern specific price changes for the same property or very similar property per year or years.

2020 - 2021				
Sale Location	City	Site Size/Ac	Sale Date	Sales Price
Lot 1, Alspinestars Dr	Noxon	1.24	7/15/2020	\$59,000
Lot 1, Alspinestars Dr	Noxon	1.24	4/23/2021	\$89,000
Indicated Adjustment for Changes in Market Conditions				51%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
306 Arrowhead Dr	Thompson Falls	3.07	6/17/2020	\$65,000
306 Arrowhead Dr	Thompson Falls	3.07	6/22/2021	\$115,000
Indicated Adjustment for Changes in Market Conditions				77%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 39, Steep River Ranch	Thompson Falls	2.02	7/16/2020	\$55,000
Lot 39, Steep River Ranch	Thompson Falls	2.02	5/24/2021	\$69,999
Indicated Adjustment for Changes in Market Conditions				27%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
NHN Lewellen St	Plains	3.75	1/20/2020	\$149,500
NHN Lewellen St	Plains	3.75	6/27/2021	\$189,000
Indicated Adjustment for Changes in Market Conditions				26%

2021 - 2022				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 9, Boehler Ranch Estates	Plains	1.50	11/17/2021	\$70,000
Lot 8, Boehler Ranch Estates	Plains	1.50	1/5/2022	\$79,000
Indicated Adjustment for Changes in Market Conditions				13%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 1, Forest Estates	Trout Creek	3.00	9/7/2021	\$89,900
Lot 1, Forest Estates	Trout Creek	3.00	10/18/2022	\$140,000
Indicated Adjustment for Changes in Market Conditions				56%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 36, Moccasin Ln	Thompson Falls	0.75	3/15/2021	\$38,799
Lot 22, Moccasin Ln	Thompson Falls	0.75	10/18/2022	\$65,000
Indicated Adjustment for Changes in Market Conditions				68%

2021 or 2022 - 20223				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 17A, Mustang Haven	Plains	2.52	7/8/2022	\$75,000
Lot 16B, Mustang Haven	Plains	2.52	6/22/2023	\$65,000
Indicated Adjustment for Changes in Market Conditions				-13%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
Lot 21, Woodside Park	Thompson Falls	0.68	5/9/2022	\$70,000
Lot 21, Woodside Park	Thompson Falls	0.68	7/26/2023	\$72,000
Indicated Adjustment for Changes in Market Conditions				3%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
NHN Smilin Tree Ln	Plains	1.29	8/31/2021	\$72,000
NHN Smilin Tree Ln	Plains	1.29	7/26/2023	\$70,000
Indicated Adjustment for Changes in Market Conditions				-3%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
3 Libby Ln	Thompson Falls	2.00	6/27/2022	\$165,000
3 Libby Ln	Thompson Falls	2.00	10/18/2022	\$173,600
Indicated Adjustment for Changes in Market Conditions				5%
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
18 Edgewater Dr	Thompson Falls	3.45	1/27/2022	\$375,000
18 Edgewater Dr	Thompson Falls	3.45	8/21/2023	\$385,000
Indicated Adjustment for Changes in Market Conditions				3%

Synopsis of Paired Sales Analyses	
Years	Indicated Adjustment Range for Changes in Market Conditions
2020 - 2021	26% - 77%
2021 - 2022	13% - 68%
2021/2022 - 2023	-13% - 5%

The conclusions from these analyses is that sales prices for vacant sites in the 0.50 to 4.00 acre size range in Sanders County increased from 26% to 77% from 2020 to 2021. Prices increased from 13% - 68% from 2021 to 2022 (a lower range than in the prior year). Prices changed by -13% to 5% from 2021/2022 to 2023. The price change from 2021/2022 to 2023 has been negative to no greater than 5%. Overall this data indicates that sales prices have not continued to increase at the rates noted in 2020 – 2021. Also, there are examples of price decreases.

Based upon analysis of this data, we have utilized upward adjustments for changes in market conditions of 10% per year for the site comparables that sold in 2019 and 2021. The resulting adjustment is considered reflective of the overall changes in market conditions during these periods

(2019 – 2023 and 2021 – 2023). This adjustment includes consideration for annual decline in demand. We made no adjustment to the sale that closed in 2023.

We also conducted a search for sales of homes on sites ranging in size from 0.50 up to 4.00 acres in Sanders County. The results of this search are summarized on the table below;

Sanders County - Home Sales				
0.50 to 4.00 Acres				
Navigable Water Sales Removed				
Year	# of Sales	Average Sales Price	Percent Price Change	Days on Market
2019	40	\$207,559		171
2020	39	\$253,908	22%	203
2021	35	\$334,563	32%	89
2022	34	\$387,782	16%	110
2023 Year-to-Date	11	\$436,909	13%	119
Actives	28	\$424,903		66

This data indicates that the average annual home price increased by an average of 24% per year between 2020 and 2022. This data also indicates that price changes may be slowing or even declining. A 10% per year adjustment for changes in market conditions is considered appropriate for the improved comparables utilized in this appraisal.

Competitive Supply

There were 24 active listings of vacant sites (not on navigable water) from 0.50 to 4.00 acres in size in Sanders County as of the report effective date. The average list price at \$133,700 is approximately 20% above the average lot price received in 2023 Year-to-Date.

There were 28 active listings of homes on sites from 0.50 to 4.00 acres in size in Sanders County as of the report effective date. The average list price at \$424,903 is 2.75% less than the average home price received in 2023 Year-to-Date.

Interaction of Supply and Demand

Based upon the average sales volume from 2021 through 2022, there is an approximately 4 month year supply of vacant sites (ranging in size from 0.50 to 4.00 acres and not on navigable water) available for sale within the search parameters utilized. There is a greater than 6 month supply based upon sale volume to date in 2023. There may be downward price pressure due to the potential for a greater than 6 month supply.

Based upon the average sales volume from 2021 through 2022, there is an approximately 10 month supply of homes on sites ranging in size from 0.50 to 4.00 acres available for sale within the search parameters utilized. Supply exceeds demand for homes on this site size range(a balanced market typically equates to a 6 month supply). For this reason, there may be downward price pressure on the active listings.

Subject Marketability Conclusion

The subject properties are considered to have similar to superior marketability compared to most other, similarly sized, residential sites which recently sold or are currently available for sale in Sanders County. The subject lots may have superior marketability due to the scarcity of similar available sites for sale and/or under private ownership. There is not sufficient market data available to definitively discern marketability.

Due to limited market data, there is no credible basis for a quantitative adjustment to site sales not located in the immediate subject area. The most applicable sales of vacant and improved properties in closest proximity to the subject properties and in Sanders County were selected as comparable sales. We also utilized two improved sales near the subject properties as two of the land sales for this appraisal. These sales closed in 2019 and 2021 and were the most recent located in the immediate subject area. We extracted the improvement values from these sales.

Due to the limited sales data, we expanded our search to nearby counties. We located one sale of a 1.36 acre site with frontage along Good Creek in Flathead County that closed in 2019. This sale is in a remote area, has no access to electricity and telephone, and is in proximity to large amounts of public land like the subject properties. Although this sale is in Flathead County, it is considered to have similar market appeal as the subject properties.

Estimated Marketing and Exposure Times

The 46 site sales that closed in 2022 and not on navigable water in the size parameter selected were marketed for an average of 55 days. The site sales to date in 2023 in the same search parameters were marketed for an average of 116.

The 34 home sales that closed in 2022 in the search parameters selected were marketed for an average of 110 days. The home sales to date in 2023 in the same parameters were marketed for an average of 119 days.

Longer than historical marketing times are forecasted for the subject properties as if vacant and as improved based upon analyses and conclusions regarding slowdown in sales volume.

Marketing and exposure times of 6 to 12 months are considered reasonable for the subject properties as if vacant. **Marketing and exposures times** of 6 to 12 months are also considered reasonable for the subject properties as improved.

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.

AS IF VACANT

Legally Permissible

The subject sites are in an area with no zoning and no covenants.

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 uses other than residential. There is no electrical service in the subject area.

Financially Feasible

Most similar sized area sites are improved with single family residences. Use of the subject sites 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 use for each lot as if vacant, is for construction of a single family residence related outbuildings for recreational and/or residential use.

Highest and Best Use

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.

AS IMPROVED

The subject properties are improved with single family residences. Alteration of the subject residences for any use other than as single family homes would require a large capital expenditure. Continued use as single family residences (recreational and/or residential) for the subject sites is the highest and best use as improved.

THE APPRAISAL PROCESS

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

APPROACHES IN THE VALUATION OF REAL PROPERTY

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

Cost Approach

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

Sales Comparison Approach

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

Income Capitalization Approach

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

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

The Sales Comparison Approach is developed to determine the value of each subject site as if vacant. This is typically the most reliable approach for determining 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 market area do not base decisions upon the depreciated cost of the improvements. For this reason, the Cost Approach is not considered applicable and was not developed in this report. The subject properties are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach is developed to determine the values of the subject properties as improved.

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

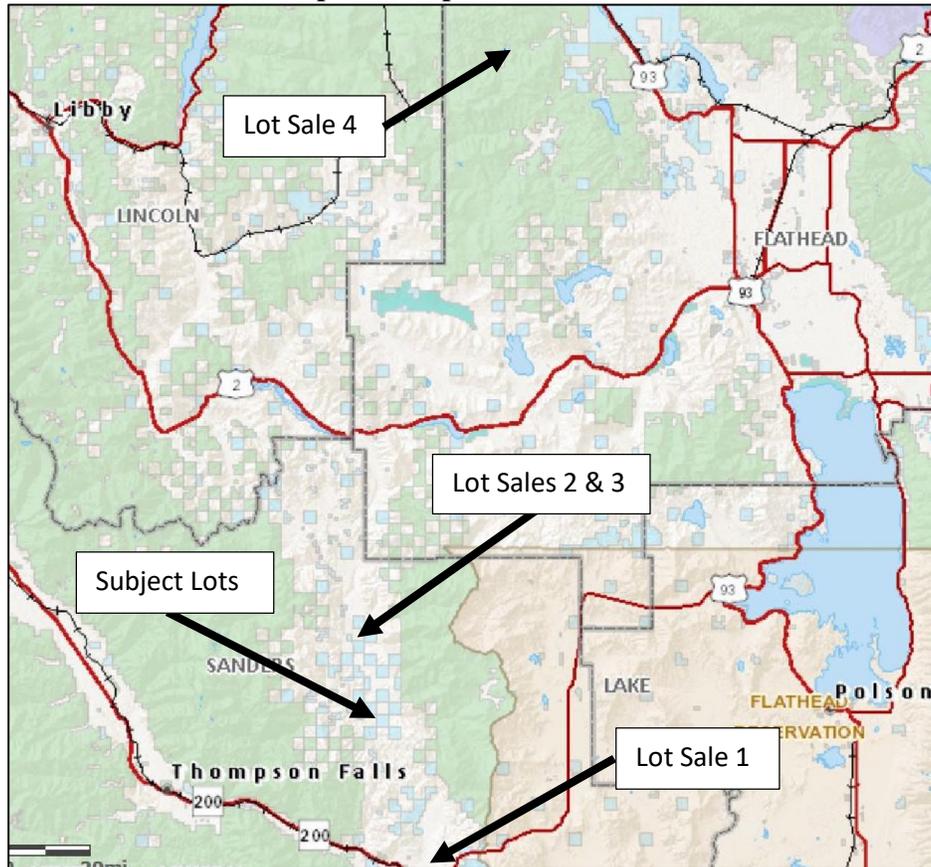
LOT SALES

We searched for sales of lots similar in location and size to the subject. There were no recent sales of vacant sites located in the immediate subject neighborhood. For this reason, it was necessary to use two improved sales near the subject properties and to extract the value of the improvements from these sales. It was also necessary to use one sale in Flathead County. This sale was selected due to similarity in location and marketability to the subject sites. The most applicable comparables located are described on the table below;

Sale #	Address	City	Site Size/Acres	Sale Date	Sales Price	Less Value of Improvements	Adjusted Sales Price
1	NHN Appaloosa Ct	Plains	2.520	2023	\$65,000	\$0	\$65,000
2	21 Forty Niner Ln	Thompson Falls	4.040	2021	\$165,000	-\$105,000	\$60,000
3	15 Forty-Niner Ln	Thompson Falls	1.047	2019	\$145,000	-\$95,000	\$50,000
4	3729 Good Creek Rd	Olney	1.360	2019	\$44,500	\$0	\$44,500

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 Appaloosa Court
	City/State		Plains, MT
	County		Sanders
	Assessor Number		0000031700
	Zoning		Unzoned
	Site Size: Acres		2.520
	Square Feet		109,771
	Date of Sale		June 22, 2023
	Sales Price		\$65,000
	Less Cost of Improvements*		\$0
Sales Price Adjusted		\$65,000	
MLS #		22300980	
ANALYSIS OF SALE			
Price per Acre	\$25,794	Price per Square Foot	\$0.59
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Owner	Paisley Roots, LLC	Grantee	Joshua F. Loftin & Norman Loftin
Type of Instrument	Warranty Deed	Document #	329538
Financing/Conditions	Cash/Market	Marketing Time	146 Days on Market
Legal Description	Lot 16B of Mustang Haven II Subdivision, Sanders County, Montana	Verified By	David Kirkwood, Listing Agent
Intended Use/Comments	Purchased for Residential Use		
Section/Township/Range	S11/T20N/R26W		
PROPERTY DETAILS			
Access	Gravel Road SD Road	View	Valley, Mountains
Topography	Rolling	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30089C1750D, the property is not in an area of elevated flood risk.	Improvements	None
Water Frontage	None		
Feet of Water Frontage	N/A		Value of Improvements
Utilities	Electricity & Telephone at Road	Miscellaneous	
			23-032ec

LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location		21 Forty Niner Lane
	City/State		Thompson Falls, Montana
	County		Sanders
	Assessor Number		0000005107
	Zoning		Unzoned
	Site Size: Acres		4.040
	Square Feet		175,982
	Date of Sale		August 6, 2021
	Sales Price		\$165,000
	Less Value of Improvements*		\$105,000
	Sales Price Adjusted		\$60,000
	MLS #		22110076
ANALYSIS OF SALE			
Price per Acre	\$14,851	Price per Square Foot	\$0.34
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Jerry G. Johnson, Tonya Marie Johnson, & Tonya Marie Myers	Grantee	Michael Krantz & Sandra Krantz
Type of Instrument	Warranty Deed	Document #	322659
Financing/Conditions	Cash/Market	Marketing Time	40 Days on Market
Legal Description	Plat J in SWSE, Section 1, Township 23 North, Range 27 West, Sanders	Verified By	Chelsea Kirkland, Listing Agent
Section/Township/Range	S1/T23N/R27W	Intended Use/Comments	Purchased for Residential/Recreational Use
PROPERTY DETAILS			
Access	Private Gravel Road	View	River & Mountains
Topography	Level Area with Slope	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30089C0900D, the property is not located in an area of Elevated Flood Risk.	Improvements	This sale includes a 1,128 SF cabin constructed in 1984. The cabin is off-grid and does not include plumbing. There is no well or septic on this property. This property includes 2 sheds, and an outhouse. The estimated contributory value of the improvements (\$105,000) is based upon depreciated cost.
Water Frontage	Access to Thompson River via State Land	Value of Improvements	\$105,000
Feet of Water Frontage	Unknown on	Miscellaneous	This property is accessed via an easement across adjacent land. Property includes a spring.
Utilities	None		
			Report File # 22-042ec

LAND SALE 3

COMPARABLE SALE INFORMATION			
	Location		15 Forty Niner Lane
	City/State		Thompson Falls, Montana
	County		Sanders
	Assessor Number		000005361
	Zoning		Unzoned
	Site Size: Acres		1.047
	Square Feet		45,607
	Date of Sale		November 27, 2019
	Sales Price		\$145,000
	Less Value of Improvements*		\$95,000
	Sales Price Adjusted		\$50,000
	MLS #		21915281
ANALYSIS OF SALE			
Price per Acre	\$47,755	Price per Square Foot	\$1.10
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Robert A. Sullivan	Grantee	Douglas Blair & Kathleen Blair
Type of Instrument	Notice or Purchaser's Interest	Document #	315001
Financing/Conditions	Owner Financing/Market	Marketing Time	165 Days on Market
Legal Description	Tract C-2, Certificate of Survey No. 1933RB, Sanders County, Montana	Verified By	Michael Anderson, Listing Agent
Section/Township/Range	S1/T23N/R27W	Intended Use/Comments	Purchased for Residential/Recreational Use
PROPERTY DETAILS			
Access	Private Gravel Road	View	River & Mountains
Topography	Level Area with Slope	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30089C0900D, the property is not located in an area of Elevated Flood Risk.	Improvements	This sale includes an 853 SF cabin constructed in 1960. The cabin is off-grid and does not include plumbing. There is no well or septic on this property. This property includes a 256 SF guest house, 2 sheds, and an outhouse. The estimated contributory value of the improvements (\$95,000) is based upon depreciated cost.
Water Frontage	Access to Thompson River via State Land	Value of Improvements	\$95,000
Feet of Water Frontage	Unknown on		
Utilities	Electricity & Telephone at Thompson River Road	Miscellaneous	Property is accessed via an easement across adjacent land.
			Report File # 20-048ec

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location		3729 Good Creek Road
	City/State		Olney, Montana
	County		Flathead
	Assessor Number		0000634245
	Zoning		Unzoned
	Site Size: Acres		1.360
	Square Feet		59,242
	Date of Sale		October 2, 2019
	Sales Price		\$44,500
	Less Cost of Improvements*		\$0
	Sales Price Adjusted		\$44,500
	MLS #		21911322
ANALYSIS OF SALE			
Price per Acre	\$32,721	Price per Square Foot	\$0.75
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Owner	Leonard Investments, LLC	Grantee	James W. Dyon & Michelle L. Dyon
Type of Instrument	Warranty Deed	Document #	201900025009
		Marketing Time	86 Days on Market
Financing/Conditions	Cash/Market	Verified By	Lindsay Fansler
Legal Description	Lot 9A of the Amended Plat of Lots 8 & 9 of Good Creek No. 1, Flathead	Intended Use/Comments	Purchased for Recreational Use
Section/Township/Range	S1/T31N/R25W		
PROPERTY DETAILS			
Access	County Gravel Road	View	Mountains, Trees, Creek
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30029C1025G, this property is in an area of minimal flood hazard.	Improvements	None
Water Frontage	Good Creek		
Feet of Water Frontage	184.62 Feet of Creek Frontage	Value of Improvements	\$0
Utilities	None	Miscellaneous	Vehicular access to this property is seasonal. Good Creek flows directly along this property.
Report File # 20-048ec			

HOME SALES

We conducted a search for sales of homes in the market area with improvements similar to the subject improvements. Due to the limited sales of similar properties, it was necessary to utilize sales that closed more than 1 year prior to the report effective date. The most applicable and recent sales located are described on the table below;

Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
1	20 Big Mountain Ln	Plains	2022	\$400,000	\$65,000	\$335,000
2	29 Warner Ranch Ln	Plains	2022	\$249,000	\$190,000	\$59,000
3	21 Forty-Niner Ln	Thompson Falls	2021	\$165,000	\$60,000	\$105,000
4	202 Farmer St	Plains	2021	\$152,000	\$70,000	\$82,000

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



HOME SALE 3

COMPARABLE SALE INFORMATION			
	Location		21 Forty Niner Lane
	City/State		Thompson Falls, MT
	County		Sanders
	Assessor Number		0000005107
	Zoning		Unzoned
	Site Size: Acres		4.040
	Square Feet		175,982
	Date of Sale		August 6, 2021
	Sales Price		\$165,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$165,000
	MLS #		22110076
TRANSFER INFORMATION			
Grantor	Jerry G. Johnson, Tonya Marie Johnson, & Tonya Marie Myers	Grantee	Michael Krantz & Sandra Krantz
Recording Data	Warranty Deed #322659	Marketing Time	40 Days on Market
Financing/Conditions	Cash/Market	Verified By	Chelsea Kirkland, Listing Agent
Legal Description	Plat J in SWSE, Section 1, Township 23 North, Range 27 West, Sanders County, Montana	Intended Use	Residential/Recreational
Section/Township/Range	S1/T23N/R27W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Walk in Access to Thompson River	Sales Price	\$165,000
Front Footage	Unknown	Estimated Site Value	\$60,000
Access	Private Gravel Road	Sales Price of Improvements	\$105,000
House Square Feet	1,128	Improvement Price/SF	\$93
Bedroom/Bathrooms	2BR/0BA		
Year Built or Renovated	1984		
Construction	Wood		
Quality	Average		
Condition	Average		
Water/Sewer	Outhouse		
Utilities	None		
Topography	Level Area with Slope		
Outbuildings	Outhouse		
Miscellaneous	This sale includes an 1,128 SF cabin constructed in 1984. The cabin is off-grid and does not include plumbing. There is no well or septic on this property. This property includes 2 sheds and an outhouse. Property has views of the Thompson River. This property is accessed via an easement across adjacent land.		
		Report File #	22-042ec

HOME SALE 4

COMPARABLE SALE INFORMATION			
	Location		202 Farmer Street
	City/State		Plains, Montana
	County		Sanders
	Assessor Number		000000093
	Zoning		Unzoned
	Site Size: Acres		0.144
	Square Feet		6,273
	Date of Sale		July 21, 2021
	Sales Price		\$152,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$152,000
	MLS #		22109054
TRANSFER INFORMATION			
Grantor	Sandra Bermudez	Grantee	Clarence Fried Estate
Recording Data	Warranty Deed #322522	Marketing Time	42 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Denise Goodwin, Listing Agent
Legal Description	Lot 2, McGowan Second Addition (Plains), Sanders County, Montana	Intended Use	Residential
Section/Township/Range	S26/T20N/R26W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	N/A	Sales Price	\$152,000
Front Footage	N/A	Estimated Site Value	\$70,000
Access	City Street	Sales Price of Improvements	\$82,000
House Square Feet	720	Improvement Price/SF	\$114
Bedroom/Bathrooms	1BR/1BA		
Year Built or Renovated	1940		
Construction	Wood		
Quality	Average		
Condition	Average		
Water/Sewer	Municipal Water & Sewer		
Utilities	Electricity & Telephone		
Topography	Level		
Outbuildings	None		
Miscellaneous	This house includes a 1 car attached garage.		
		Report File #	22-042ec

PROPERTY VALUATIONS

TRACT 2 OF COS #3820

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					
TRACT 2 OF COS #3820, PLAINS, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	Tract 2 of COS #3820	NH Appaloosa Ct	21 Forty-Niner Ln	15 Forty-Niner Ln	3729 Good Creek Rd
CITY	Plains, MT	Plains, MT	Thompson Falls, MT	Thompson Falls, MT	Olney, Montana
SALES PRICE		\$65,000	\$165,000	\$145,000	\$44,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$105,000	-\$95,000	\$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		06/22/23	08/08/21	11/27/19	10/02/19
MARKET CONDITIONS FACTOR		1.00	1.19	1.36	1.38
ADJUSTED PRICE		\$65,000	\$71,671	\$68,219	\$61,398
SITE SIZE/ACRES	1.100	2.520	1.047	1.047	1.360
ADJUSTED SALES PRICE		\$65,000	\$71,671	\$68,219	\$61,398
ADJUSTMENT FOR:					
LOCATION	Plains Rural	Plains	Thompson Falls Rural	Thompson Falls Rural	Olney Rural
		Superior -	Equal =	Equal =	Equal =
WATER FRONTAGE	Little Thompson River	None	Access to Thompson River	Access to Thompson River	Good Creek
		Inferior +	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Rectangular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Rolling	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	Unknown	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Limited Winter Access	Year Round Access	Year Round Access	Year Round Access	Seasonal Access via County Road
		Superior -	Superior -	Superior -	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 =
ELECTRICITY/TELEPHONE	Not Available	Available	Not Available	Not Available	Not Available
		Superior -	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.100	2.520	4.040	1.047	1.360
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior - -	Superior -	Superior -	Equal =
VALUE INDICATIONS		< < \$65,000	< \$71,671	< \$68,219	= \$61,398

Discussion of Quantitative Adjustments

Adjustments for Improvements: Land Sales 1 and 4 did not include improvements and no adjustments were necessary in this category for these comparables. Land Sales 2 and 3 included residences and outbuildings. Based upon the photographs of the exteriors and interiors of these comparables, information from the verifying parties, and depreciated cost analyses for the improvements on these properties; downward adjustments of \$105,000 and \$95,000 were determined to be reasonable and appropriate for the improvements on Land Sales 2 and 3, respectively.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparables sold in 2019, 2021, and 2023. We have made 10% per year upward adjustments in this category for Land Sales 2, 3, and 4. No adjustment was deemed necessary for Land Sale 1 since it closed about 1 month prior to the report effective date. Please see Subject Market Analysis for support for the adjustment percentage selected.

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 locations of the subject and Land Sales 2, 3, and 4 are similar. The subject and these comparables are in rural remote areas which are suitable for market participants seeking residential/recreational type properties. The subject and these comparables have similar proximity to large amounts of public land. Land Sales 2, 3, and 4 are identified as Equal = compared to the subject in this category. Land Sale 1 is located closer to a population center and may not have similar appeal for market participants seeking recreational type property. There would likely be a higher number of market participants for Land Sale 1 as this property would appeal to those seeking to construct a residence near a population center with proximity to services. Due to the larger number of market participants, Land Sale 1 is identified as Superior - compared to the subject in this category.

Water Frontage: The subject site includes frontage along the Little Thompson River. Land Sale 1 does not include water frontage or walk in type water access and this sale is identified as Inferior + compared to the subject property in this category. Land Sales 2 and 3 do not include water frontage but do have walk in type access to the Little Thompson River and are considered Equal = compared to the subject in this category. Land Sale 4 has frontage along Good Creek and is identified as Equal = compared to the subject 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 is generally level. The usable area of the subject site is within the size ranges of the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: We did not definitively discern whether or not the subject property is within a flood zone. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a county road with limited winter access. Land Sales 1, 2, and 3 are also accessed directly or indirectly via county roads but are considered to have superior year round access. These comparables are identified as Superior - compared to the subject in this category. Land Sale 4 is accessed via a seasonally maintained road that is closed in the winter. This comparable is identified as Equal = compared to the subject in this category.

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.

Electricity/Telephone: The subject site and Land Sales 2, 3, and 4 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 1 has access to electricity. This comparable is identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.100 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 comparable 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 value far less than \$65,000, less than \$71,671, less than \$68,219, and equal to \$61,398. Land Sale 1 is the least similar to the subject in location and this sale required the highest number of adjustments. For this reason, Land Sale 1 is accorded no weight. Based upon similarity in location and type of market participant, approximately equal

weight is accorded the adjusted indications of Land Sales 2, 3, and 4. It is important to note that most of the adjustments made were Qualitative rather the Quantitative and that these three sales are considered the most similar in overall marketability compared to the subject property. The average of these three indications is \$67,096. A market value of \$67,000 (rounded down from \$67,096) is considered well supported and appropriate for the subject lot.

Subject Site Value

\$67,000

Improvement Value Estimate

Home Sales 2, 3, and 4 were considered most similar to this subject residence. A sales comparison analysis for the subject property utilizing Home Sales 2, 3, and 4 is below;

SALES COMPARISON ANALYSIS FOR TRACT 2, COS #3820, PLAINS, MONTANA				
DESCRIPTION	SUBJECT	SALE 2	SALE 3	SALE 4
IDENTIFICATION	Tract 2 of COS #3820	29 Warner Ranch Ln	21 Forty-Niner Ln	202 Farmer St
LOCATION	Plains, MT	Plains, MT	Thompson Falls, MT	Plains, MT
SALES PRICE		\$249,000	\$165,000	\$152,000
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
ADJUSTED SALES PRICE		\$249,000	\$165,000	\$152,000
LESS SITE VALUE		(\$190,000)	(\$60,000)	(\$70,000)
ADJUSTED IMPROVEMENT PRICE		\$59,000	\$105,000	\$82,000
DATE OF SALE		08/02/22	08/06/21	07/21/21
MARKET CONDITIONS FACTOR		1.10	1.20	1.20
ADJUSTED IMPROVEMENT PRICE		\$64,674	\$125,482	\$98,355
ADJUSTMENT FOR:				
LOCATION/SITE	Plains Rural	Plains Rural	Thompson Falls Rural	Plains
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Average	Average	Average
		\$0	\$0	\$0
BATHROOMS	0	0	0	1
		\$0	\$0	-\$10,000
HOUSE SIZE/SF	480	448	1,128	720
		\$2,240	-\$45,360	-\$16,800
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Open Storage, Enclosed Storage, & Outhouse	Inferior	Superior	Superior
		\$4,000	-\$1,000	-\$1,000
TOTAL ADJUSTMENT		\$6,240	-\$46,360	-\$27,800
NET ADJUSTMENT PERCENTAGE		10%	-37%	-28%
ADJUSTED PRICE INDICATION		\$70,914	\$79,122	\$70,555

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. No adjustments were necessary for these sales in this category.

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

Site Value: 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.

Market Conditions: The comparables sold in 2021 and 2022. We have made 10% per year upward adjustments in this category. Please see Subject Market Analysis for support for the adjustment percentage selected.

Location: No adjustments were necessary in this category because the contributory site values for the home sales were removed.

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 and comparables were considered to be in similar in overall condition. No adjustment was necessary in this category.

Bathrooms: The subject residence and Home Sales 2 and 3 do not include bathrooms. No adjustments were necessary for these sales in this category. Home Sale 4 includes an interior bathroom and the associated plumbing. A downward adjustment of \$10,000 was considered appropriate for this comparable in this category. This adjustment amount is considered to reflect the actions of market participants with regard to indoor plumbing and bathrooms.

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.

TRACT 4 OF COS #3821

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					
TRACT 4 OF COS #3821, PLAINS, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	Tract 4 of COS #3821	NHN Appaloosa Ct	21 Forty-Niner Ln	15 Forty-Niner Ln	3729 Good Creek Rd
CITY	Plains, MT	Plains, MT	Thompson Falls, MT	Thompson Falls, MT	Olney, Montana
SALES PRICE		\$65,000	\$165,000	\$145,000	\$44,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$105,000	-\$95,000	\$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		06/22/23	08/08/21	11/27/19	10/02/19
MARKET CONDITIONS FACTOR		1.00	1.19	1.36	1.38
ADJUSTED PRICE		\$65,000	\$71,671	\$68,219	\$61,398
SITE SIZE/ACRES	1.130	2.520	1.047	1.047	1.360
ADJUSTED SALES PRICE		\$65,000	\$71,671	\$68,219	\$61,398
ADJUSTMENT FOR:					
LOCATION	Plains Rural	Plains	Thompson Falls Rural	Thompson Falls Rural	Olney Rural
		Superior -	Equal =	Equal =	Equal =
WATER FRONTAGE	None	None	Access to Thompson River	Access to Thompson River	Good Creek
		Equal =	Superior -	Superior -	Superior -
SHAPE	Irregular	Rectangular	Rectangular	Rectangular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Rolling	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	Unknown	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Limited Winter Access	Year Round Access	Year Round Access	Year Round Access	Seasonal Access via County Road
		Superior -	Superior -	Superior -	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 =
ELECTRICITY/TELEPHONE	Not Available	Available	Not Available	Not Available	Not Available
		Superior -	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.130	2.520	4.040	1.047	1.360
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior - - -	Superior - -	Superior - -	Superior -
VALUE INDICATIONS		<<< \$65,000	<< \$71,671	<< \$68,219	< \$61,398

Discussion of Quantitative Adjustments

Adjustments for Improvements: Land Sales 1 and 4 did not include improvements and no adjustments were necessary in this category for these comparables. Land Sales 2 and 3 included residences and outbuildings. Based upon the photographs of the exteriors and interiors of these comparables, information from the verifying parties, and depreciated cost analyses for the improvements on these properties; downward adjustments of \$105,000 and \$95,000 were determined to be reasonable and appropriate for the improvements on Land Sales 2 and 3, respectively.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2019, 2021, and 2023. We have made 10% per year upward adjustments in this category for Land Sales 2, 3, and 4. No adjustment was deemed necessary for Land Sale 1 since it closed about 1 month prior to the report effective date. Please see Subject Market Analysis for support for the adjustment percentage selected.

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 locations of the subject and Land Sales 2, 3, and 4 are similar. The subject and these comparables are in rural remote areas which are suitable for market participants seeking residential/recreational type properties. The subject and these comparables have similar proximity to large amounts of public land. Land Sales 2, 3, and 4 are identified as Equal = compared to the subject in this category. Land Sale 1 is located closer to a population center and may not have similar appeal for market participants seeking recreational type property. There would likely be a higher number of market participants for Land Sale 1 as this property would appeal to those seeking to construct a residence near a population center with proximity to services. Due to the larger number of market participants, Land Sale 1 is identified as Superior - compared to the subject in this category.

Water Frontage: The subject site does not have water frontage. Land Sale 1 does not have water frontage or walk in type water access and this sale is identified as Equal = compared to the subject property in this category. Land Sales 2 and 3 do not include water frontage but do have walk in type access to the Little Thompson River and are considered Superior - compared to the subject in this category. Land Sale 4 has frontage along Good Creek and is also identified as Superior - compared to the subject 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 is generally level. The usable area of the subject site is within the size ranges of the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: We did not definitively discern whether or not the subject property is within a flood zone. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a county road with limited winter access. Land Sales 1, 2, and 3 are also accessed directly or indirectly via county roads but are considered to have superior year round access. These comparables are identified as Superior - compared to the subject in this category. Land Sale 4 is accessed via a seasonally maintained road that is closed in the winter. This comparable is identified as Equal = compared to the subject in this category.

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.

Electricity/Telephone: The subject site and Land Sales 2, 3, and 4 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 1 has access to electricity. This comparable is identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.130 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 comparable 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 value very far less than \$65,000, far less than \$71,671, far less than \$68,219, and less than \$61,398. Land Sale 1 is the least similar to the subject in location and this sale required the highest number of adjustments. For this reason, Land Sale 1 is accorded no weight. Based upon similarity in location and type of market participant, all weight

is accorded the adjusted indications of Land Sales 2, 3, and 4. It is important to note that most of the adjustments made were Qualitative rather the Quantitative and that these three sales are considered the most similar in overall marketability compared to the subject property. We have placed 60% of the weight on the adjusted indication from Land Sale 4 and 20% of the weight each on the adjusted indications from Land Sales 2 and 3. The weightings reflect the number of adjustments. The weighted average of these three indications is \$64,817. A market value of \$65,000 (rounded up from \$64,817) is considered well supported and appropriate for the subject lot.

Subject Site Value

\$65,000

Improvement Value Estimate

Home Sales 2, 3, and 4 were considered most similar to this subject residence. A sales comparison analysis for the subject property utilizing Home Sales 2, 3, and 4 is below;

SALES COMPARISON ANALYSIS FOR TRACT 4, COS #3821, PLAINS, MONTANA				
DESCRIPTION	SUBJECT	SALE 2	SALE 3	SALE 4
IDENTIFICATION	Tract 4 of COS #3821	29 Warner Ranch Ln	21 Forty-Niner Ln	202 Farmer St
LOCATION	Plains, MT	Plains, MT	Thompson Falls, MT	Plains, MT
SALES PRICE		\$249,000	\$165,000	\$152,000
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
ADJUSTED SALES PRICE		\$249,000	\$165,000	\$152,000
LESS SITE VALUE		(\$190,000)	(\$60,000)	(\$70,000)
ADJUSTED PRICE		\$59,000	\$105,000	\$82,000
DATE OF SALE		08/02/22	08/06/21	07/21/21
MARKET CONDITIONS FACTOR		1.10	1.20	1.20
ADJUSTED IMPROVEMENT PRICE		\$64,674	\$125,482	\$98,355
ADJUSTMENT FOR:				
LOCATION/SITE	Plains Rural	Plains Rural	Thompson Falls Rural	Plains
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Average	Average	Average
		\$0	\$0	\$0
BATHROOMS	1	0	0	1
		\$10,000	\$10,000	\$0
HOUSE SIZE/SF	592	448	1,128	720
		\$10,080	-\$37,520	-\$8,960
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	2 Storage Buildings, Wood Shed, & Outhouse	Inferior	Superior	Superior
		\$4,000	-\$1,000	-\$1,000
TOTAL ADJUSTMENT		\$24,080	-\$28,520	-\$9,960
NET ADJUSTMENT PERCENTAGE		37%	-23%	-10%
ADJUSTED PRICE INDICATION		\$88,754	\$96,962	\$88,395

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. No adjustments were necessary for these sales in this category.

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

Site Value: 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.

Market Conditions: The comparables sold in 2021 and 2022. We have made 10% per year upward adjustments in this category. Please see Subject Market Analysis for support for the adjustment percentage selected.

Location: No adjustments were necessary in this category because the contributory site values for the home sales were removed.

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 and comparables were considered to be in similar in overall condition. No adjustment was necessary in this category.

Bathrooms: The subject residence and Home Sale 4 both include 1 bathroom. No adjustment was necessary for this sale in this category. Home Sales 2 and 3 do not include bathrooms and upward adjustments of \$10,000 was considered appropriate for these comparables in this category. This adjustment amount is considered to reflect the actions of market participants with regard to indoor plumbing and bathrooms.

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 for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated costs calculated on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Building	72	Section 17/Page 16	\$32.50	\$2,340
Storage Building	33	Section 17/Page 16	\$32.50	\$1,073
Storage Building	18	Section 17/Page 16	\$32.50	\$585
Wood Shed	77	Section 17/Page 16	\$29.00	\$2,233
Outhouse	Lump Sum			\$2,500
Total Cost New				\$8,731
Less Depreciation - Age/Life - 7/20 Years = 35%				-\$3,056
Depreciated Cost Estimate				\$5,675
Rounded To				\$6,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$88,754, \$96,962, and \$88,395. Approximately equal weight is accorded the adjusted indications from these three sales. A market value of \$91,000 (the rounded average of the indications from all three comparables) is reasonable and well supported for the subject improvements.

Improvement Value **\$91,000**

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	\$ 65,000
Subject Improvements Value	<u>\$ 91,000</u>
Total Value Indication	\$156,000

TRACT 1 OF COS #3821

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					
TRACT 1 OF COS #3821, PLAINS, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	Tract 1 of COS #3821	NHN Appaloosa Ct	21 Forty-Niner Ln	15 Forty-Niner Ln	3729 Good Creek Rd
CITY	Plains, MT	Plains, MT	Thompson Falls, MT	Thompson Falls, MT	Olney, Montana
SALES PRICE		\$65,000	\$165,000	\$145,000	\$44,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$105,000	-\$95,000	\$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		06/22/23	08/08/21	11/27/19	10/02/19
MARKET CONDITIONS FACTOR		1.00	1.19	1.36	1.38
ADJUSTED PRICE		\$65,000	\$71,671	\$68,219	\$61,398
SITE SIZE/ACRES	1.560	2.520	1.047	1.047	1.360
ADJUSTED SALES PRICE		\$65,000	\$71,671	\$68,219	\$61,398
ADJUSTMENT FOR:					
LOCATION	Plains Rural	Plains	Thompson Falls Rural	Thompson Falls Rural	Olney Rural
		Superior -	Equal =	Equal =	Equal =
WATER FRONTAGE	North Fork of Little Thompson River	None	Access to Thompson River	Access to Thompson River	Good Creek
		Inferior +	Equal =	Equal =	Equal =
SHAPE	Irregular	Rectangular	Rectangular	Rectangular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Rolling	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	Unknown	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	Limited Winter Access	Year Round Access	Year Round Access	Year Round Access	Seasonal Access via County Road
		Superior -	Superior -	Superior -	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 =
ELECTRICITY/TELEPHONE	Not Available	Available	Not Available	Not Available	Not Available
		Superior -	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.560	2.520	4.040	1.047	1.360
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Superior - -	Superior -	Superior -	Equal =
VALUE INDICATIONS		< < \$65,000	< \$71,671	< \$68,219	= \$61,398

Discussion of Quantitative Adjustments

Adjustments for Improvements: Land Sales 1 and 4 did not include improvements and no adjustments were necessary in this category for these comparables. Land Sales 2 and 3 included residences and outbuildings. Based upon the photographs of the exteriors and interiors of these comparables, information from the verifying parties, and depreciated cost analyses for the improvements on these properties; downward adjustments of \$105,000 and \$95,000 were determined to be reasonable and appropriate for the improvements on Land Sales 2 and 3, respectively.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2019, 2021, and 2023. We have made 10% per year upward adjustments in this category for Land Sales 2, 3, and 4. No adjustment was deemed necessary for Land Sale 1 since it closed about 1 month prior to the report effective date. Please see Subject Market Analysis for support for the adjustment percentage selected.

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 locations of the subject and Land Sales 2, 3, and 4 are similar. The subject and these comparables are in rural remote areas which are suitable for market participants seeking residential/recreational type properties. The subject and these comparables have similar proximity to large amounts of public land. Land Sales 2, 3, and 4 are identified as Equal = compared to the subject in this category. Land Sale 1 is located closer to a population center and may not have similar appeal for market participants seeking recreational type property. There would likely be a higher number of market participants for Land Sale 1 as this property would appeal to those seeking to construct a residence near a population center with proximity to services. Due to the larger number of market participants, Land Sale 1 is identified as Superior - compared to the subject in this category.

Water Frontage: The subject site includes frontage along the North Fork of the Little Thompson River. Land Sale 1 does not include water frontage or walk in type water access and this sale is identified as Inferior + compared to the subject property in this category. Land Sales 2 and 3 do not include water frontage but do have walk in type access to the Little Thompson River and are considered Equal = compared to the subject in this category. Land Sale 4 has frontage along Good Creek and is identified as Equal = compared to the subject 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 is generally level. The usable area of the subject site is within the size ranges of the comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Flood Zone: We did not definitively discern whether or not the subject property is within a flood zone. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a county road with limited winter access. Land Sales 1, 2, and 3 are also accessed directly or indirectly via county roads but are considered to have superior year round access. These comparables are identified as Superior - compared to the subject in this category. Land Sale 4 is accessed via a seasonally maintained road that is closed in the winter. This comparable is identified as Equal = compared to the subject in this category.

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.

Electricity/Telephone: The subject site and Land Sales 2, 3, and 4 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 1 has access to electricity. This comparable is identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.560 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 comparable 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 value far less than \$65,000, less than \$71,671, less than \$68,219, and equal to \$61,398. Land Sale 1 is the least similar to the subject in location and this sale required the highest number of adjustments. For this reason, Land Sale 1 is accorded no weight. Based upon similarity in location and type of market participant, approximately equal

weight is accorded the adjusted indications of Land Sales 2, 3, and 4. It is important to note that most of the adjustments made were Qualitative rather the Quantitative and that these three sales are considered the most similar in overall marketability compared to the subject property. The average of these three indications is \$67,096. A market value of \$67,000 (rounded down from \$67,096) is considered well supported and appropriate for the subject lot.

Subject Site Value

\$67,000

Improvement Value Estimate

Home Sales 1, 3, and 4 were considered most similar to this subject residence. A sales comparison analysis for the subject property utilizing Home Sales 1, 3, and 4 is below;

SALES COMPARISON ANALYSIS FOR TRACT 1, COS #3821, PLAINS, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 3	SALE 4
IDENTIFICATION	Tract 1 of COS #3821	20 Big Moutain Ln	21 Forty-Niner Ln	202 Farmer St
LOCATION	Plains, MT	Plains, MT	Thompson Falls, MT	Plains, MT
SALES PRICE		\$400,000	\$165,000	\$152,000
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
ADJUSTED SALES PRICE		\$400,000	\$165,000	\$152,000
LESS SITE VALUE		(\$65,000)	(\$60,000)	(\$70,000)
ADJUSTED IMPROVEMENT PRICE		\$335,000	\$105,000	\$82,000
DATE OF SALE		11/01/22	08/06/21	07/21/21
MARKET CONDITIONS FACTOR		1.07	1.20	1.20
ADJUSTED IMPROVEMENT PRICE		\$358,863	\$125,482	\$98,355
ADJUSTMENT FOR:				
LOCATION/SITE	Plains Rural	Plains Rural	Thompson Falls Rural	Plains
		\$0	\$0	\$0
QUALITY	Average	Very Good	Average	Average
		-\$71,773	\$0	\$0
CONDITION	Good	Good	Average	Average
		\$0	\$12,548	\$9,836
BATHROOMS	1	2	0	1
		-\$10,000	\$10,000	\$0
HOUSE SIZE/SF	1,268	1,960	1,128	720
		-\$48,440	\$9,800	\$38,360
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Shop, Storage Building, & Outhouse	Equal	Inferior	Inferior
		\$0	\$21,000	\$21,000
TOTAL ADJUSTMENT		-\$130,213	\$53,348	\$69,196
NET ADJUSTMENT PERCENTAGE		-36%	43%	70%
ADJUSTED PRICE INDICATION		\$228,650	\$178,830	\$167,551

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. No adjustments were necessary for these sales in this category.

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

Site Value: 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.

Market Conditions: The comparables sold in 2021 and 2022. We have made 10% per year upward adjustments in this category. Please see Subject Market Analysis for support for the adjustment percentage selected.

Location: No adjustments were necessary in this category because the contributory site values for the home sales were removed.

Quality: The subject residence and Home Sales 3 and 4 are similar in overall quality of construction. No adjustment was necessary in this category for these sales. Home Sale 1 is considered to be superior in overall construction quality compared to the subject residence. A downward adjustment of 20% was made to this sale in this category. This adjustment percentage is considered reflective of the actions of market participants regarding quality of construction.

Condition: The subject residence and Home Sale 1 were considered to be in similar in overall condition. No adjustment was necessary in this category for Home Sale 1. Home Sales 3 and 4 are considered to be in inferior condition compared to the subject residence. Upward adjustments of 10% were made to these sales in this category. These adjustment percentages are considered reflective of the actions of market participants regarding overall condition.

Bathrooms: The subject residence and Home Sale 4 both include 1 bathroom. No adjustment was necessary for this sale in this category. Home Sale 1 includes 2 bathrooms and Home Sale 3 does not include a bathroom. Adjustments of \$10,000 per difference in bathroom count compared to the subject residence were considered appropriate for these comparables in this category. This adjustment amount per bathroom count is considered to reflect the actions of market participants in this category.

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 for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated costs calculated on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shop Building	900	Section 14/Page 26	\$35.75	\$32,175
Storage Building	77	Section 17/Page 16	\$32.50	\$2,503
Outhouse	Lump Sum			\$2,500
Total Cost New				\$37,178
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$9,294
Depreciated Cost Estimate				\$27,883
Rounded To				\$28,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$228,650, \$178,830, and \$167,551. Approximately equal weight is accorded the adjusted indications from Home Sales 1 and 3 as these sales required the lowest net adjustment percentages. A market value of \$204,000 (the rounded average of the indications from all three comparables) is reasonable and well supported for the subject improvements.

Improvement Value **\$204,000**

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	\$ 67,000
Subject Improvements Value	<u>\$204,000</u>
Total Value Indication	\$271,000

RECAPITULATION OF VALUE INDICATIONS

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

Legal	Sale #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
Tract 2 of COS #3820	2049	\$67,000	\$74,000	\$141,000	7/19/2023
Tract 4 of COS # 3821	2050	\$65,000	\$91,000	\$156,000	7/19/2023
Tract 1 of COS # 3821	2055	\$67,000	\$204,000	\$271,000	7/19/2023

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: Principals 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**

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER
With endorsements of:
* **REAL ESTATE APPRAISER MENTOR**

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

  **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**

This certificate verifies licensure as:
LICENSED APPRAISER

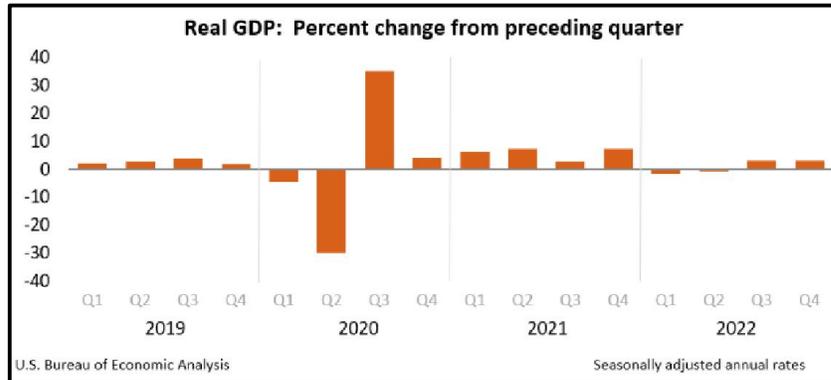
CLARK REAL ESTATE APPRAISAL
CHRISTOPHER D CLARK
CLARK REAL ESTATE APPRAISAL
P.O. BOX 1531
SEELEY LAKE, MT 59868

  **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%

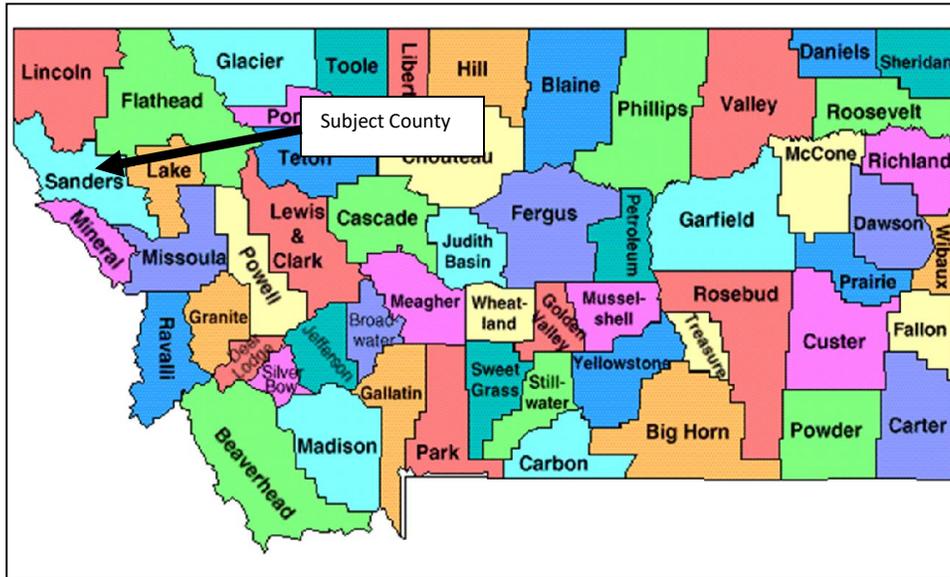
Source: United States Department of Labor, Bureau of Labor Statistics

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.

SANDERS COUNTY DATA

The subject properties are located in an unincorporated portion of Sanders County in the greater Thompson Falls area. County. Sanders County is in the northwest portion of Montana. The county is bordered by Lincoln, Flathead, Lake, Missoula and Mineral Counties in Montana. It is bordered to west by Bonner and Shoshone Counties of Idaho. A map of Montana with counties identified is below.



Thompson Falls is the county seat. Incorporated cities are Thompson Falls and Plains. Other communities are; Belknap, Camas, Dixon, Heron, Hot Springs, Loneline, Noxon, Paradise, Perma, and Trout Creek.

Geographical Information

Sanders County is 2,790 square miles in size. Approximately 1% of the county is water and the remainder is high land. The Clark Fork River (a tributary of the Columbia River) runs the length of the county. The county includes the Cabinet Mountain Wilderness and portions of three national forests.

Population

According to 2022 ESRI based on US Census data estimates, the population of Sanders County is 12,575. A portion of Sanders County is located in the Flathead Indian Reservation. The reservation is home to the Confederated Salish and Kootenai Tribes. According to the 2020 US Census data estimates, approximately 4.1% of the population of Sanders County was American Indian or Alaskan Native.

Income

According to 2022 ESRI based on US Census data estimates, the average household income is \$64,300. This is less than the average household income for Montana for 2022 of \$84,484.

Employment

The economy of Sanders County predominantly consists of farming, ranching and logging. According to the US Bureau of Labor and Statistics, the non-seasonally adjusted unemployment rate for Sanders County was 3.7% in July of 2023. This is up slightly from July of 2022 at 3.5%. A graph with unemployment for the county is below with recessions noted in gray.



Education & Healthcare

There are elementary, middle and high schools servicing various areas of Sanders County. There is no four year college in Sanders County. Clark Fork Valley Hospital is in Plains.

Real Estate

According to 2022 ESRI using US Census data, there were 6,868 housing units in Sanders County. Of the total housing units, 62.6% were reportedly owner occupied. The average home value for 2022 was reportedly \$326,709.

Linkages & Transportation

Montana Highways 200, 29, 135, and 382 run through portions of Sanders County. Interstate 90 is near the southern border of the county. There are two small county owned airports. One is in Plains and the other is in Hot Springs. There are international airports located in Kalispell and Missoula (both cities are outside of Sanders County) serviced by a variety of national airline carriers.

Flathead Reservation

The Flathead Reservation is the fourth largest reservation in Montana and includes acreage in Sanders County as well as three additional counties in northwest Montana. There are approximately 4,500 Confederated Salish and Kootenai tribal members residing on the reservation. CSKT provides employment opportunities to over 1,000 tribal members through tribal owned and privately owned non-member industries.

Sanders County Economic Data Conclusion

There are an abundance of recreational opportunities in northwest Montana. Attractions in Sanders County include the Clark Fork River, the Cabinet Mountains Wilderness, portions of National Forests, and a portion of the National Bison Range. These recreational opportunities are attractive

to non-resident travelers and occupants of the area. The long term outlook for the area is positive due to the abundance of natural resources and the potential to diversify employment.

SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS
(Page 1 of 10)

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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 Sales Through the Cabin/Home Site Sales Program: 2023 Sanders 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 Richard Largent, Walter Largent, Greg Largent, Wilfred Ovitt, Carolyn Ovitt, Brad Forman, and Tina Forman. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject properties and is intended for use in the decision making process concerning the potential sale of said subject properties.

DEFINITIONS:

Current fair market value. (12 C.F.R. § 34.42 (h)) Market value means 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 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.

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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.

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 properties. 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.

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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 3 (three) cabin sites identified in the Supplemental Appraisal Instructions.

The subject properties must be valued with the actual or hypothetical condition that the sites have legal access.

All appraisals are to describe the market value trends, and provide a rate of change, for the markets of the subject properties. 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 value 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 property, 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 site (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 Sanders County):

Sale #	Acres ±	Legal Description
2049	1.10±	TRACT 2 OF SANDERS COUNTY COS 3820 Section 2, T22N-R27W
2050	1.13±	TRACT 4 OF SANDERS COUNTY COS 3821 Section 8, T22N-R26W
2055	1.56±	TRACT 1 OF SANDERS COUNTY COS 3821 Section 4, T22N-R26W

<p><u>DNRC Contact Information:</u></p> <p>Brent Neace, Real Estate Specialist PO Box 201601 Helena, MT 59620-1601 Phone: (406) 444-4289 brent.neace@mt.gov</p>	<p><u>Lessees:</u></p> <p>Sale 2049: Richard, Walter, & Greg Largent - (406) 407-9031 Sale 2050: Wilfred & Carolyn Ovitt - (406) 210-1880 Sale 2055: Brad & Tina Forman - (406) 253-4306</p>
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The following will be located in the body of the contract:

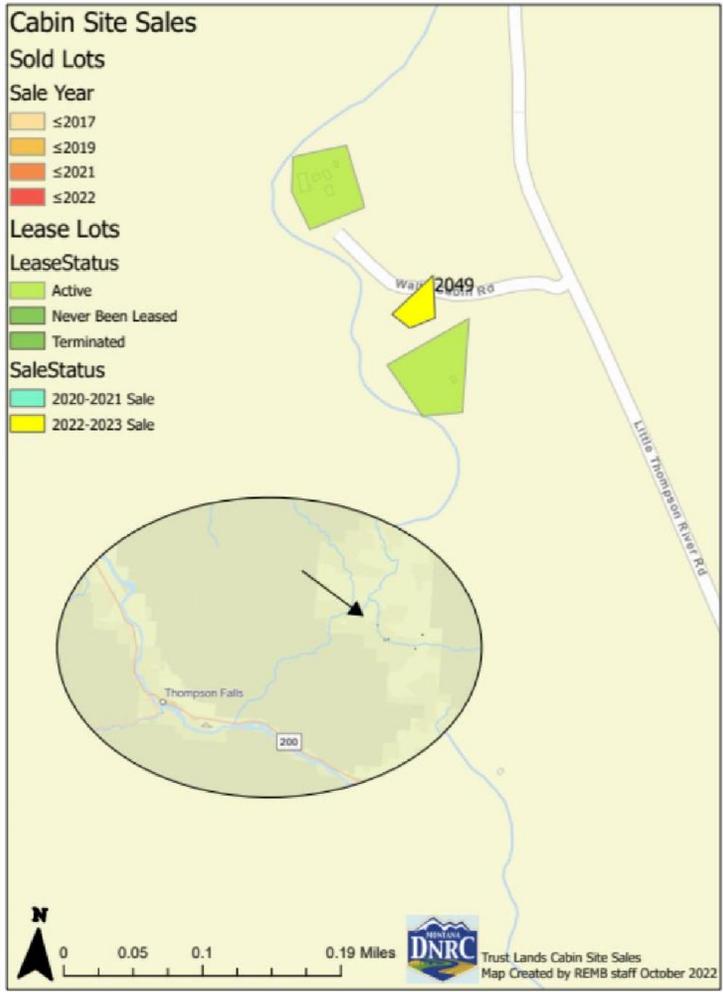
The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel(s). If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing 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.

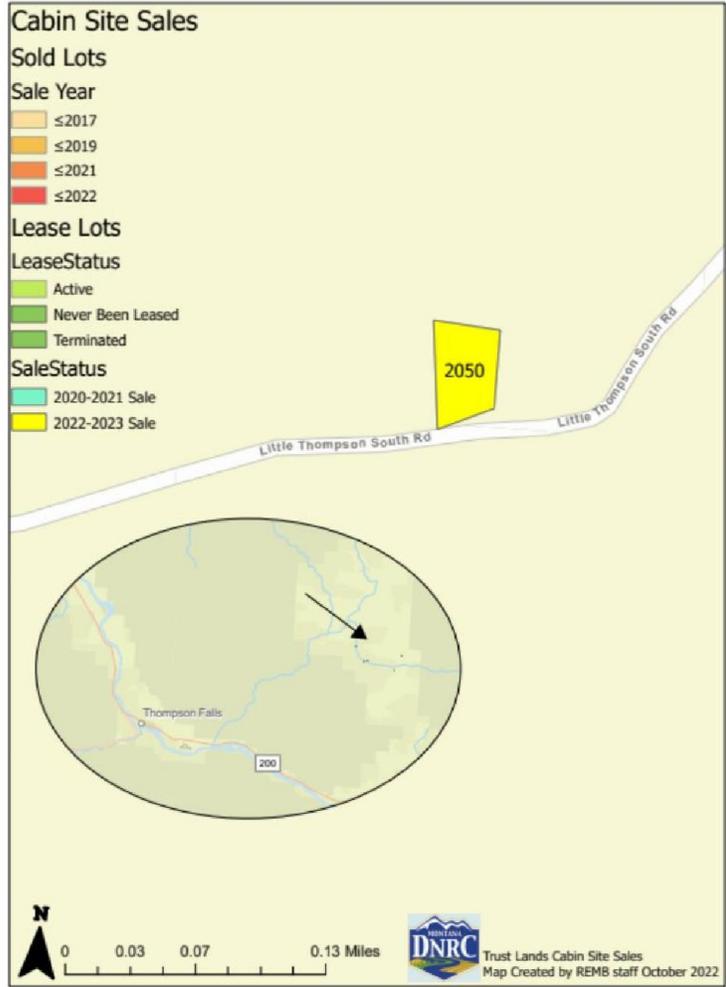
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Location Map of Parcel's Sale 2049, Sanders County



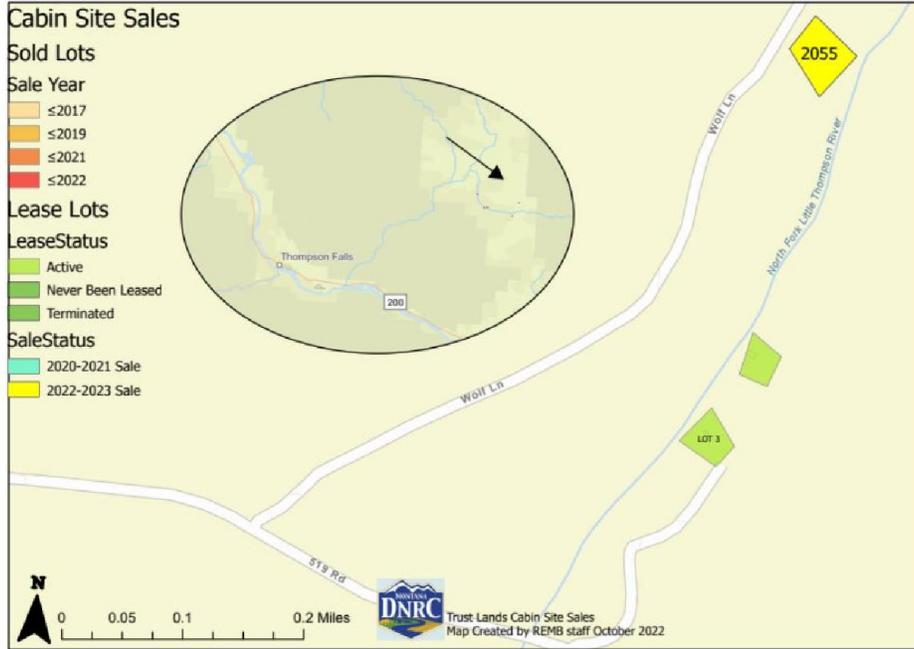
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Sale 2050, Sanders County



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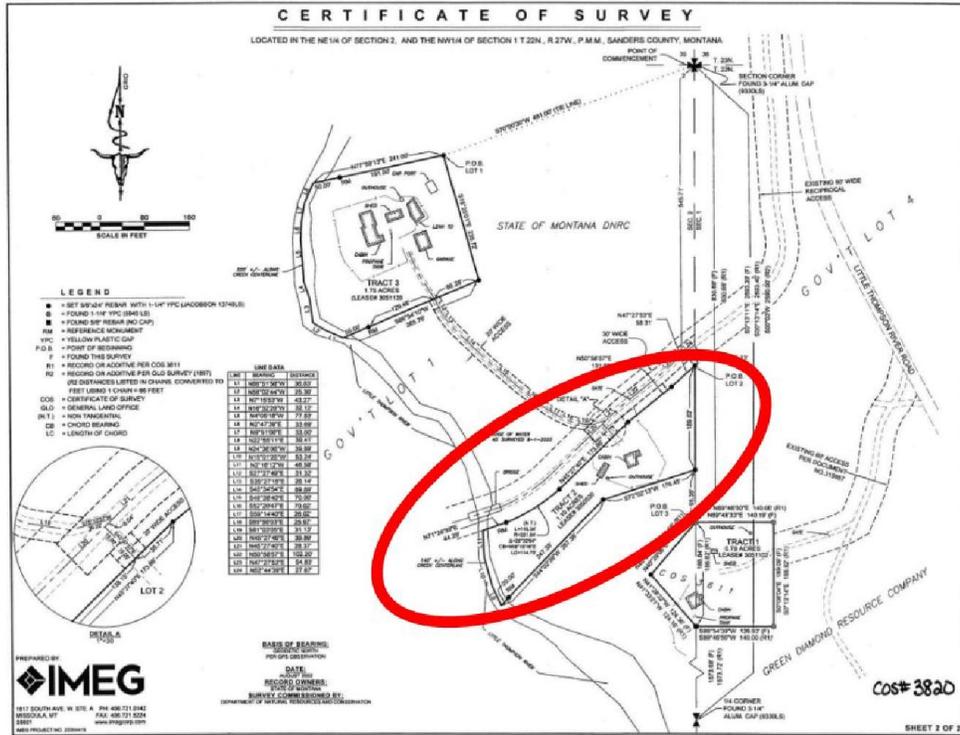
Sale 2055, Thompson Creek, Sanders County



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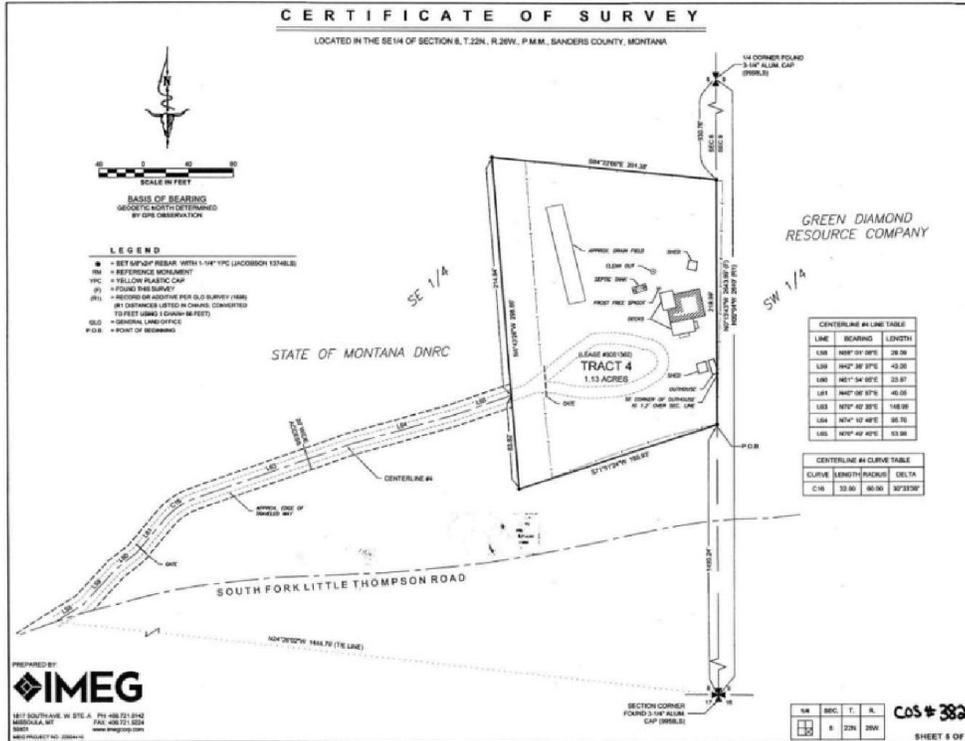
Cabin Site Sales Certificates of Survey for Sanders County

TRACT 2 COS 3820 SALE 2049



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TRACT 4 COS 3821 SALE 2050



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TRACT 1 COS 3821 SALE 2055

