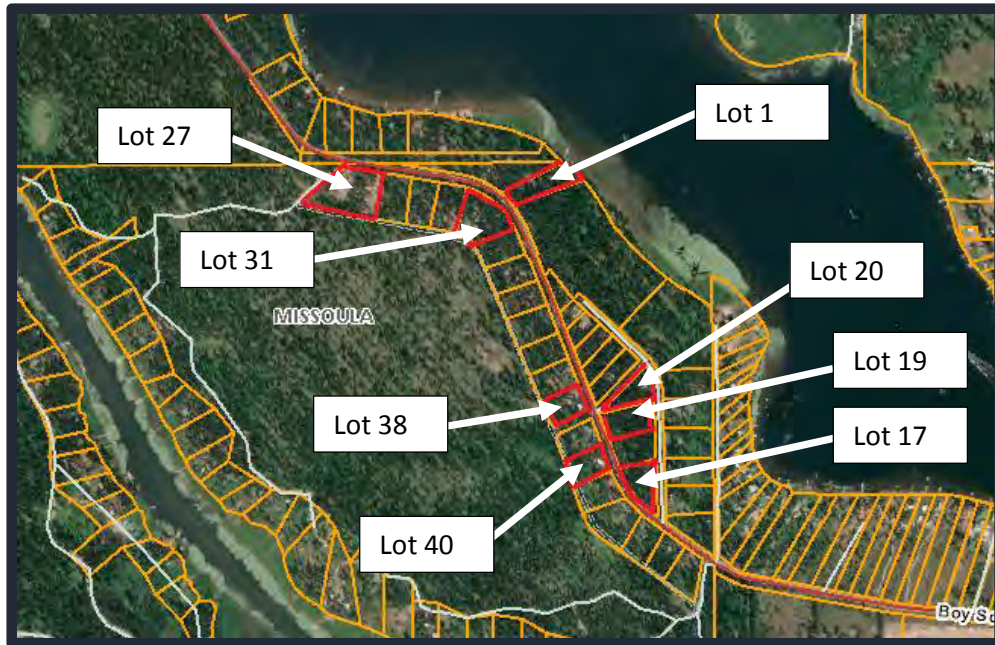


APPRAISAL REPORT OF:

**LOTS 1, 17, 19, 20, 27, 31, 38, & 40
COS # 6161, SEELEY LAKE DEVELOPMENT,
SEELEY LAKE, MONTANA**



PREPARED FOR:

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

MARKET VALUES AS OF:

June 20, 2018

PREPARED BY:

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



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

LETTER OF TRANSMITTAL

August 13, 2018

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

Re: Lots 1, 17, 19, 20, 27, 31, 38, and 40, COS #6161, of Section 4, Township 16 North, Range 15 West, Seeley Lake, Missoula County, Montana

Dear Ms. Motichka:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on June 20, 2018. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. This visual inspection, review 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 lots, the subject improvements, and the sites and improvements considered together are concluded in this report. These value conclusions were made after thorough study of available market data and other data felt to be pertinent to this appraisal. The attached summary appraisal report exhibits the factual data found and reasoning used in forming our opinions of value.

The values 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.

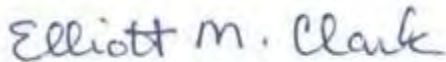
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We were not provided with soil studies for the subject sites. We assume that the soils are capable of supporting construction similar to that in similar area subdivisions without unusual soil preparation. We are also unaware of the presence of any 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 estimates of the properties.

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

Respectfully submitted,



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



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

18-021ec

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SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

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

SUBJECT PROPERTY

Property Identifications	Lots 1, 17, 19, 20, 27, 31, 38, and 40 of COS #6161, Section 4, Township 16 North, Range 15 West, Missoula County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-063-0018.00
Flood Zone	Unknown – Mapping in Process
Zoning	None

HIGHEST AND BEST USE(S)

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

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

Report Date	August 13, 2018
Inspection Date(s)	June 20, 2018
Effective Date of Value(s)	June 20, 2018
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 113 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 113 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 113 of Report

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

MARKETING & EXPOSURE TIME

The appraised value for subject Lot 1, as if vacant, is based upon a 1 to 3 month marketing and exposure time. The appraised value for subject Lot 1, as improved, is based upon a 3 to 6 months marketing and exposure time. The appraised values for the remaining subject lots, as if vacant, are based upon 8 to 12 month marketing and exposure times. The appraised values for the remaining subject lots, as improved, are based upon 6 to 8 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

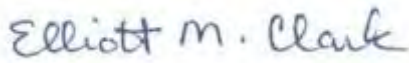
Appraiser(s)	Elliott M. Clark, MAI & Christopher D. Clark
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CERTIFICATION OF APPRAISAL

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

- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Elliott M. Clark, MAI has completed the continuing education requirements of the Appraisal Institute.



Dated Signed: August 13, 2018
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: August 13, 2018
Christopher D. Clark
MT REA-RAL-LIC-841

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

SCOPE OF THE APPRAISAL

The subject properties are Lots 1, 17, 19, 20, 27, 31, 38, and 40 of COS #6161, Seeley Lake, Missoula County, Montana.

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

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

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on June 20, 2018. We measured the improvements on the properties and walked the subject sites.

Scope of Research

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

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

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

Extraordinary Assumption(s)

An **Extraordinary Assumption** is defined in 2018-2019 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 the values concluded in this report.

Hypothetical Conditions

A **Hypothetical Condition** is defined in 2018-2019 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.

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 lake front 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 is developed to determine the value of the subject properties as improved.

Environmental

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

General Data Sources

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

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

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County
1	937	6161	S04/T16N/R15W	Missoula
17	938	6161	S04/T16N/R15W	Missoula
19	1036	6161	S04/T16N/R15W	Missoula
20	939	6161	S04/T16N/R15W	Missoula
27	940	6161	S04/T16N/R15W	Missoula
31	941	6161	S04/T16N/R15W	Missoula
38	942	6161	S04/T16N/R15W	Missoula
40	943	6161	S04/T16N/R15W	Missoula

INTENDED USE & INTENDED USERS OF THE APPRAISAL

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

Lot #	Sale #	Lessee
1	937	David Batchelder & Bridget Laird
17	938	Olive Sol & Patricia Ann Doty
19	1036	Brian & Nadine Pederson
20	939	Richard & Elizabeth Meyn
27	940	Brian Bertsch
31	941	J & E Contracting
38	942	Marvin & Lynn Job, Brian & Marcey Campbell
40	943	David & Connie Murray

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

PURPOSE OF THE APPRAISAL

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

DATE OF PROPERTY VIEWINGS

June 20, 2018

EFFECTIVE DATE OF MARKET VALUES

June 20, 2018

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

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

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

STATEMENT OF OWNERSHIP & USE HISTORY

The subject sites are all owned by the State of Montana. The improvements on the subject lots are owned by the lessees. The lessees and the most recent transfer documents located for the improvements are identified below;

Lot #	Sale #	Lessee	Last Transfer Document
1	937	David Batchelder & Bridget Laird	Bill of Sale - 2016
17	938	Olive Sol & Patricia Ann Doty	Deed - 2015
19	1036	Brian & Nadine Pederson	Bill of Sale - 2010
20	939	Richard & Elizabeth Meyn	Deed - 2005
27	940	Brian Bertsch	Deed - 2006
31	941	J & E Contracting	Leasing Since 1964 (Per Lessees)
38	942	Marvin & Lynn Job, Brian & Marcey Campbell	Bill of Sale - 2012
40	943	David & Connie Murray	Bill of Sale - 2017

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. Houses were constructed on all of the subject lots except for Lot 31. The house construction dates and any recent listing information for the improvements via the area MLS for each applicable property are below;

Lot #	Sale #	Lessee	House Built	Listing History of Improvements via Area MLS
1	937	David Batchelder & Bridget Laird	1988	N/A
17	938	Olive Sol & Patricia Ann Doty	1966	N/A
19	1036	Brian & Nadine Pederson	1955	Sold for \$87,500 in 2010 via MLS
20	939	Richard & Elizabeth Meyn	1970	Sold for \$67,000 in 2005 via MLS
27	940	Brian Bertsch	Unknown	Sold for \$90,000 in 2006 via MLS
31	941	J & E Contracting	N/A	N/A
38	942	Marvin & Lynn Job, Brian & Marcey Campbell	1966	Sold for \$85,000 in 2012 via MLS
40	943	David & Connie Murray	1965	N/A

According to our research, none of the subject improvements were available for sale via the area MLS as of the report effective date.

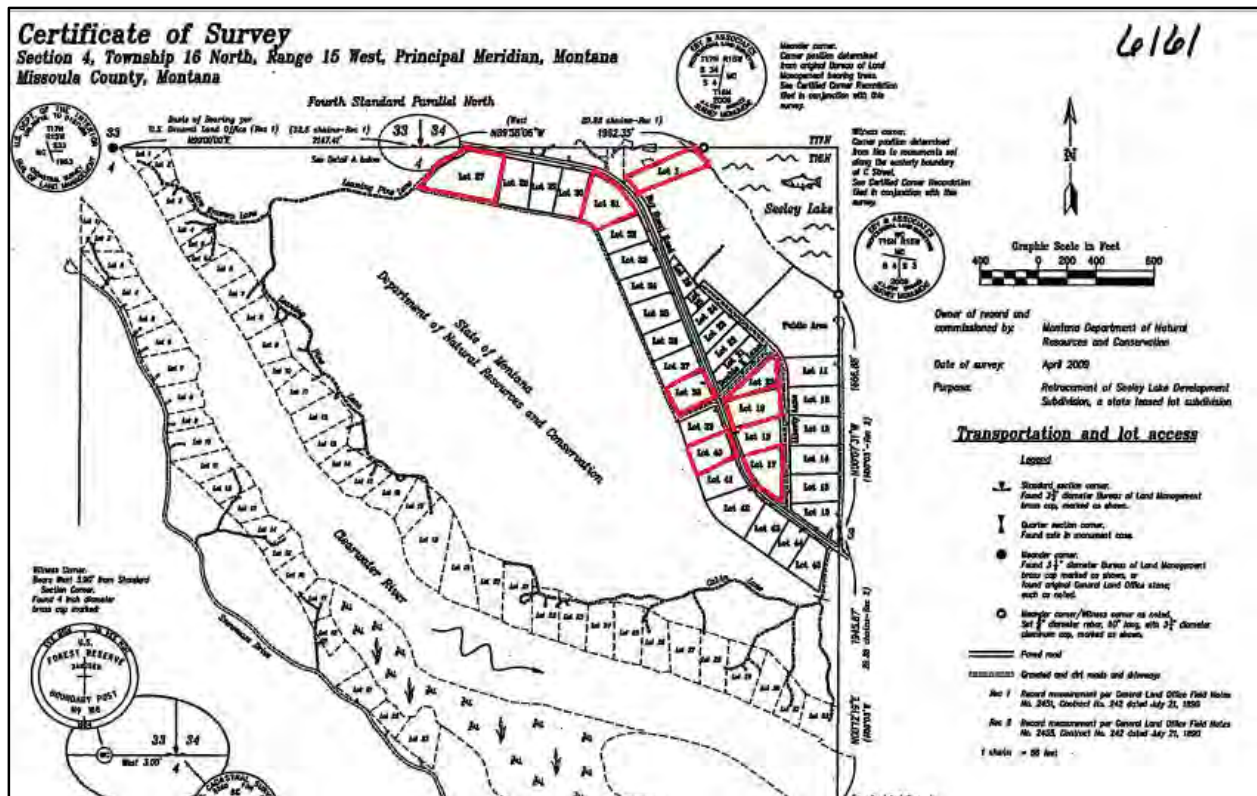
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Lots 1, 17, 19, 20, 27, 31, 38, and 40 of Certificate of Survey #6161 in Section 4, Township 16 North, Range 15 West, in Missoula County, Montana. The subject properties are described on the table below;

Lot #	Sale #	Lessee	Gross Acres
1	937	David Batchelder & Bridget Laird	1.656
17	938	Olive Sol & Patricia Ann Doty	1.449
19	1036	Brian & Nadine Pederson	1.639
20	939	Richard & Elizabeth Meyn	1.217
27	940	Brian Bertsch	3.148
31	941	J & E Contracting	2.189
38	942	Marvin & Lynn Job, Brian & Marcey Campbell	1.293
40	943	David & Connie Murray	1.291

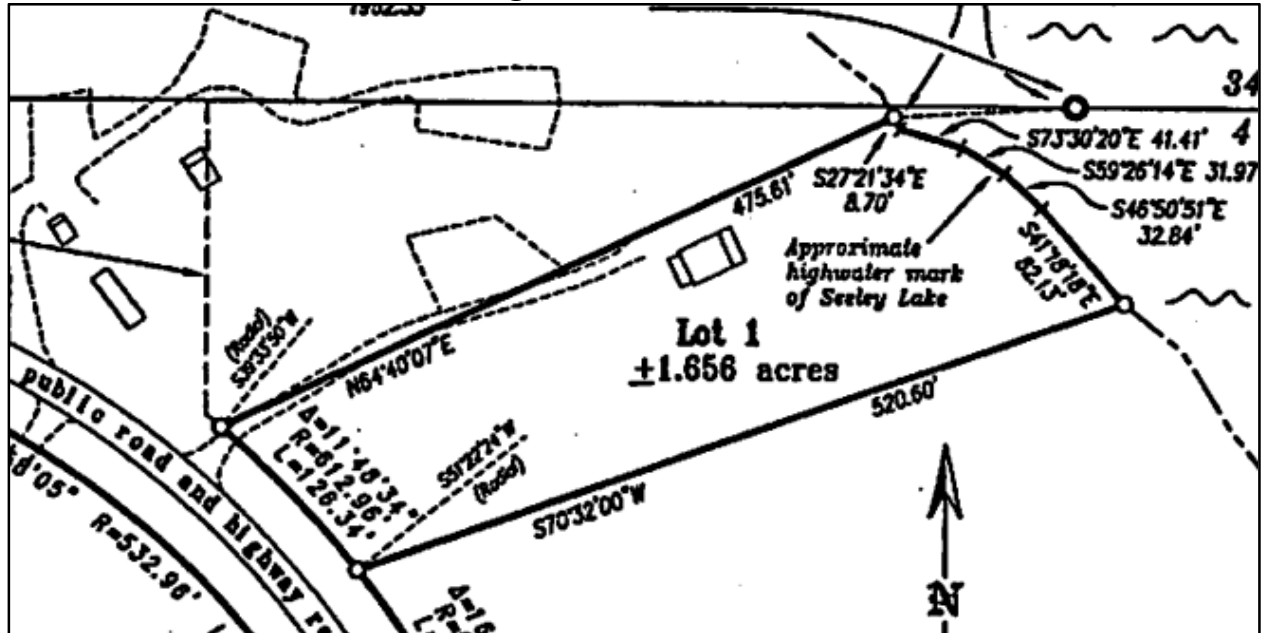
The subject properties are identified on COS #6161 below;



Individual images depicting each subject site recorded as part of COS #6161 and topographic maps are included on the following pages.

LOT 1

Enlarged View of COS #6161



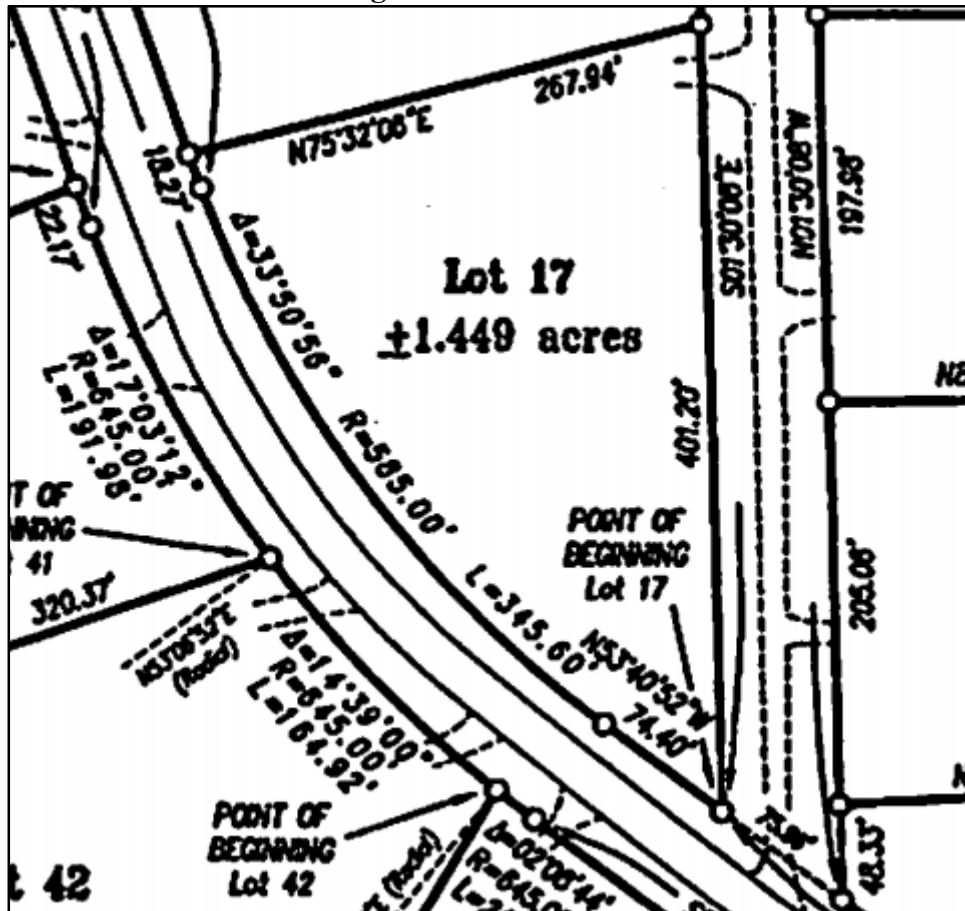
Lot 1 includes 197.05 feet of frontage along Seeley Lake.

Area Topographic Map

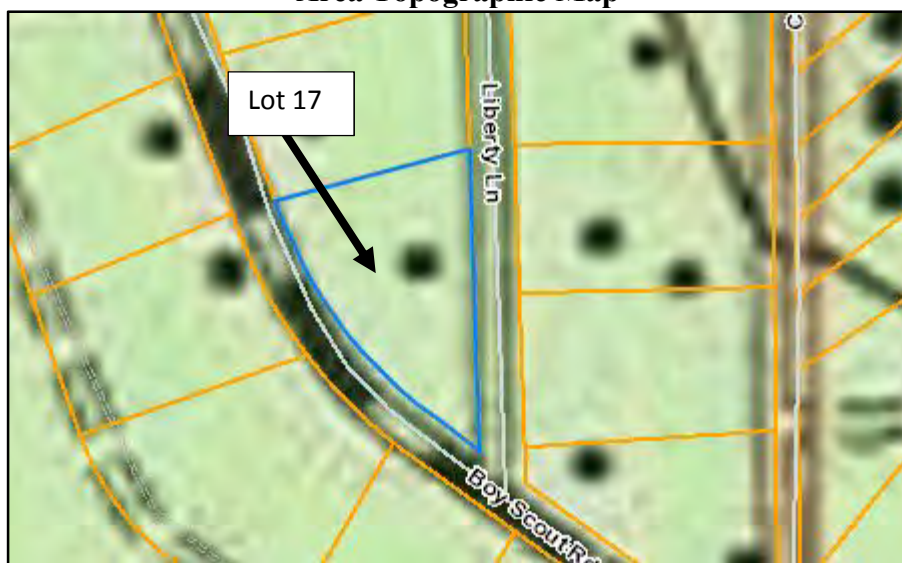


LOT 17

Enlarged View of COS #6161

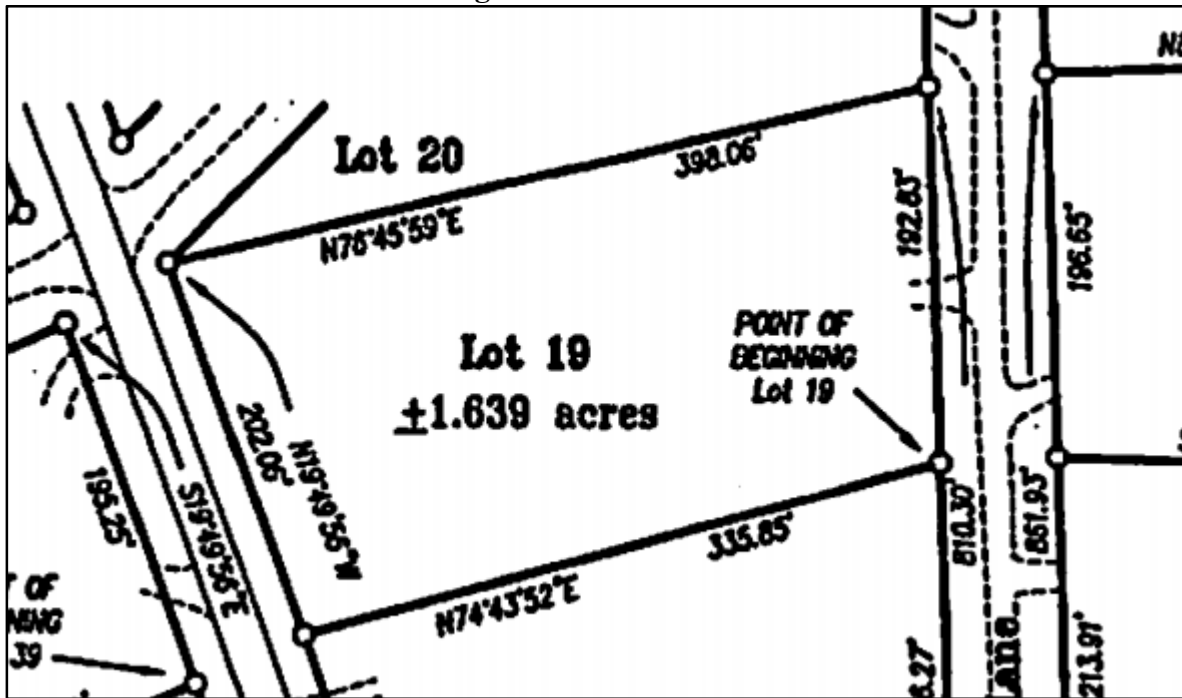


Area Topographic Map

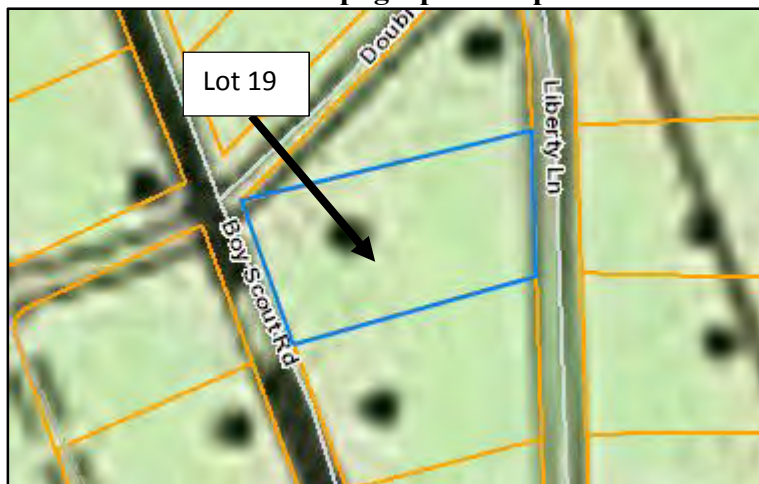


LOT 19

Enlarged View of COS #6161

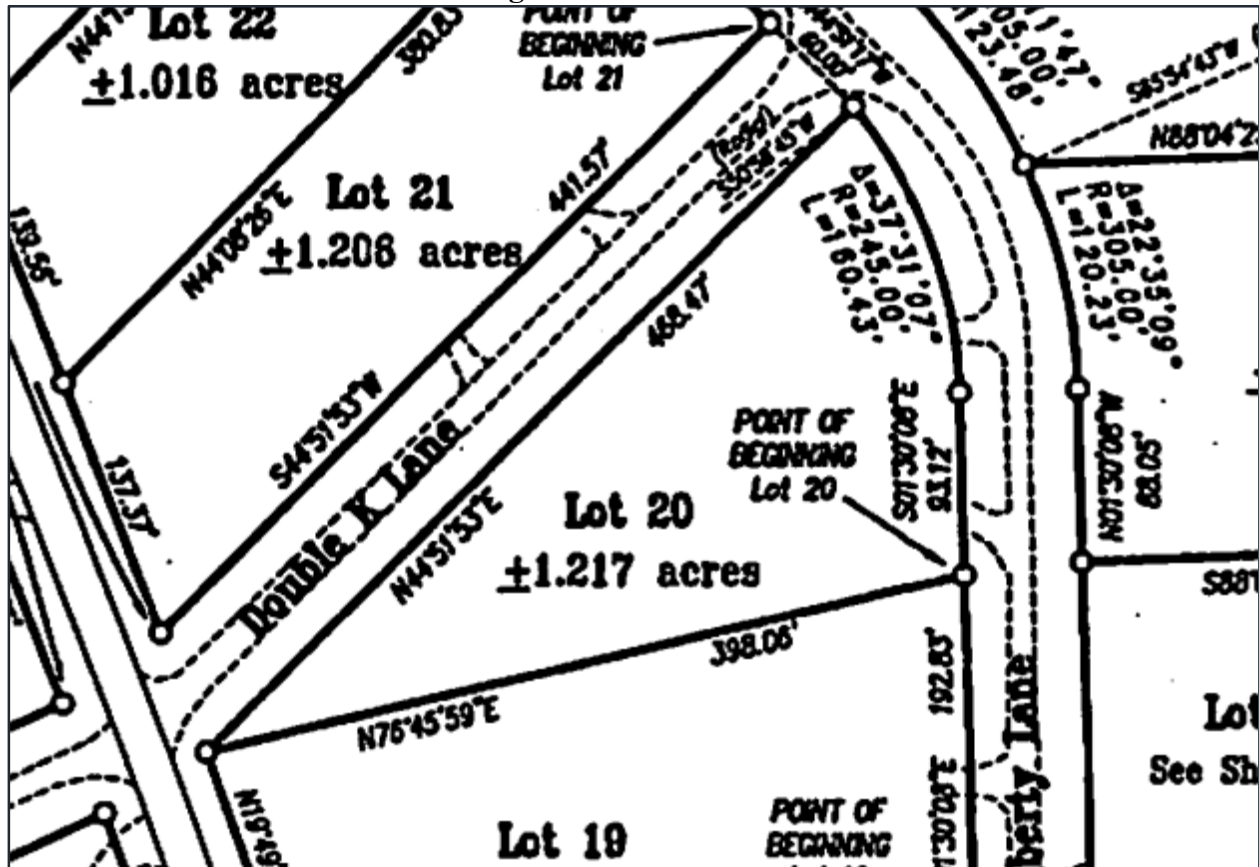


Area Topographic Map

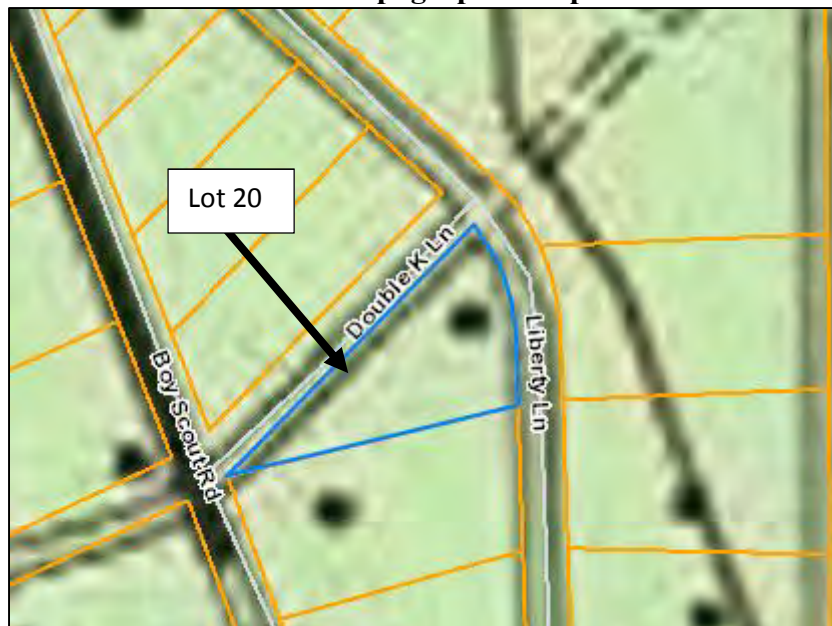


LOT 20

Enlarged View of COS #6161

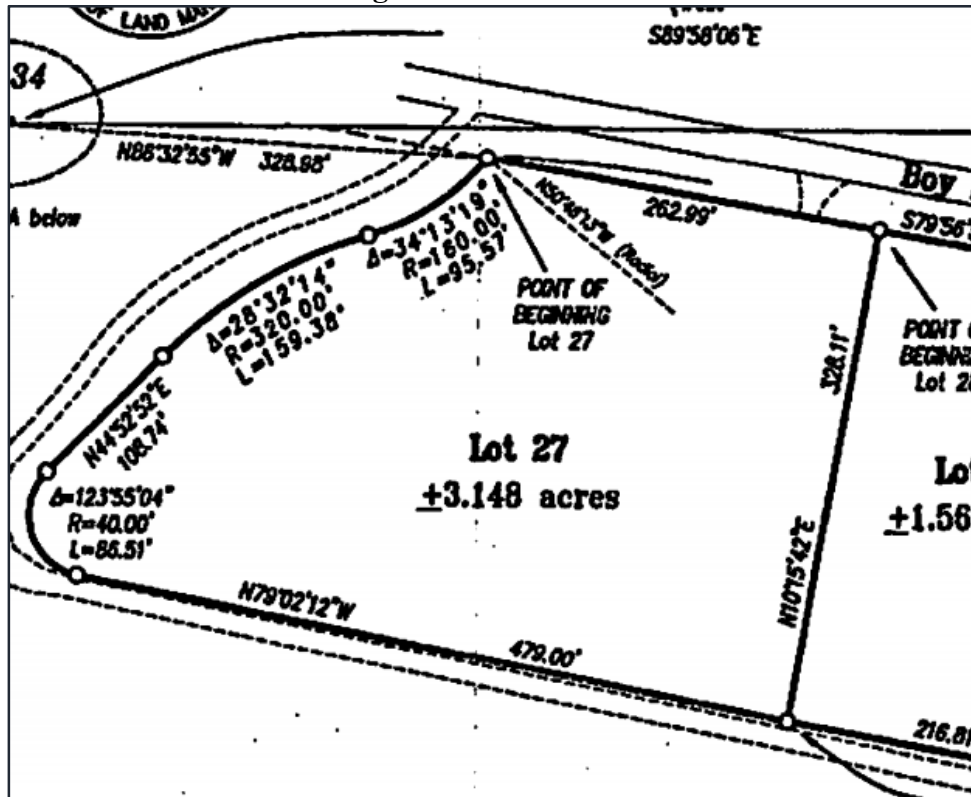


Area Topographic Map

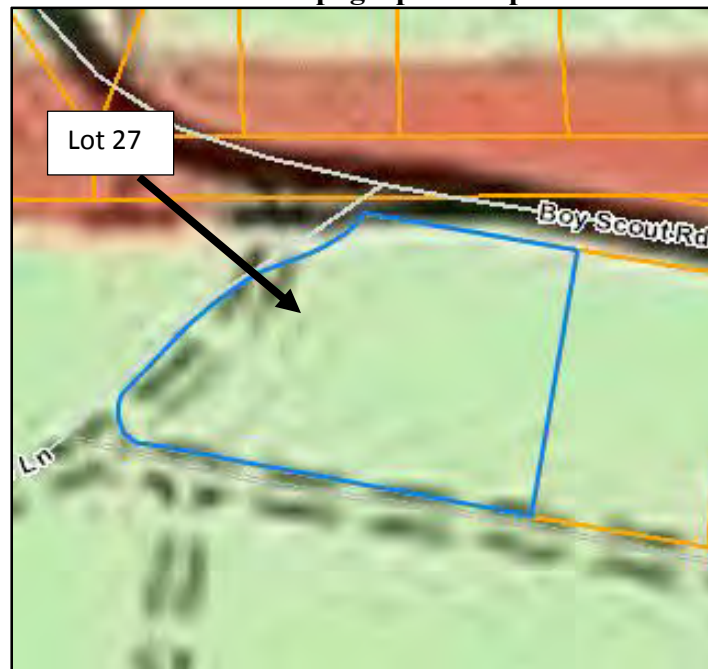


LOT 27

Enlarged View of COS #6161

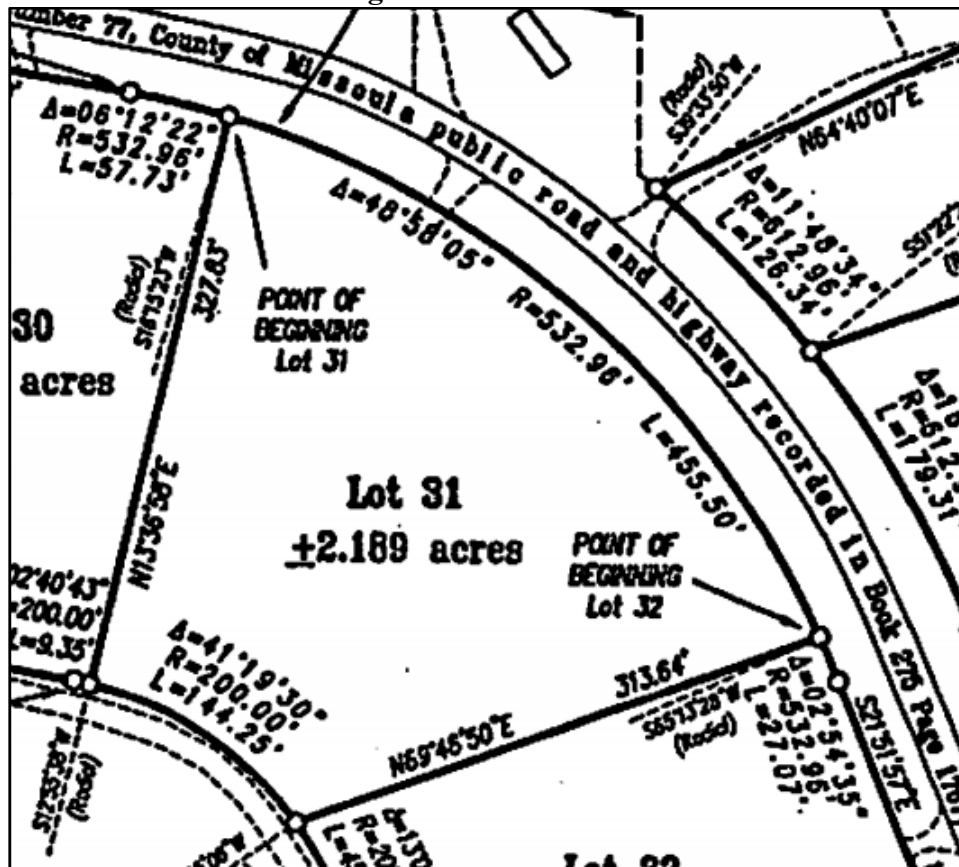


Area Topographic Map

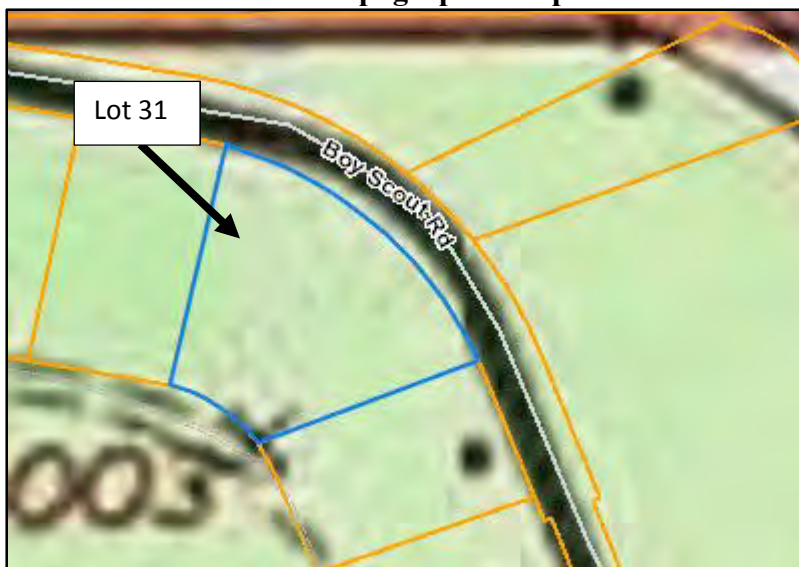


LOT 31

Enlarged View of COS #6161

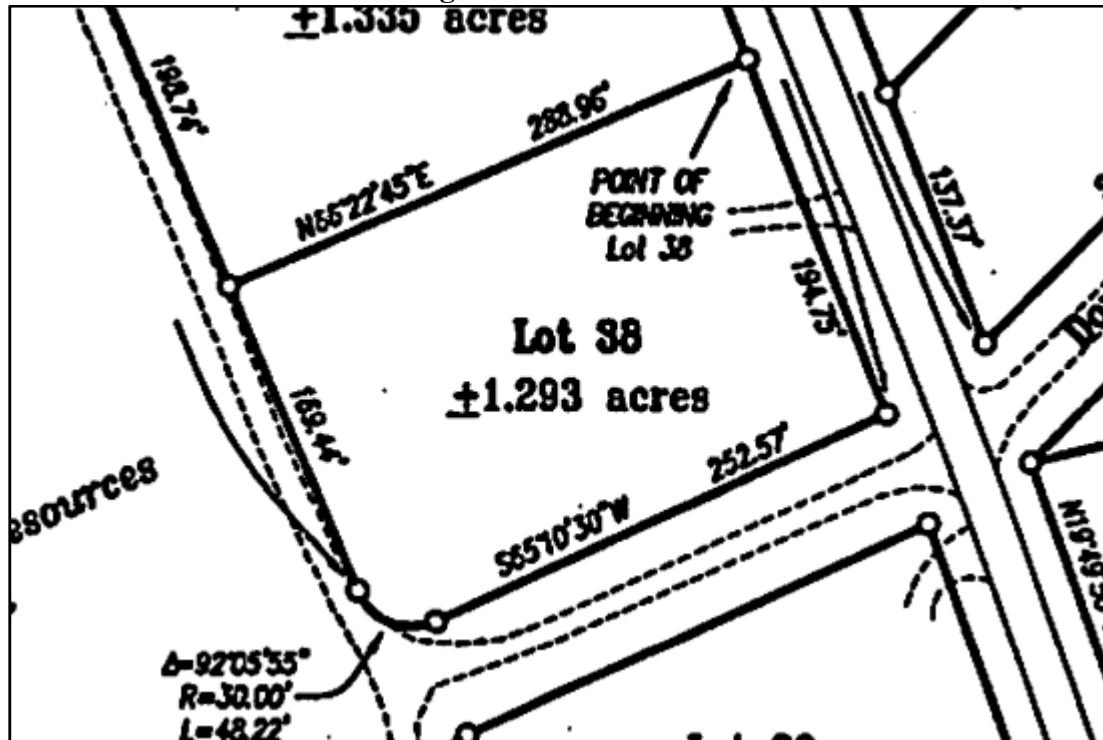


Area Topographic Map



LOT 38

Enlarged View of COS #6161

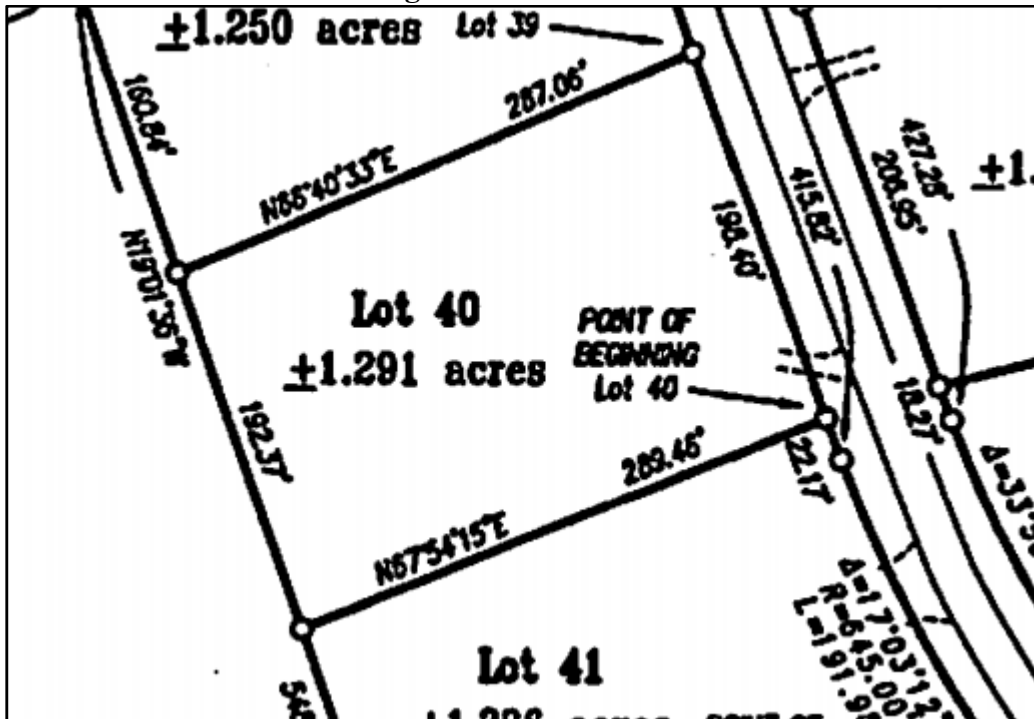


Area Topographic Map



LOT 40

Enlarged View of COS #6161



Area Topographic Map



ACCESS AND VIEWS

The subject properties have vehicular access from Boy Scout Road. Boy Scout Road is a county road. Lots 17, 19, and 20 have additional accesses from Liberty Lane and/or Double K Lane. Subject Lot 1 has views of and 197.05 feet of frontage along Seeley Lake. The remaining subject lots are interior home sites with views of other sites and/or land owned by the State of Montana. The road accesses to the subject properties will be subject to shared road maintenance agreements. Specific access to each subject parcel is identified on the table below;

Lot #	Sale #	Lessee	Address	Access
1	937	David Batchelder & Bridget Laird	2130 Boy Scout Rd	Driveway from Boy Scout Rd
17	938	Olive Sol & Patricia Ann Doty	143 Liberty Ln	Driveway from Liberty Ln & access from Boy Scout Rd
19	1036	Brian & Nadine Pederson	161 Liberty Ln	Driveway from Liberty Ln & access from Boy Scout Rd
20	939	Richard & Elizabeth Meyn	1566 Boy Scout Rd	Driveway from Liberty Ln, and accesses from Double K Ln & Boy Scout Rd
27	940	Brian Bertsch	2401 Boy Scout Rd	Driveway from Boy Scout Rd
31	941	J & E Contracting	NHN Boy Scout Rd	Driveway from Boy Scout Rd
38	942	Marvin & Lynn Job, Brian & Marcey Campbell	1645 Boy Scout Rd	Driveway from Boy Scout Rd
40	943	David & Connie Murray	1511 Boy Scout Rd	Driveway from Boy Scout Rd

IMPROVEMENTS

The improvements on the subject lots are described on the tables below and on the following page.

Lot #	1	17	19	20
Residence SF	1,344	888	968	1,121
Construction Type	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Foundation	Crawl Space	Crawl Space	Crawl Space	Crawl Space
Quality	Good	Average	Average	Average
Condition	Good	Good	Good	Average
Year Built	1988	1966	1955 (Renovated)	1970
# of Bedrooms	3	2	2	2
# of Bathrooms	1	1	1	1
Porches	352 SF of Deck	300 SF Screened Porch & 72 SF Deck	264 SF Deck	100 SF Deck & 130 SF Patio
Outbuildings	80 SF Storage Shed	53 SF Shed, 20 SF Outhouse, & 34 SF Pump House	160 SF Bunk House, 196 SF Garage & 70 SF Wood Shed	64 SF Pump House, 64 SF Lean-to Storage, 132 SF Log Storage building, 384 SF Metal Storage Building, 20 SF Outhouse, & 143 SF Wood Shed.
Well/Septic	Well/Septic	Well/Septic	Well/Septic	Cistern/Septic
Landscaping	Lawn & Underground Sprinklers	Lawn	Lawn	Lawn

Lot #	27	31	38	40
Residence SF	1,066	N/A	1109 SF	551 SF
Construction Type	Wood Frame & Mobile Home	N/A	Wood Frame	Wood Frame
Foundation	Unknown	N/A	Crawl Space	Railroad Ties
Quality	Average	N/A	Average	Fair
Condition	Average	N/A	Good	Average
Year Built	Unknown	N/A	1966 (Renovated)	1965
# of Bedrooms	2	N/A	3	1
# of Bathrooms	1	N/A	1	1
Porches	79 SF Covered Porch & 24 SF Stoop	N/A	378 SF Covered Porch & 80 SF Deck	190 SF Covered Porch & 69 SF Deck
Outbuildings	3,360 SF Shop Building, 588 SF Covered Storage, 396 SF Metal Storage Building, & 380 SF Carport	480 SF Storage Building, 64 SF Shed, 132 SF Shed, 66 SF Covered Storage, & 16 SF Outhouse	273 SF Bunk House, 1,088 SF Garage, 100 SF Shed, & 16 SF Outhouse	25 SF Outhouse & 40 SF Small Shed
Well/Septic	Well/Septic	Well/Septic	Well/Septic	Well/Septic
Landscaping	Lawn	Lawn	Lawn & Underground Sprinklers	Lawn

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

We were provided with Land Status Reports by the Montana Department of Natural Resources. These reports detail recorded easements relative to each subject property. The easements are summarized on the table below;

Lot #	Sale #	Lessee	Address	Easement Affecting Property
1	937	David Batchelder & Bridget Laird	2130 Boy Scout Rd	Driveway easement to access parking for parcel to the north & easement for buried telephone line
17	938	Olive Sol & Patricia Ann Doty	143 Liberty Ln	Easements for single pole electrical distribution line, power line, and buried telephone line
19	1036	Brian & Nadine Pederson	161 Liberty Ln	Easements for single pole electrical distribution line, power line, and buried telephone line
20	939	Richard & Elizabeth Meyn	1566 Boy Scout Rd	Easements for single pole electrical distribution line, power line, and buried telephone line
27	940	Brian Bertsch	2401 Boy Scout Rd	Easements for buried electrical and telephone lines
31	941	J & E Contracting	NHIN Boy Scout Rd	Easement for buried telephone line
38	942	Marvin & Lynn Job, Brian & Marcey Campbell	1645 Boy Scout Rd	Easements for single pole electrical distribution line and buried telephone line
40	943	David & Connie Murray	1511 Boy Scout Rd	Easements for single pole electrical distribution line, power line, and buried telephone line

The subject properties are regulated by Missoula County and various agencies of the State of Montana. Lot 1 is also regulated by agencies of the United States regarding construction within a specific distance of the high water mark of Seeley Lake and by the Missoula County Shoreline Regulations.

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

ZONING

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

ASSESSMENT/REAL PROPERTY TAXES

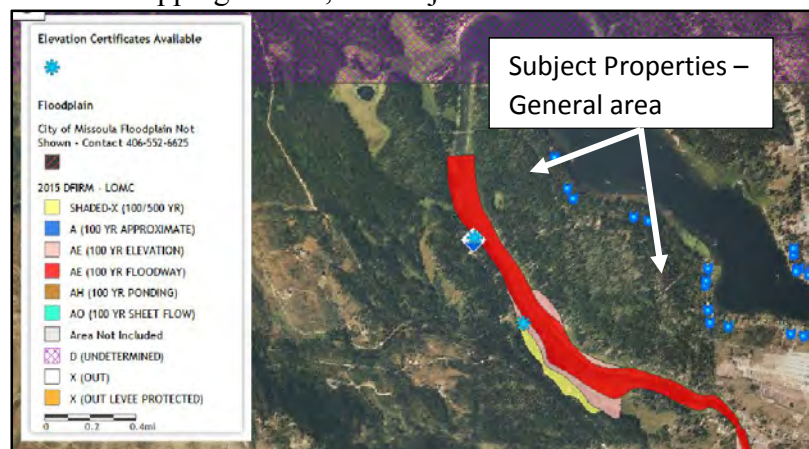
The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2017 tax bills and taxable market values for the **subject improvements** (as per the Montana Department of Revenue) are included on the table below;

Tax Bills for Improvements				
Lot #	Lessees	Assessor # for Improvements	2017 Taxable Market Value	2017 Tax Bill Amount
1	David Batchelder & Bridget Laird	5841042	\$155,220	\$1,428.20
17	Olive Sol & Patricia Ann Doty	2455007	\$62,790	\$667.38
19	Brian & Nadine Pederson	2071803	\$55,290	\$605.15
20	Richard & Elizabeth Meyn	1740309	\$53,510	\$590.51
27	Brian Bertsch	5841039	\$146,020	\$1,202.54
31	J & E Contracting	Unknown	N/A	N/A
38	Marvin & Lynn Job, Brian & Marcey Campbell	1370300	\$99,120	\$966.35
40	David & Connie Murray	2069900	\$36,320	\$448.96

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Missoula County GIS flood mapping feature, the subject lots are outside of Flood Plain areas. A map from Missoula County depicting areas of high flood risk near the subject properties is to the right.

There is a high water table in the subject area. The lessees for all of the subject lots reported some degree of seasonal flooding each year. Based upon information provided by MT DNRC, the Missoula Flood Plain maps may not be accurate for the subject area.



Based upon information provided by the lessees and MT DNRC, it is our opinion that it is reasonable to assume that new or replacement septic systems are possible for the subject lots. Due to the reported high water table in the area, elevated sound mound systems or some type of engineered systems would likely be necessary for new septic systems.

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

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

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. We are not aware of the presence of unstable soils. Should any of these conditions be present, the values concluded in this report may be affected.

UTILITIES

The subject lots have access to and/or are connected to electricity and phone lines. Information regarding septic systems, wells, and water rights for each subject lot is below;

Lot #	Lessees	Septic	Water Source	Water Right	Notes
1	David Batchelder & Bridget Laird	Yes	Well	No	No online data for septic
17	Olive Sol & Patricia Ann Doty	Yes	Well	Yes	1990 Septic Permit on File
19	Brian & Nadine Pederson	Yes	None	No	1992 Septic Permit on File
20	Richard & Elizabeth Meyn	Yes	Cistern (No Water in House)	Yes (2)	1978 Septic Permit on file
27	Brian Bertsch	Yes	Yes	Yes	No online data for septic
31	J & E Contracting	Yes	Well (Sandpoint Type 12' to 15')	Yes	1985 Septic Permit on file
38	Marvin & Lynn Job, Brian & Marcey Campbell	Yes	Well (180' plus 2,200 gallon cistern & underground sprinklers)	Yes (3)	No online data for septic
40	David & Connie Murray	Older Septic	Well (180')	Yes	No online data for septic

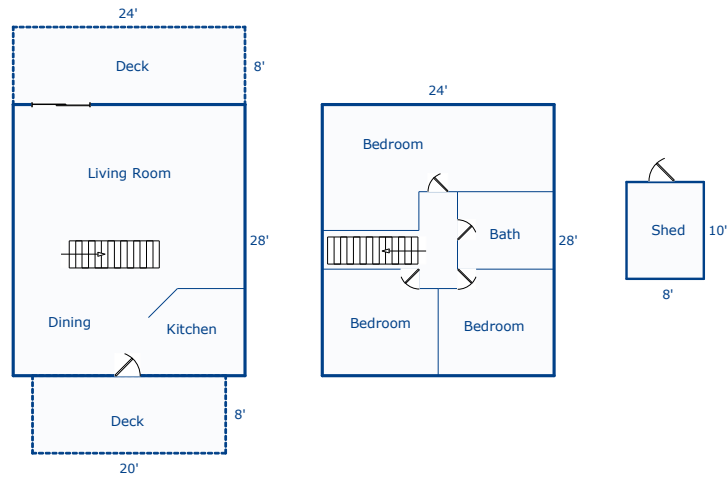
PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

The subject lots are legally suited for residential improvements. The high water table and low elevation of all of the subject lots result in well and septic issues.

LOT 1 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	672.00	1344.00
	Second Floor	672.00	
P/P	Deck	192.00	352.00
	Deck	160.00	
OTH	Storage Shed	80.00	80.00
Net LIVABLE Area		(rounded)	1344

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
24.0	x	28.0	672.00
Second Floor			
24.0	x	28.0	672.00
2 Items (rounded)			1344

LOT 1 - SUBJECT PHOTOGRAPHS



Residence on Lot 1



East Side of Residence



South and East Sides of Residence



Northside of Residence



South Side of Residence



Kitchen

ADDITIONAL PHOTOGRAPHS



Living Room



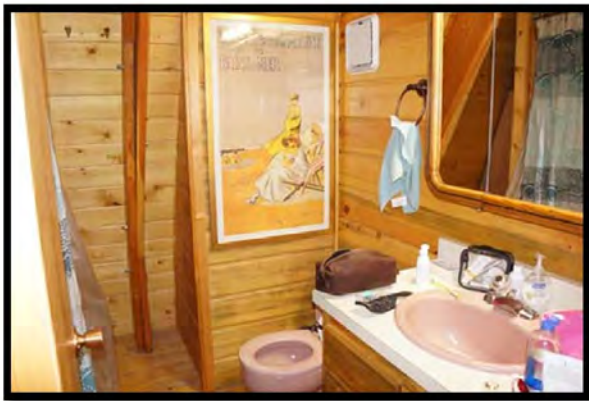
Living Room



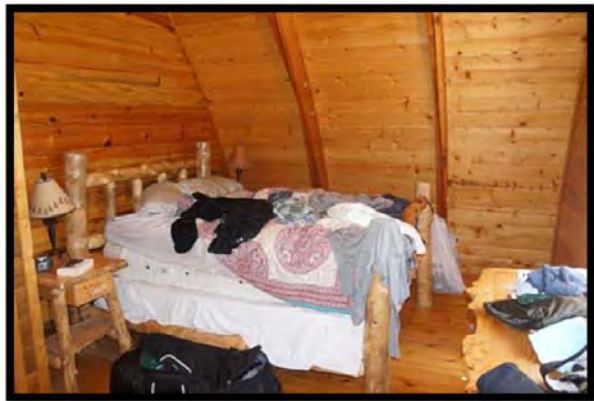
Bedroom



Bedroom



Bathroom



Bedroom

ADDITIONAL PHOTOGRAPHS



Water Heater on Second Floor



Crawl Space



Storage Shed



Storage Shed Interior



Well



Propane Tank

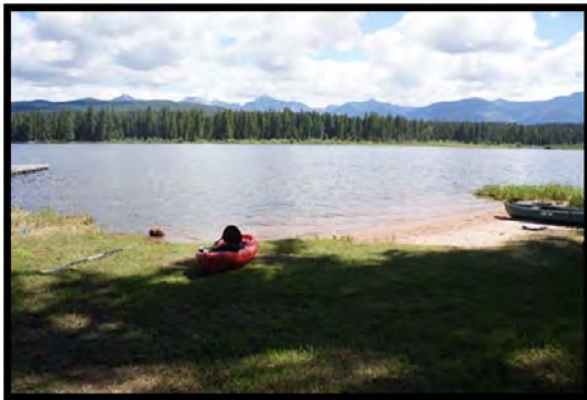
ADDITIONAL PHOTOGRAPHS



Lot 1 Looking West from Lakefront



View of Seeley Lake from Lot 1 Interior



Seeley Lake Frontage



Seeley Lake Looking Southeast



View South along Lake Frontage



Wooded Portion of Lot 1 on South Side of Lot

ADDITIONAL PHOTOGRAPHS



Wooded Portion of Lot 1



Wooded Portion of Lot 1



Northeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



Lot 1 Lake Frontage Looking North



View West along South Property Boundary

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking East



Driveway on Lot 1



Parking Easement Area on North Side of Lot 1



Driveway to Lot 1

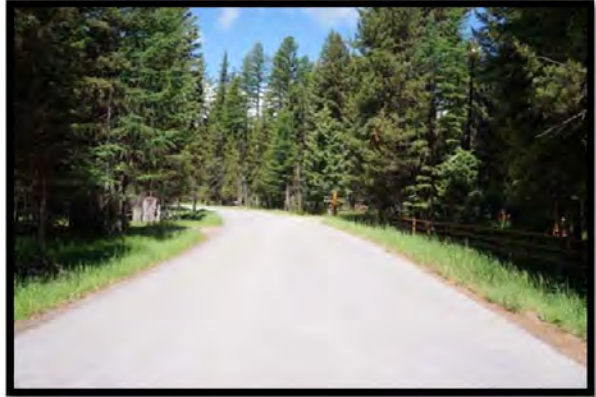


Entrance to Driveway from Boy Scout Road

ADDITIONAL PHOTOGRAPHS

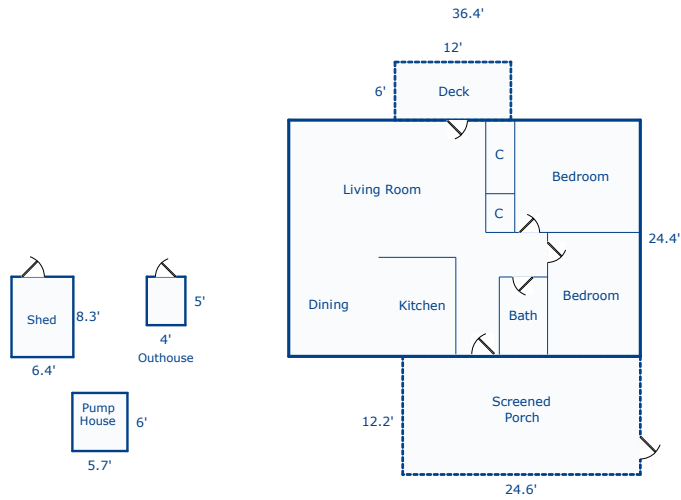


Boy Scout Road Looking Southeast



Boy Scout Road Looking Northwest

LOT 17 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	888.16	888.16
P/P	Screened Porch	300.12	
	Deck	72.00	372.12
OTH	Shed	53.12	
	Outhouse	20.00	
	Pump House	34.20	107.32
Net LIVABLE Area		(rounded)	888

LIVING AREA BREAKDOWN			Subtotals
Breakdown			
First Floor			
	36.4	x 24.4	888.16
1 Item			(rounded) 888

LOT 17 - SUBJECT PHOTOGRAPHS



Residence on Lot 17



North Side of Residence



West Side of Residence



South Side of Residence



Screened Porch



Living Room

ADDITIONAL PHOTOGRAPHS



Bedroom



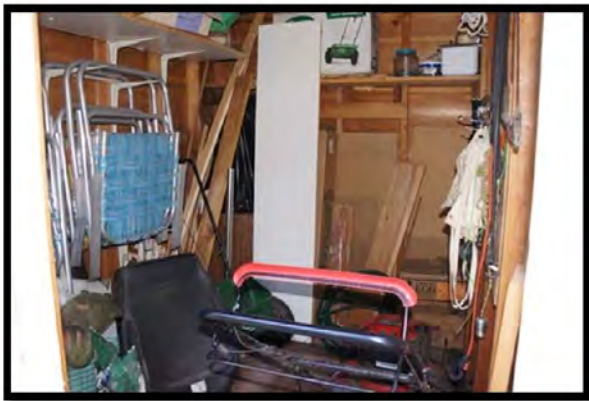
Bedroom



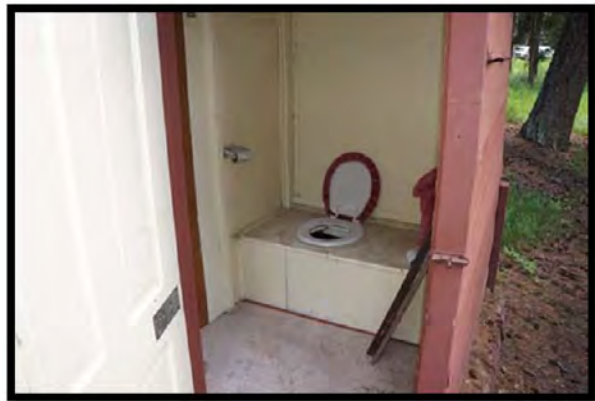
Bathroom



Storage Shed and Outhouse



Storage Shed Interior



Outhouse

ADDITIONAL PHOTOGRAPHS



Well



Water Tank in Pump House



Driveway to Lot 17



Driveway Looking toward Liberty Lane



Northeast Property Boundary Marker Looking West



View South along East Property Boundary and Liberty Lane

ADDITIONAL PHOTOGRAPHS



Liberty Lane Looking North from Driveway



View N along E Property Boundary from S Boundary Marker



Lot 17 from Boy Scout Road



Approximate Location of Northwest Property Boundary Marker



View East along Approximate North Property Boundary



Lot 17 Interior and Improvements from North Portion of Property

ADDITIONAL PHOTOGRAPHS

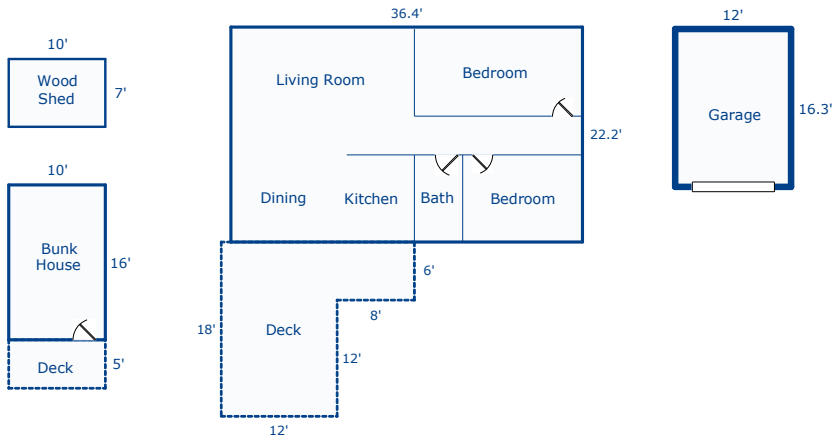


View NW along W Property Boundary & Boy Scout Rd.



View SE along W Property Boundary & Boy Scout Rd.

LOT 19 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	808.08	
	Bunk House	160.00	968.08
GAR	Garage	195.60	195.60
P/P	Deck	264.00	
	Bunk House Deck	50.00	314.00
OTH	Wood Shed	70.00	70.00
Net LIVABLE Area		(rounded)	968

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
	36.4	x 22.2	808.08
Bunk House			
	10.0	x 16.0	160.00
2 Items			(rounded) 968

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 19



South Side of Residence



West Side of Residence



North Side of Residence

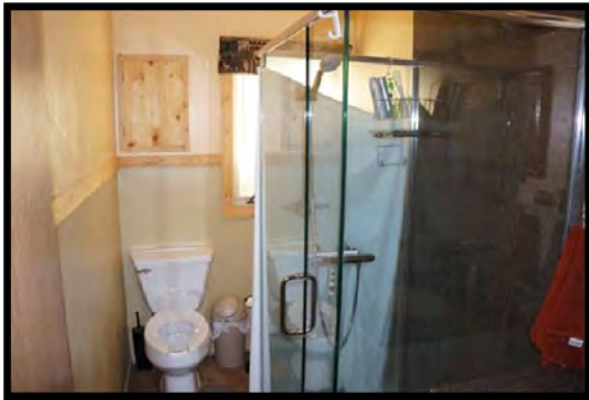


Living Room



Bedroom

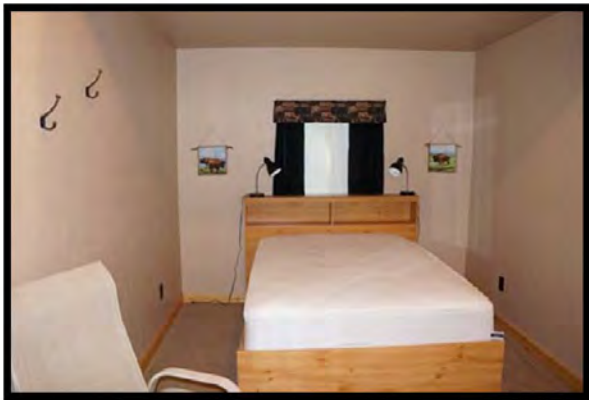
ADDITIONAL PHOTOGRAPHS



Bathroom



Bunk House



Bunk House Interior



Garage



Garage Interior



Wood Shed

ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker



SW Property Boundary Marker and View N along W Boundary



Boy Scout Road & View North along West Boundary



Lot 19 from Boy Scout Road



NW Property Boundary Marker and View E along N Boundary



View South along West Property Boundary and Boy Scout Rd.

ADDITIONAL PHOTOGRAPHS



Lot 19 Interior



Southeast Property Boundary Marker



View North along East Property Boundary



Northeast Property Boundary Marker



View South along East Property Boundary



Driveway on Lot 19

ADDITIONAL PHOTOGRAPHS

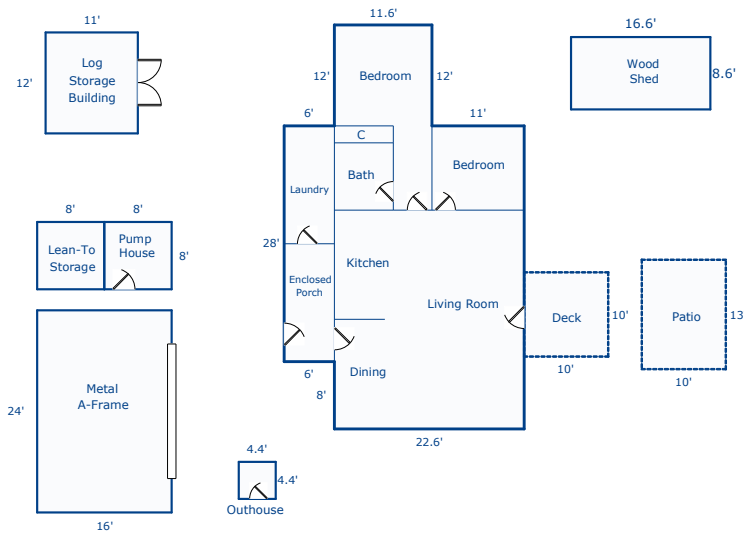


Liberty Lane Looking South



Liberty Lane Looking North.

LOT 20 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1120.80	1120.80
P/P	Deck	100.00	
	Patio	130.00	230.00
OTH	Pump House	64.00	
	Lean-To Storage	64.00	
	Log Storage Bldg.	132.00	
	Metal A-Frame	384.00	
	Outhouse	19.36	
	Wood Shed	142.76	806.12
Net LIVABLE Area		(rounded)	1121

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
11.6	x	12.0	139.20
28.6	x	28.0	800.80
8.0	x	22.6	180.80
3 Items			(rounded)
			1121

LOT 20 - SUBJECT PHOTOGRAPHS



Front of Residence on Lot 20



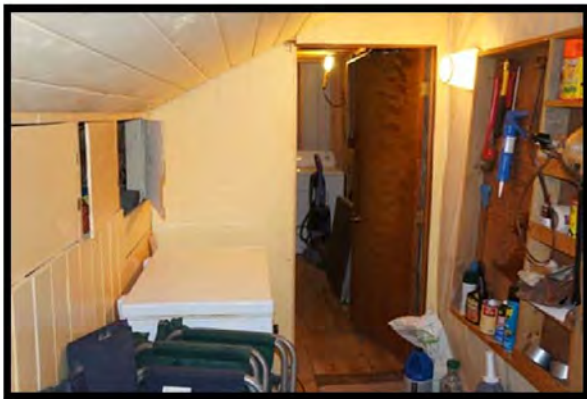
Southwest Side of Residence



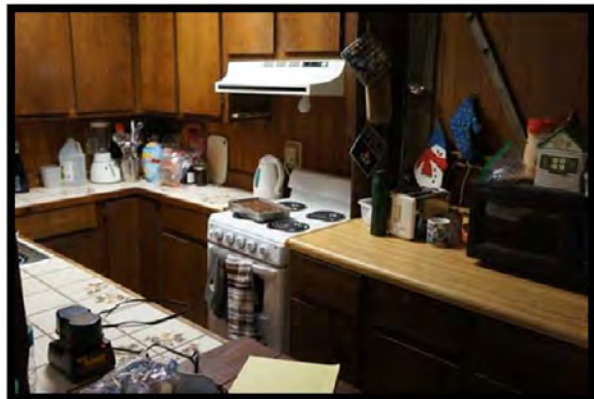
Northwest Side of Residence



Southeast Side of Residence



Enclosed Porch



Kitchen

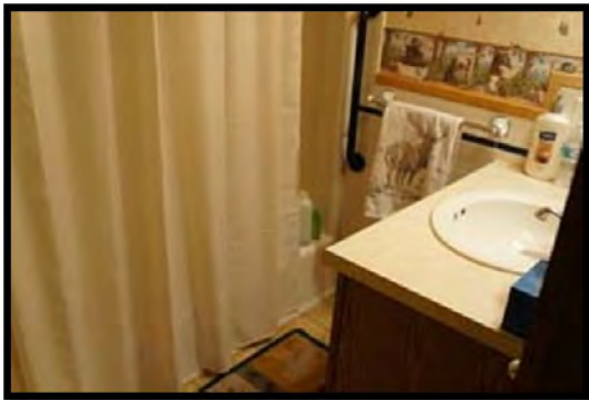
ADDITIONAL PHOTOGRAPHS



Dining / Living Area



Bedroom



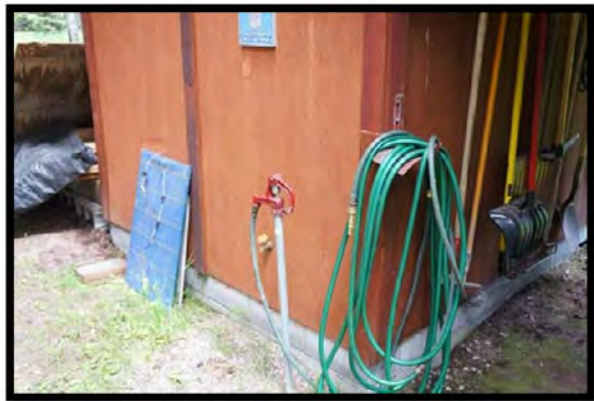
Bathroom



Bedroom

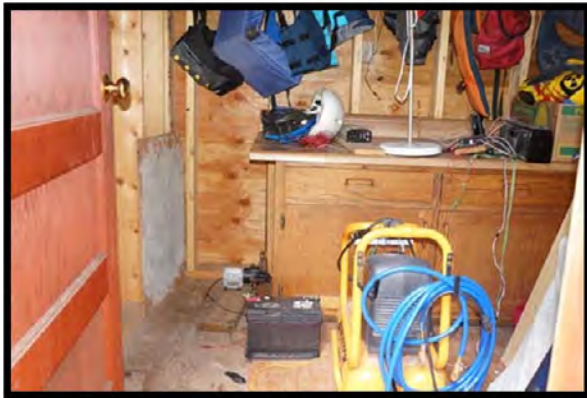


Pump House



Pump House

ADDITIONAL PHOTOGRAPHS



Pump House Interior



Outhouse



Wood Shed



A-Frame Building



Log Storage Building



Residence Crawl Space Foundation

ADDITIONAL PHOTOGRAPHS



Crawl Space



Snow Melt Water under Residence



Lot 20 Interior



Fire Pit



SE Property Boundary Marker Looking South



View West along South Property Boundary

ADDITIONAL PHOTOGRAPHS



SE Property Boundary Marker Looking North



Boundary Marker on East Side of Lot 20



View SW along North Property Boundary and Double K Lane



View South along East Property Boundary



Lot 20 from Liberty Lane



Double K Lane Looking Southwest

ADDITIONAL PHOTOGRAPHS

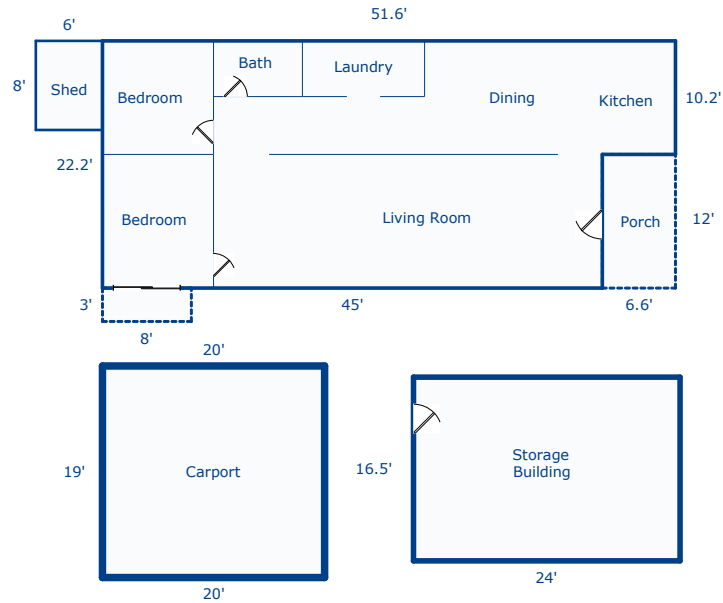


Liberty Lane Looking North



Liberty Lane Looking South

LOT 27 – BUILDING SKETCHES



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	Residence	1066.32	1066.32
GBA1	Metal Building	396.00	396.00
GAR	Carport	380.00	380.00
P/P	Stoop	24.00	
	Covered Porch	79.20	103.20
OTH	Open Shed	48.00	48.00
Net LIVABLE Area		(rounded)	1066
Net BUILDING Area		(rounded)	396

LIVING/BUILDING AREA BREAKDOWN				
Breakdown			Subtotals	
Residence				
45.0	x	12.0		540.00
51.6	x	10.2		526.32
Metal Building				
16.5	x	24.0		396.00
3 Items			(rounded)	1462

LOT 27 - SUBJECT PHOTOGRAPHS



Front of Shop Building on Lot 27



Side of Shop Building Looking Southwest



Rear of Shop Building



Rear and Side of Shop Building Looking South



Shop Building from Northwest Corner of Lot 27



Shop Building Interior

ADDITIONAL PHOTOGRAPHS



Shop Building Interior



Shop Building Interior



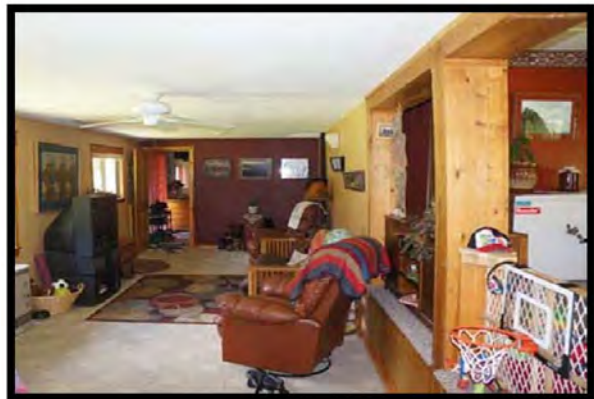
South and East Sides of Residence of Lot 27



South and West Sides of Residence on Lot 27



North and East Sides of Residence on Lot 27



Living Room

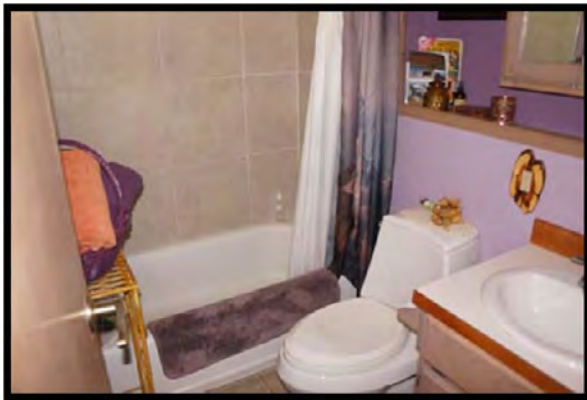
ADDITIONAL PHOTOGRAPHS



Bedroom



Bedroom



Bathroom



Dining Area



Kitchen



Laundry Room

ADDITIONAL PHOTOGRAPHS



Metal Storage Building



Storage Building Interior



Carport



Lot 27 Interior Looking Southwest



View East along North Property Boundary



Northeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



View South along East Property Boundary



SE Property Boundary Marker Looking N along E Boundary



Unimproved Road to South of Property Looking East



Unimproved Road Bordering Lot 27 Looking West



Berm along South Property Border Looking West



Boundary Marker at Southwest Corner of Property

ADDITIONAL PHOTOGRAPHS



Berm and View along West Property Boundary and Lars Kramen Ln.



Intersection of Lars Kramen Ln. & Boy Scout Rd.



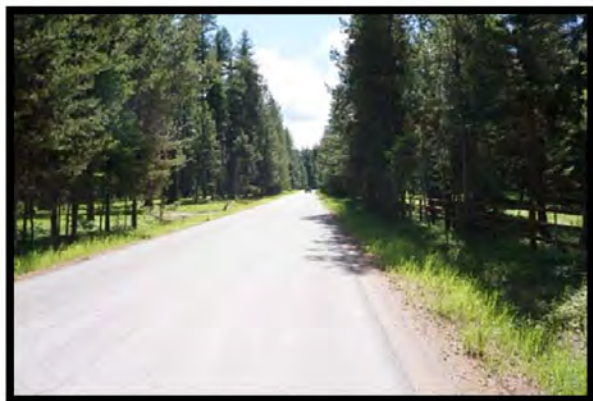
Lot 27 Interior



Lot 27 Interior



Boy Scout Road Looking West



Boy Scout Road Looking East

Outhouse

4'

4'

8'

8'

Shed

Lean-To

Shed

6'

12'

11'

40'

12'

Storage Building

Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
OTH	Shed	64.00	758.00
	Storage Building	480.00	
	Shed 2	132.00	
	Lean-To	66.00	
	Outhouse	16.00	

AREA BREAKDOWN	
Breakdown	Subtotals

LOT 31 - SUBJECT PHOTOGRAPHS



Shed



Storage Building Interior



Storage Building



Storage Building Interior



Storage Building Interior



Shed and Lean-To

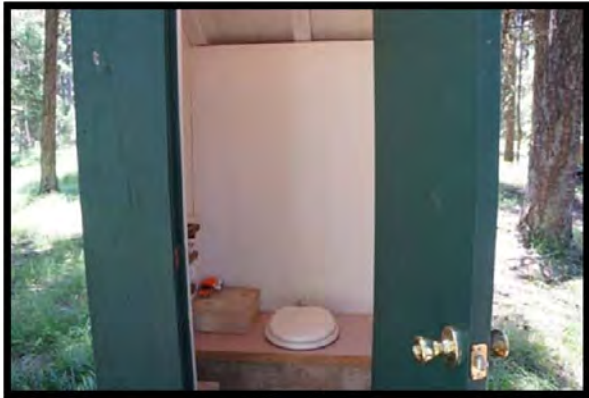
ADDITIONAL PHOTOGRAPHS



Shed Interior



Outhouse



Outhouse Interior



Lot Interior Looking Southwest



Unimproved Road Bordering South Side of Lot 31



Unimproved Road Looking Northwest

ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker



View North along West Property Boundary



View East along South Property Boundary



Northwest Property Boundary Marker Looking South



View Northwest along North Property Boundary



Northeast Property Boundary Marker

ADDITIONAL PHOTOGRAPHS



Metal Storage Building



Lot 31 Interior Looking West



Lot 31 Interior



Lot 31 Interior and Driveway

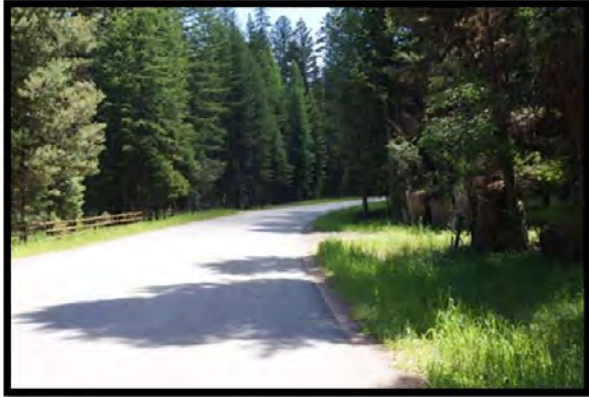


Firepit



Driveway to Lot 31

ADDITIONAL PHOTOGRAPHS

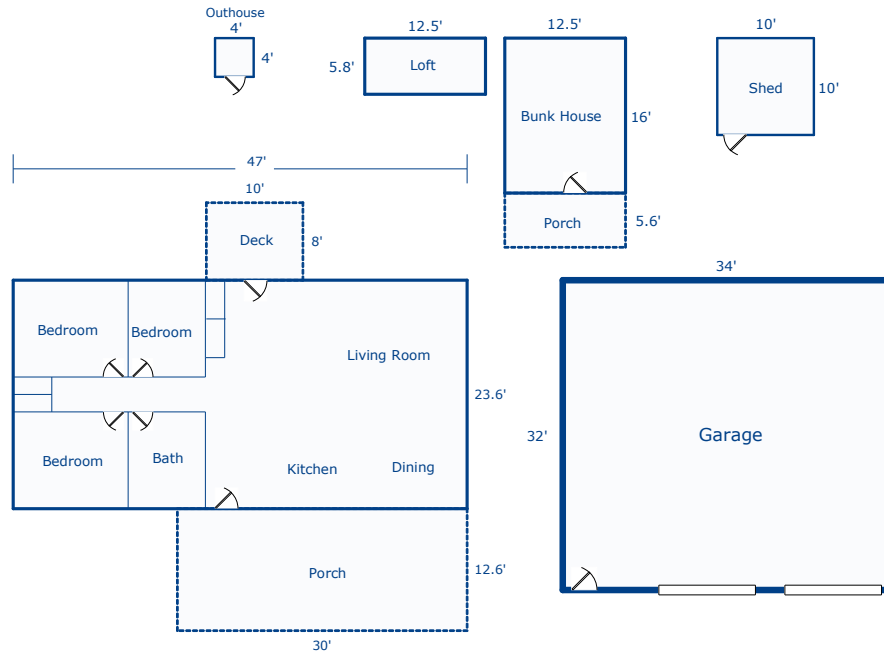


Boy Scout Road Looking Southeast



Boy Scout Road Looking Northwest

LOT 38 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1109.20	
	Bunk House	200.00	
	Bunk House Loft	72.50	1381.70
	Garage	1088.00	1088.00
GAR	Covered Porch	378.00	
	Deck	80.00	
	Bunk House Porch	70.00	528.00
	Shed	100.00	
OTH	Outhouse	16.00	116.00
Net LIVABLE Area		(rounded)	1382

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
47.0	x	23.6	1109.20
Bunk House			
12.5	x	16.0	200.00
Bunk House Loft			
12.5	x	5.8	72.50
3 Items			(rounded)
			1382

LOT 38 - SUBJECT PHOTOGRAPHS



Front of Residence on Lot 38



North Side of Residence



West Side of Residence



South Side of Residence



Covered Porch



Living Room

ADDITIONAL PHOTOGRAPHS



Living and Dining Area



Kitchen



Bedroom



Bedroom

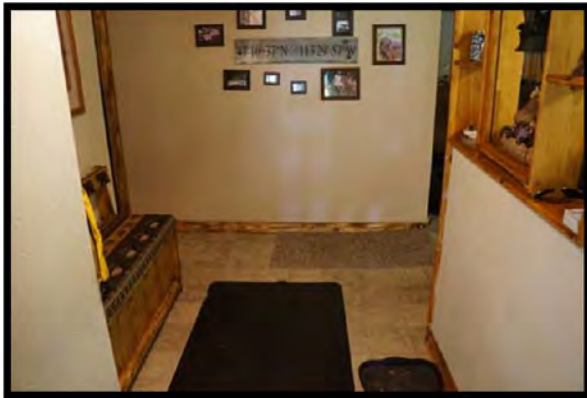


Bathroom

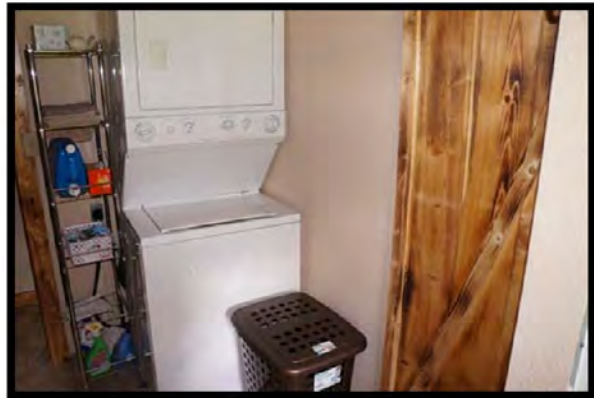


Bedroom

ADDITIONAL PHOTOGRAPHS



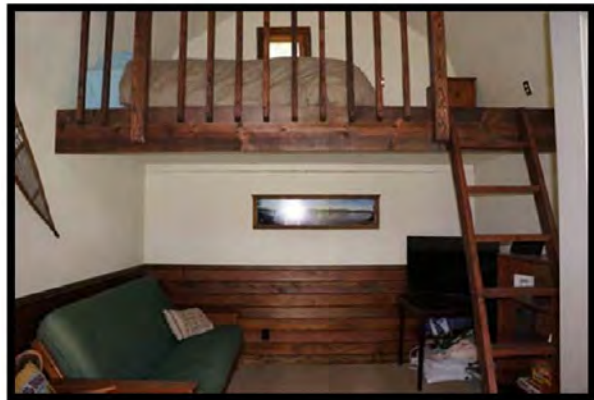
Entry



Laundry Area



Bunk House



Bunk House Interior



Garage/Shop Building



Garage Interior

ADDITIONAL PHOTOGRAPHS



Garage Interior



Shed



Shed Interior



Outhouse



Well



Northeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking South



Lot 38 Interior from Northeast Corner



Southeast Property Boundary Marker



View North along East Property Boundary



View West along South Property Boundary



View East along South Property Boundary

ADDITIONAL PHOTOGRAPHS



View Northwest along West Property Boundary



Lot 38 Looking NE from West Property Boundary



View Looking NW from NW Property Boundary



View East along North Property Boundary

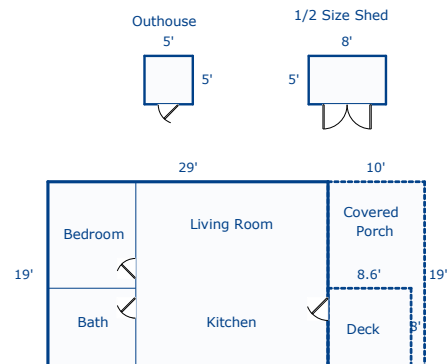


Boy Scout Road Looking North



Boy Scout Road Looking South

LOT 40 – BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	551.00	551.00
P/P	Covered Porch	190.00	
	Deck	68.80	258.80
OTH	Outhouse	25.00	
	1/2 Size Shed	40.00	65.00
Net LIVABLE Area		(rounded)	551

LIVING AREA BREAKDOWN			Subtotals
Breakdown			
First Floor			
	29.0	x 19.0	551.00
1 Item		(rounded)	551

LOT 40 - SUBJECT PHOTOGRAPHS



West Side of Residence on Lot 40



North Side of Residence



East Side of Residence



Living Room

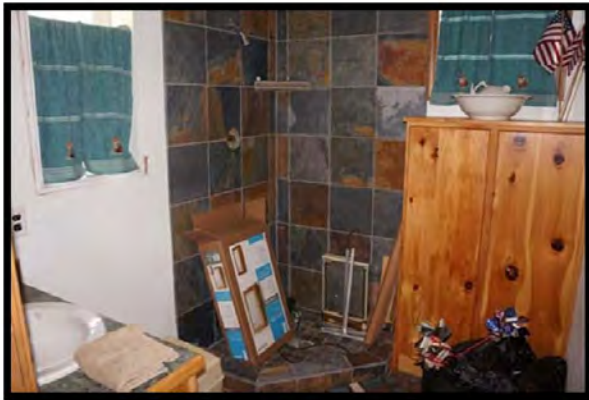


Kitchen



Bedroom

ADDITIONAL PHOTOGRAPHS



Bathroom



½ Size Shed



Outhouse



In-Ground Tanks



Firepit



Lot 40 Interior Looking East

ADDITIONAL PHOTOGRAPHS



Wet Area on West Portion of Lot 40



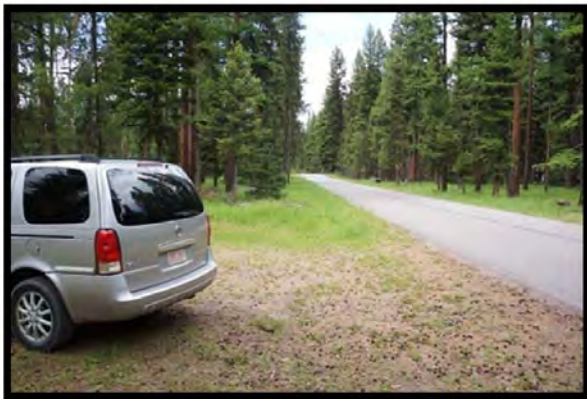
View East along South Property Boundary



Southeast Property Boundary Marker Looking East



View West along South Property Boundary



View North along East Property Boundary



Lot 40 from Boy Scout Road

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



View West along North Property Boundary



Northwest Property Boundary Marker



Boy Scout Road Looking North



Boy Scout Road Looking South

SUBJECT MARKET ANALYSIS - LOT 1

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

Subject Productivity Analysis

General Property Description

Subject Lot 1 is 1.656 acres in size and includes 197.05 feet of frontage along Seeley Lake. This property includes a single family residence.

Area Land Use Trends

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

Potential Users of Subject Property

The potential users of the subject Lot 1 would be market participants seeking to own recreational/residential property with frontage along Seeley Lake.

Demand Analysis

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

Vacant Sites with Frontage on Seeley, Lindbergh, and Placid Lakes

Due to the limited market data regarding properties on Seeley Lake, it was necessary to expand the search to properties on similar area lakes. Lindbergh Lake and Placid Lake are the area lakes most similar in size and compared to Seeley Lake. The market data located is below;

Lakefront Lot* Listings & Sales											
Seeley Lake, Lindbergh Lake, & Placid Lake											
Address	Lake Name	Sale Date	List Date	Sales Price	List Price	Improvement Value	Price Less Improvements	Site Acres	Front Feet on Lake	Price Per Front Foot	Days on Market
7860 Lindbergh Lake Rd	Lindbergh Lake	ACTIVE	Jun-18	N/A	\$499,000	\$0	\$499,000	0.74	100.00	\$4,990	N/A**
8619 N Placid Lake Rd	Placid Lake	ACTIVE	May-18	N/A	\$439,000	\$120,000	\$319,000	0.62	100.00	\$3,190	28
260 A St	Seeley Lake	ACTIVE	Jun-18	N/A	\$659,000	\$104,000	\$555,000	0.60	96.00	\$5,781	2
NHIN Placid View Place	Placid Lake	2016		\$1,050,000		\$0	\$1,050,000	5.54	332.99	\$3,153	9
704 Placid View Place	Placid Lake	2016		\$500,000		\$0	\$500,000	2.61	166.53	\$3,002	67
Lot 2A, Placid View Place	Placid Lake	2016		\$545,000		\$0	\$545,000	2.66	166.30	\$3,277	57
482 Shore Place	Placid Lake	2015		\$450,000		\$0	\$450,000	4.10	166.00	\$2,711	472
1184 Boy Scout Rd	Seeley Lake	2014		\$390,000		\$90,000	\$300,000	1.80	100.00	\$3,000	36
165 B Street	Seeley Lake	2014		\$470,000		\$130,000	\$340,000	0.99	100.00	\$3,400	13
Lot 1A, Placid View Place	Placid Lake	2014		\$490,000		\$0	\$490,000	1.38	200.00	\$2,450	34
*Sales or Listings with improvements of \$150,000 of contributory value or less utilized in this analysis.											
**Two of the Active Listings were listed after the report effective date but prior to the report completion date.											

Based upon this data, there are few sales with frontage along the three lakes studied each year. According to area realtors, there are typically few vacant sites with frontage along these lakes available for sale each year. There is likely some level of pent up demand for such properties. The closed sale data indicates a close correlation in price per front foot. The prices for active listings provide support that there is perceived pent up demand. **While the price per front foot is the generally accepted unit of comparison, the closed sale data also indicates a market value cap for a lakefront lot at \$545,000.** The 2016 sale at NHN Placid View Place is two legal parcels. If this sale is broken down by lot, the sales price equates to \$525,000 per lot.

Residential Improved Properties on Seeley, Lindbergh, and Placid Lakes

We conducted a search for sales of homes with frontage along Seeley Lake via the area MLS. Very few sales were located. We expanded the search to include homes on the most similar sized areas lakes (Placid Lake and Lindbergh Lake). The results are below;

Lakefront Home Listings & Sales Seeley Lake, Lindbergh Lake, & Placid Lake									
Year	Status	Address	Lake Name	Front Footage on Lake	House Year Built	House SF	List Price	Sales Price	Days on Market
2018	Active	855 Enchanted Forest	Placid Lake	250	1972	6,412	\$2,950,000		NA*
2018	Active	260 A St	Seeley Lake	96	1955	864	\$659,000		19
2018	Closed	115 B St	Seeley Lake	50	1997	2,304		\$627,000	39
2016	Closed	Lot 42, Placid Lake South Shore SD	Placid Lake	173	1989	1,952		\$850,000	57
2016	Closed	7000 Lindbergh Lake Rd	Lindbergh Lake	200	1986	804		\$785,000	111
2016	Closed	Lot 23 B St	Seeley Lake	100	1987	1,512		\$676,500	499
2015	Closed	246 Boy Scout Rd	Seeley Lake	100	2001	3,098		\$700,000	44
2014	Closed	244 South Shore Place	Placid Lake	169	1995	3,281		\$850,000	1077
2014	Closed	1184 Boy Scout Rd	Seeley Lake	100	1950	1,140		\$390,000	36
*Listed on July 3, 2018									

This data indicates that there have been from 0 to 3 home sales each year on the lakes studied between 2014 and 2018 Year-to-Date. Sales prices have fluctuated depending upon the characteristics of the lot and home.

Competitive Supply

Vacant Sites with Frontage on Seeley, Placid, and Lindbergh Lakes

We located three active listings of vacant sites or sites with minimal improvements on the lakes studied prior to the report delivery date. The list prices for the sites along Seeley and Lindbergh Lakes are significantly higher per front foot than the closed sales from prior years along the lakes studied.

Residential Improved Properties on Seeley, Lindbergh, and Placid Lakes

There were 2 active listings of homes on sites on the lakes studied.

Interaction of Supply and Demand

Vacant Sites with Frontage on Seeley, Lindbergh, and Placid Lakes

We located one active listing of a vacant site along Lindbergh Lake and two active listings of homes on Seeley or Placid Lake with minimal improvements. Based upon available market data, there is likely some degree of pent up demand for vacant, smaller acreage parcels with frontage along Seeley, Lindbergh, or Placid Lake. The list prices for two of the active listings significantly exceed prices per front foot paid in recent years on the lakes studied.

Residential Improved Properties on Seeley, Lindbergh, and Placid Lakes,

Based upon sales volume during prior years, the supply and demand for homes with frontage along the lakes studied is in relative balance. Analysis of small data sets can be problematic and there may be some degree of pent up demand.

Subject Marketability Conclusion

Vacant Sites with Frontage on Seeley, Lindbergh, or Placid Lakes

The subject site is considered to have similar marketability compared to other smaller acreage sites with frontage along Seeley, Lindbergh, or Placid Lakes.

Residential Improved Properties on Seeley, Lindbergh, and Placid Lakes

The subject property, as improved, is considered to have similar marketability compared to other properties with frontage along the lakes studied.

The most applicable and recent sales of vacant and improved properties in Seeley Lake during the period studied were selected as comparables for determination of the value of Subject Lot 1 as if vacant, the value of the subject improvements, and the value of the subject property as improved.

Estimated Marketing and Exposure Times

The lake front lots (or lots with minimal improvements) that sold in 2014 were marketed for an average of 28 days. The one sale in 2015 was marketed for 472 days and the three sales in 2016 were marketed for an average of 44 days. There have been no sales of lake front lots on the lakes studied via the area MLS since 2016. Based upon this data, a **marketing time** between 1 to 3 months is considered appropriate for subject Lot 1 as if vacant. If subject Lot 1 had sold, as if vacant, on the effective date of this report, at the appraised value concluded, a 1 to 3 month **exposure time** would have been reasonable.

The four improved sales with frontage along Seeley Lake that sold via the area MLS since 2014 were marketed for an average of 155 days or approximately 5 months. The A **marketing time** between 3 to 6 months is appropriate for subject Lot 1 as improved. If this subject property had sold, as improved, on the effective date of this report, at the appraised value concluded in this report, a 3 to 6 month **exposure time** would have been reasonable.

SUBJECT MARKET ANALYSIS - INTERIOR LOTS

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

Subject Productivity Analysis

General Property Description

The subject sites range in size from 1.217 up to 3.148 in gross acres. All of the sites include improvements and all but one include single family residences. None of the subject properties include water frontage.

Area Land Use Trends

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

Potential Users of Subject Property

The potential users of the subject lots would be market participants seeking to own recreational/residential properties in the Seeley Lake area.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted a search of the area MLS for sales of vacant residential sites, with no water frontage, and up to 4.00 acres in size. Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the regional MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of this search is below;

Seeley Lake Vacant Lot Market Activity					
Up to 4.00 Acres in Size - Non-Waterfront Location					
Year	# of Sales	Average Sales Price	Average List Price	Average Site Size/Acres	Average Days on Market
2014	8	\$48,063		2.15	325
2015	10	\$46,735		2.43	238
2016	15	\$44,737		1.83	215
2017	23	\$48,789		1.78	396
2018 Year-to-Date	4	\$41,125		1.73	276
ACTIVE	54		\$68,557	2.22	357

This data indicates that the average sales prices for sites in these search parameters has fluctuated somewhat over the past few years but has remained in a relatively tight range.

We also conducted a search of the area MLS for sales of improved residential properties on similar sized sites with no water frontage in Seeley Lake. The results of our search are below;

Seeley Lake Residential Improved Properties - Market Activity			
Homes on Non-Waterfront Lots up to 3 Acres in Size			
Year	# of Sales	Average Sales Price	Average Days on Market
2014	21	\$234,590	270
2015	26	\$224,429	255
2016	29	\$216,443	254
2017	22	\$216,325	174
2018 YTD	15	\$245,093	205
ACTIVES	20	\$287,987	186

This data indicates that the average home price fluctuated between 2014 and 2018 Year-to-Date but has remained within a relatively tight range.

Competitive Supply

There were 54 active listings of vacant home sites with 4 acres or less (non-waterfront) in Seeley Lake as of the report effective date. The average list price for vacant interior sites in the size range studied far exceeds the average sales prices received in recent years.

There were 20 active listings of homes on interior sites with 3 acres or less in Seeley Lake as of the report effective date. The average list price is approximately 18% greater than the average price received in 2018 Year-to-Date.

Interaction of Supply and Demand

Based upon the average sales volume from 2016, 2017, and 2018 Year-to-Date; there is an over 3 year supply of vacant residential lots, with no water frontage, for sale with 4 acres or less in Seeley Lake. The average list price far exceeds the average sales prices received in recent years. Supply far exceeds annual demand and there will likely be significant downward price pressure on the active listings in order for them to sell within typical marketing times.

Based upon the average sales volume from 2014 through 2018 Year-to-Date, there is less than 1 year supply of homes for sale on interior lots with 3 acres or less in Seeley Lake. Supply and demand are in relative balance. Based upon the average sales prices received in prior years, there may be some downward price pressure on the active listings for them to sell within typical marketing times.

Subject Marketability Conclusion

The subject lots, as if vacant, are considered to have similar marketability to other similar sized, interior sites in Seeley Lake.

The subject properties, as improved, are considered to have similar marketability compared to other residential properties (with improvements of similar quality and condition) on interior sites in Seeley Lake.

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

Estimated Marketing and Exposure Times

The 23 interior lot sales in Seeley Lake that closed in 2017 were marketed for an average of 396 days. The 4 interior lot sales in Seeley Lake that closed in 2018 Year-to-Date were marketed for 276 days. **Marketing times** between 8 to 12 months are appropriate for the interior subject properties, as if vacant. If these subject properties had sold, as if vacant, on the effective date of this report, at the appraised values concluded in this report, 8 to 12 month **exposure times** would have been reasonable.

The 22 homes sales on interior lots in Seeley Lake that closed in 2017 were marketed for an average of 174 days. The 15 home sales in Seeley Lake that closed in 2018 Year-to-Date were marketed for 205 days. **Marketing times** between 6 to 8 months are appropriate for the interior subject properties, as improved. If these subject properties had sold, as improved, on the effective date of this report, at the appraised values concluded in this report, 6 to 8 month **exposure times** would have been reasonable.

HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

SUBJECT LOT 1 – AS IF VACANT

Legally Permissible

This subject property is in an area with no zoning. There are numerous legally permissible uses.

Physically Possible

There is sufficient space on this subject property for a single family residence and related outbuildings. The site has sufficient area to support a well and septic system.

Financially Feasible

Many lots along Seeley Lake include single family residences. Use of this subject lot, as if vacant, for construction of a single family residence is financially feasible.

Maximally Productive

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

SUBJECT LOT 1 - AS IMPROVED

This subject property is improved with a single family residence and one outbuilding. There is market acceptance of many types of residences along area lakes and rivers. Area waterfront residences range from very small, older, un-renovated cottages used seasonally to newer homes utilized on a year round basis. Alteration of the subject residence for any use other than as a single family home would require large capital expenditures. There may be sufficient space on the subject site for construction of an additional residence. Use of this property for one or more single family residences is the highest and best use as improved.

REMAINING SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

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

Physically Possible

There is sufficient space on each subject site for a single family residence and/or a manufactured home, and related outbuildings. There is not sufficient space on each site for most other types of uses. According to our research, elevated sand mound or other types of engineered septic systems may be required for the subject properties and some sort of water filtration system may be necessary as well.

Financially Feasible

Most similar interior lots in the area are improved with single family residences. According to our research, some area residences are occupied year round and some are utilized seasonally for recreational purposes. Use of the subject lots for construction of single family residences is financially feasible.

Maximally Productive

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

REMAINING SUBJECT PROPERTIES WITH RESIDENCES - AS IMPROVED

All but one of the subject properties are improved with single family residences. There is market acceptance of many types of residences in Seeley Lake. Alteration of the subject residences for any use other than as single family homes would require large capital expenditures. Continued use as single family residences for these subject properties is the highest and best use as improved.

THE APPRAISAL PROCESS

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

APPROACHES IN THE VALUATION OF REAL PROPERTY

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

Cost Approach

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

Sales Comparison Approach

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

Income Capitalization Approach

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

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

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

All three approaches to value were considered for the valuation of subject lots 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 residences on the subject lots 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. It was necessary to utilize two sets of lot sales and two sets of home sales. Lakefront lot sales and lakefront home sales are utilized to determine the value of subject Lot 1 as if vacant and as improved. Interior lot sales and interior home sales were utilized to determine the values of the remaining subject lots as if vacant and as improved.

After presentation of the comparables, the subject sites and improvements are valued for each property.

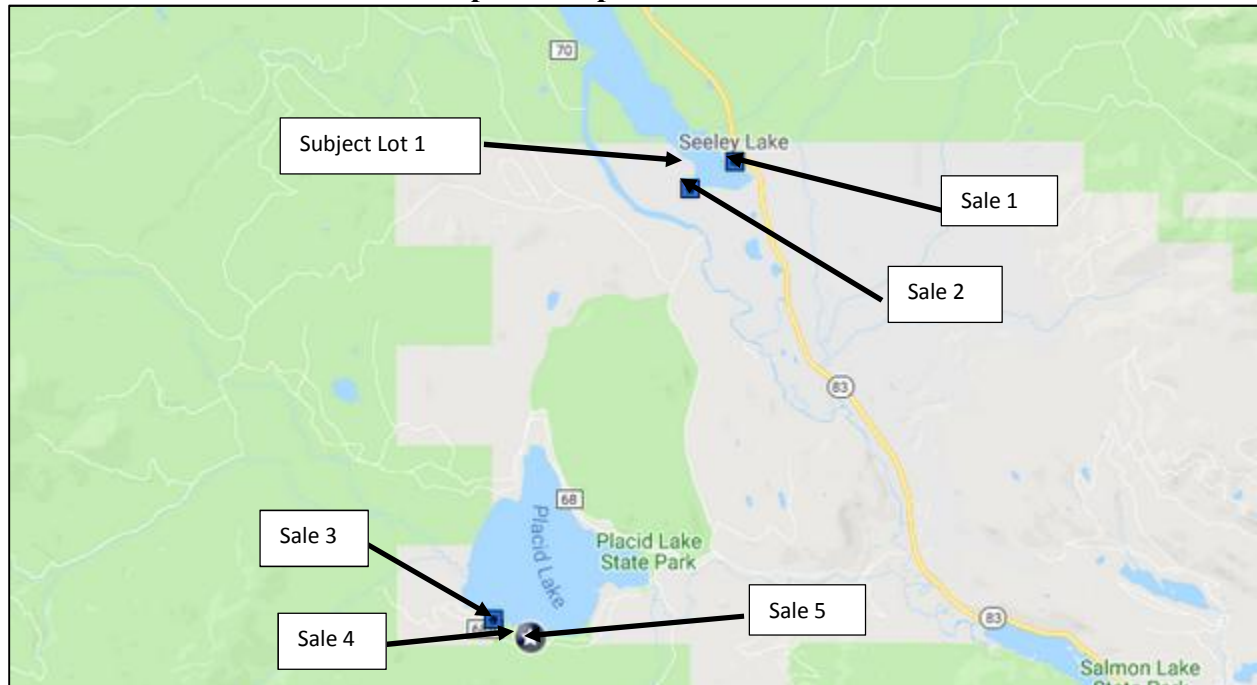
LAKEFRONT LOT SALES

We conducted a search for sales of sites along Seeley Lake that closed during the past year. No sales of vacant sites or sites with minimal improvements were located. Due to the limited market data located, it was necessary to expand the search further back in time and to similar area lakes. It is our opinion that Placid Lake and Lindbergh Lake are the most similar in location and marketability compared to Seeley Lake. The recognized unit of comparison is price per frontage along the lake. These comparables are described on the table below;


Sale #	Address	City	Lake	Acres	Front Feet	Sale Date	Sales Price	Value of Improvements	Sales Price Less Improvements	Price/FF
1	165 B St	Seeley Lake	Seeley Lake	0.986	100.00	2014	\$470,000	\$130,000	\$340,000	\$3,400
2	1184 Boy Scout Rd	Seeley Lake	Seeley Lake	1.800	100.00	2014	\$390,000	\$90,000	\$300,000	\$3,000
3	704 Placid View Pl	Seeley Lake	Placid Lake	2.610	166.53	2016	\$500,000	\$0	\$500,000	\$3,002
4	Lot 2A, Placid View Pl	Seeley Lake	Placid Lake	2.660	166.30	2016	\$545,000	\$0	\$545,000	\$3,277
5	NHN Placid View Pl	Seeley Lake	Placid Lake	5.540	332.99	2016	\$1,050,000	\$0	\$1,050,000	\$3,153

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	165 B Street	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	0000915304	
	Zoning	Unzoned	
	Site Size: Acres	0.986	
	Square Feet	42,950	
	Date of Sale	July 31, 2014	
	Sales Price	\$470,000	
	Less Cost of Improvements*	\$130,000	
Sales Price Adjusted	\$340,000		
MLS #	20144933		
ANALYSIS OF SALE			
Price per Acre	\$344,828	Price per Square Foot	\$7.92
		Price Per Front Foot	\$3,400
TRANSFER INFORMATION			
Grantor	Murphy Seeley Lake Rental, LLC	Grantee	Christopher H. Rinehart & Charles H. Rinehart
Type of Instrument	Warranty Deed	Document #	201411368
Financing/Conditions	Cash/Market	Marketing Time	13 Days on Market
Legal Description	Lot 33 of Seeley Lake Shore Sites	Verified By	Kim Koppen, Listing Agent
Intended Use/Comments	Purchased for Recreational/Residential Use		
Section/Township/Range	S3/T16N/R15W		
PROPERTY DETAILS			
Access	Paved County Rd.	View	Lake, Mountains
Topography	Level	Lot Dimensions	100' x 400' x 65' x 529'
Flood Plain	According to Flood Map # 30063C0740E, the property is not in an area of Elevated Flood Risk.	Improvements	The property is improved with a 1,092 SF Cabin, a shed, and a carport.
Feet of Water Frontage	100	Value of Improvements	\$130,000
Front Feet Per Acre	101		
Utilities	Electricity, Telephone, Propane, City Water, Septic	Miscellaneous	
Report File # 18-021			

LAND SALE 2

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

LAND SALE 3



Location

City/State

County

Assessor Number

Zoning

Site Size: Acres

Square Feet

Date of Sale

Sales Price

Less Cost of Improvements*

Sales Price Adjusted

MLS #

704 Placid View Place

Seeley Lake

Missoula

3728409

Zoning District 8

2.610

113,692

June 10, 2016

\$500,000

\$0

\$500,000

21602552

ANALYSIS OF SALE

Price per Acre

\$191,571

Price per Square Foot

\$4.40

Price Per Front Foot

\$3,002

TRANSFER INFORMATION

Grantor

Wendy Wetherell Legacy Trust

Grantee

Robert J. Marshall & Jamie W. Marshall

Type of Instrument

Warranty Deed

Document #

201609268

Marketing Time

67 Days on Market

Financing/Conditions

Cash/Market

Verified By

Kevin Wetherell, Listing Agent

Legal Description

Lot 12A of Placid Lake South Shore Tracts First Amendment, Missoula County, MT

Intended Use/Comments

Purchased for Recreational/Residential Use

Section/Township/Range

S29/T16N/R15W

PROPERTY DETAILS

Access

Gravel Road

View

Lake, Mountains

Topography

Slopes Down Toward Waterfront

Lot Dimensions

Various

Flood Plain

According to Flood Map # 30063C1025D, the property is in an area of undetermined flood risk.

Improvements

None

Feet of Water Frontage

166.53

Value of Improvements

\$0

Front Feet Per Acre

64

Utilities


Electricity & Telephone to lot. Septic approved for lot.

Miscellaneous


A private access road and utility easement crosses this property.

Report File # 17-014ec

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location	Lot 2A, Placid View Place	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	4615536	
	Zoning	Zoning District 8	
	Site Size: Acres	2.660	
	Square Feet	115,870	
	Date of Sale	September 16, 2016	
	Sales Price	\$545,000	
	Less Cost of Improvements*	\$0	
Sales Price Adjusted	\$545,000		
MLS #	21608458		
ANALYSIS OF SALE			
Price per Acre	\$204,887	Price per Square Foot	\$4.70
		Price Per Front Foot	\$3,277
TRANSFER INFORMATION			
Grantor	Richard A. Ainsworth & Linda S. Ainsworth	Grantee	David Harold Allmacher & Keri Foerster Allmacher
Type of Instrument	Warranty Deed	Document #	201616857
Financing/Conditions	Owner Financing/Market	Marketing Time	57 Days on Market
Legal Description	Lot 2A of of Placid Lake South Shore Tracts First Amendment, Missoula County, MT	Verified By	Kevin Wetherell, Listing Agent
Section/Township/Range	S29/T16N/R15W	Intended Use/Comments	Purchased for Recreational/Residential Use
PROPERTY DETAILS			
Access	Gravel Road	View	Lake, Mountains
Topography	Slopes Down Toward Waterfront	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C1025D, the property is in an area of undetermined flood risk.	Improvements	None
Feet of Water Frontage	166.3	Value of Improvements	\$0
Front Feet Per Acre	63	Miscellaneous	A private access road and utility easement crosses this property.
Utilities	Electricity & Telephone to lot. Septic approved for lot.		
Report File # 17-014ec			

LAND SALE 5

COMPARABLE SALE INFORMATION			
	Location	NHN Placid View Place	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	3728505 & 4616232	
	Zoning	Zoning District 8	
	Site Size: Acres	5.540	
	Square Feet	241,322	
	Date of Sale	August 1, 2016	
	Sales Price	\$1,050,000	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$1,050,000	
	MLS #	21608400	
ANALYSIS OF SALE			
Price per Acre	\$189,531	Price per Square Foot	\$4.35
		Price Per Front Foot	\$3,153
TRANSFER INFORMATION			
Grantor	D. Lester Turnbull & Sandra Turnbull Trust	Grantee	Daniel L. Mahn & Andrea L. Mahn
Type of Instrument	Warranty Deed	Document #	201613289
Financing/Conditions	Owner Financing/Market	Marketing Time	9 Days on Market
Legal Description	Lots 14A & 15A of Placid Lake South Shore Tracts First Amendment, Missoula County, MT	Verified By	Kevin Wetherell, Listing Agent
		Intended Use/Comments	Purchased for Recreational/Residential Use
Section/Township/Range	S29/T16N/R15W		
PROPERTY DETAILS			
Access	Gravel Road	View	Lake, Mountains
Topography	Slopes Down Toward Waterfront	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C1025D, the property is in an area of undetermined flood risk.	Improvements	None
Feet of Water Frontage	332.99	Value of Improvements	\$0
Front Feet Per Acre	60		
Utilities	Electricity & Telephone to both lots. Septic approved for both lots.	Miscellaneous	This is the sale of two contiguous lots with frontage along Placid Lake. A private access road and utility easement crosses this property.
Report File # 17-014ec			

LAKEFRONT HOME SALES

We conducted a search for sales of homes on sites along Seeley Lake similar to the subject property as improved to utilize as comparables. The most applicable and recent 3 sales located are described on the table below;

Home Sales							
Sale #	Address	City	Lake	Sale Date	Sales Price*	Less Site Value	Sale Price of Improvements
1	Lot 23 B St	Seeley Lake	Seeley Lake	2016	\$676,500	\$310,000	\$366,500
2	115 B St	Seeley Lake	Seeley Lake	2018	\$627,000	\$235,000	\$392,000
3	246 Boy Scout Rd	Seeley Lake	Seeley Lake	2015	\$700,000	\$310,000	\$390,000

A complete description of each comparable is included in the individual comparable write-ups provided in this section of this report. A map depicting the location of subject Lot 1 in relation to the comparable sales is below;

Map of Comparable Home Sales



HOME SALE 1

[illegible]

HOME SALE 2

COMPARABLE SALE INFORMATION																											
		<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 30%;">Location</td><td>115 B Street</td></tr> <tr><td>City/State</td><td>Seeley Lake, MT</td></tr> <tr><td>County</td><td>Missoula</td></tr> <tr><td>Assessor Number</td><td>0000723005</td></tr> <tr><td>Zoning</td><td>Unzoned</td></tr> <tr><td>Site Size: Acres</td><td>0.522</td></tr> <tr><td style="text-align: center;">Square Feet</td><td>22,738</td></tr> <tr><td>Date of Sale</td><td>June 29, 2018</td></tr> <tr><td>Sales Price</td><td>\$627,000</td></tr> <tr><td>Adjustment to Sales Price</td><td>\$0</td></tr> <tr><td>Adjusted Sales Price</td><td>\$627,000</td></tr> <tr><td>MLS #</td><td>21805829</td></tr> </table>		Location	115 B Street	City/State	Seeley Lake, MT	County	Missoula	Assessor Number	0000723005	Zoning	Unzoned	Site Size: Acres	0.522	Square Feet	22,738	Date of Sale	June 29, 2018	Sales Price	\$627,000	Adjustment to Sales Price	\$0	Adjusted Sales Price	\$627,000	MLS #	21805829
		Location	115 B Street																								
		City/State	Seeley Lake, MT																								
		County	Missoula																								
		Assessor Number	0000723005																								
		Zoning	Unzoned																								
		Site Size: Acres	0.522																								
		Square Feet	22,738																								
		Date of Sale	June 29, 2018																								
		Sales Price	\$627,000																								
		Adjustment to Sales Price	\$0																								
		Adjusted Sales Price	\$627,000																								
MLS #	21805829																										
TRANSFER INFORMATION																											
Grantor	Lee Finney & Dawn Finney	Grantee	Cody Gordon																								
Recording Data	Warranty Deed #201810756	Marketing Time	39 Days on Market																								
Financing/Conditions	Conventional/Market	Verified By	Clint Roberts, Listing Agent																								
Legal Description	E 1/2 of Lot 21, Seeley Lake Shore Sites	Intended Use	Residential/Recreational																								
Section/Township/Range	S3/T16N/R15W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
Water Frontage	50' on Seeley Lake	Sales Price	\$627,000																								
Access	B Street, Paved County Rd.	Estimated Site Value	\$235,000																								
House Square Feet	2,304	Sales Price of Improvements	\$392,000																								
Bedroom/Bathrooms	4BR/2BA	Improvement Price/SF	\$170																								
Year Built or Renovated	1997																										
Basement	Crawl Space																										
Construction	Wood Frame																										
Quality	Good																										
Condition	Good																										
Water/Sewer	City Water/Septic																										
Utilities	Electricity/Telephone																										
Topography	Level with gradual slope toward lake																										
Garage	2 Car Carport & 2 Car Garage																										
Outbuildings																											
Miscellaneous		Report File # 17-014ec																									

***This sale closed after the report effective date. It was under contract as of the report effective date and closed before the report publish date.**

HOME SALE 3

[illegible]

INTERIOR LOT SALES

We conducted a search for sales of interior sites in Seeley Lake similar in size and overall utility compared to the interior subject sites. We located 4 recent sales that compare well with the interior subject sites. These sales are considered the best and most appropriate comparables available. These comparables are described on the table below;


Sale #	Address	City	Site Size/Acres	Sale Date	Sales Price
1	NHN Riverview Dr	Seeley Lake	0.337	2017	\$33,000
2	Lot 18 Lemar Dr	Seeley Lake	1.070	2018	\$25,000
3	Lot 14 Lemar Dr	Seeley Lake	1.180	2017	\$20,603
4	NHN Eagle Port	Seeley Lake	0.460	2018	\$38,500

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																											
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">Location</td><td>NHN Riverview Drive</td></tr> <tr><td>City/State</td><td>Seeley Lake, MT</td></tr> <tr><td>County</td><td>Missoula</td></tr> <tr><td>Assessor Number</td><td>00000591108</td></tr> <tr><td>Zoning</td><td>Unzoned</td></tr> <tr><td>Site Size: Acres</td><td>0.337</td></tr> <tr><td>Square Feet</td><td>14,680</td></tr> <tr><td>Date of Sale</td><td>November 17, 2017</td></tr> <tr><td>Sales Price</td><td>\$33,000</td></tr> <tr><td>Less Cost of Improvements*</td><td>\$0</td></tr> <tr><td>Sales Price Adjusted</td><td>\$33,000</td></tr> <tr><td>MLS #</td><td>21711574</td></tr> </table>			Location	NHN Riverview Drive	City/State	Seeley Lake, MT	County	Missoula	Assessor Number	00000591108	Zoning	Unzoned	Site Size: Acres	0.337	Square Feet	14,680	Date of Sale	November 17, 2017	Sales Price	\$33,000	Less Cost of Improvements*	\$0	Sales Price Adjusted	\$33,000	MLS #	21711574
	Location	NHN Riverview Drive																									
	City/State	Seeley Lake, MT																									
	County	Missoula																									
	Assessor Number	00000591108																									
	Zoning	Unzoned																									
	Site Size: Acres	0.337																									
	Square Feet	14,680																									
	Date of Sale	November 17, 2017																									
	Sales Price	\$33,000																									
	Less Cost of Improvements*	\$0																									
	Sales Price Adjusted	\$33,000																									
MLS #	21711574																										
ANALYSIS OF SALE																											
Price per Acre	\$97,923	Price per Square Foot	\$2.25																								
		Price Per Front Foot	N/A																								
TRANSFER INFORMATION																											
Grantor	Rodney J. Flake & Joyce A. Flake	Grantee	Dwight H. Kelley																								
Type of Instrument	Warranty Deed	Document #	201723314																								
		Marketing Time	424 Days on Market																								
Financing/Conditions	Cash/Market	Verified By	Scott Kennedy, Listing Agent																								
Legal Description	Lot 25 of J&M Suburban Homesites #2	Intended Use/Comments	Purchaser constructed a large storage building on the property.																								
Section/Township/Range	S3/T16N/R15W																										
PROPERTY DETAILS																											
Access	Riverview Drive, Paved County Rd.	View	Lake, Mountains																								
Topography	Level	Lot Dimensions	98.34' x 147.24' x 100.07' x 150.13'																								
Flood Plain	According to Flood Map # 30063C0740E, the property is not located in an area of elevated flood risk.	Improvements	None																								
Water	N/A	Value of Improvements	\$0																								
Water Frontage	N/A																										
Utilities	Underground Electricity & Telephone at road. Access to City Water. Septic was approved.	Miscellaneous	According to the listing agent, the buyer purchased the lot for storage purposes.																								
			Report File # 18-021ec																								


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location	Lot 18 Lemar Drive	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	0003884200	
	Zoning	Unzoned	
	Site Size: Acres	1.070	
	Square Feet	46,609	
	Date of Sale	April 4, 2018	
	Sales Price	\$25,000	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$25,000	
	MLS #	21802893	
ANALYSIS OF SALE			
Price per Acre	\$23,364	Price per Square Foot	\$0.54
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Smith/Hauser Investments, LLC	Grantee	Bryce Stevenson
Type of Instrument	Warranty Deed	Document #	201805182
		Marketing Time	6 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kim Koppen, Listing Agent
Legal Description	Lot 18 of Hillcrest Heights Phase 2	Intended Use/Comments	Purchased for Residential Use
Section/Township/Range	S2/T16N/R15W		
PROPERTY DETAILS			
Access	Lemar Drive, Paved County Rd.	View	Woods, Mountains
Topography	Level	Lot Dimensions	299.35' x 155' x 299.41' x 155'
Flood Plain	According to Flood Map # 30063C0740E, the property is not located in an area of elevated flood risk.	Improvements	None
Water	N/A	Value of Improvements	\$0
Water Frontage	N/A	Miscellaneous	The property is located in Hillcrest Heights Subdivision and is subject to CC&R's.
Utilities	Underground Electricity & Telephone at road.		
			Report File # 18-021ec

LAND SALE 3

COMPARABLE SALE INFORMATION			
	Location		Lot 14 Lemar Drive
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0003883804
	Zoning		Unzoned
	Site Size: Acres		1.180
	Square Feet		51,401
	Date of Sale		August 10, 2017
	Sales Price		\$20,603
	Less Cost of Improvements*		\$0
	Sales Price Adjusted		\$20,603
	MLS #		21605768
ANALYSIS OF SALE			
Price per Acre	\$17,460	Price per Square Foot	\$0.40
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Smith/Hauser Investments, LLC	Grantee	Jenna L. Sage, James W. Sage
Type of Instrument	Warranty Deed	Document #	201716071
		Marketing Time	435 Days on Market
Financing/Conditions	Conventional / Market	Verified By	Kim Koppen, Listing Agent
Legal Description	Lot 14 of Hillcrest Heights Phase 2	Intended Use/Comments	Purchased for Residential Use
Section/Township/Range	S2/T16N/R15W		
PROPERTY DETAILS			
Access	Lemar Drive, Paved County Rd.	View	Woods, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, the property is not located in an area of elevated flood risk.	Improvements	None
Water	N/A	Value of Improvements	\$0
Water Frontage	N/A		
Utilities	Underground Electricity & Telephone at road.	Miscellaneous	The property is located in Hillcrest Heights Subdivision and is subject to CC&R's.
Report File # 18-021ec			

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location	NHN Eagle Port	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	0002398800	
	Zoning	Unzoned	
	Site Size: Acres	0.460	
	Square Feet	20,038	
	Date of Sale	May 24, 2018	
	Sales Price	\$38,500	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$38,500	
	MLS #	21706599	
ANALYSIS OF SALE			
Price per Acre	\$83,696	Price per Square Foot	\$1.92
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Steven G. Lindemer & Jennifer S. Lindemer	Grantee	Robert W. Foley & Mary S. Foley
Type of Instrument	Warranty Deed	Document #	201808344
Financing/Conditions	Conventional / Market	Marketing Time	355 Days on Market
Legal Description	Lot 9 of Block 1, Seeley Lake Sky Park #2	Verified By	Kevin Wetherell, Selling Agent
Intended Use/Comments	Purchased for Residential Use		
Section/Township/Range	S1/T16N/R15W		
PROPERTY DETAILS			
Access	Gravel Road	View	Mountains
Topography	Level	Lot Dimensions	154' x 130'
Flood Plain	According to Flood Map # 30063C0740E, the property is not located in an area of elevated flood risk.	Improvements	None
Water	N/A	Value of Improvements	\$0
Water Frontage	N/A	Miscellaneous	The property is located in Sky Park Subdivision and had direct access to the Seeley Lake Airport.
Utilities	Underground Electricity & Telephone at road.		
Report File # 18-021ec			

INTERIOR HOME SALES

We conducted a search for sales of homes in Seeley Lake similar to the subject properties as improved. 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	260 Timberlane	Seeley Lake	2017	\$135,000	\$70,000	\$65,000
2	645 Morrell Creek Dr	Seeley Lake	2017	\$166,500	\$40,000	\$126,500
3	700 Spruce St	Seeley Lake	2017	\$148,000	\$35,000	\$113,000
4	656 Juniper Ln	Seeley Lake	2017	\$140,000	\$25,000	\$115,000

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


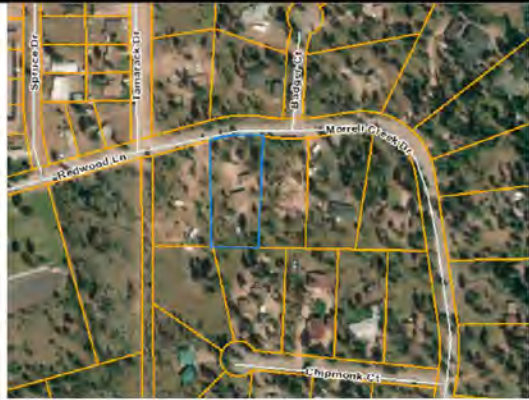
Map of Comparable Lot Sales



HOME SALE 1

[illegible]

HOME SALE 2

COMPARABLE SALE INFORMATION			
	Location	645 Morrell Creek Drive	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	0001477507	
	Zoning	Unzoned Portion of Missoula Co.	
	Site Size: Acres	1.020	
	Square Feet	44,431	
	Date of Sale	October 17, 2017	
	Sales Price	\$166,500	
	Adjustment to Sales Price	\$0	
	Adjusted Sales Price	\$166,500	
MLS #	21710648		
TRANSFER INFORMATION			
Grantor	Leigh Dicks	Grantee	Susan D. DeBree
Recording Data	Warranty Deed #201721353	Marketing Time	56 Days on Market
Financing/Conditions	Cash/Market	Verified By	Scott Kennedy, Listing Agent
Legal Description	Lot 65 of Double Arrow Ranch Phase 2	Intended Use	Residential
Section/Township/Range	S2/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$166,500
Access	Morrell Creek Dr., Paved County Rd	Estimated Site Value	\$40,000
House Square Feet	864	Sales Price of Improvements	\$126,500
Bedroom/Bathrooms	2BR/1BA	Improvement Price/SF	\$146
Year Built or Renovated	1980		
Basement	Crawl Space		
Construction	Log		
Quality	Average		
Condition	Average		
Water/Sewer	City Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2 Car Detached w/studio apartment		
Outbuildings	None		
Miscellaneous			

Report File # 17-028ec

HOME SALE 3

COMPARABLE SALE INFORMATION



Location	700 Spruce Drive
City/State	Seeley Lake
County	Missoula
Assessor Number	0336603
Zoning	Unzoned Portion of Missoula Co.
Site Size: Acres	0.425
Square Feet	18,513
Date of Sale	May 12, 2017
Sales Price	\$148,000
Adjustment to Sales Price	\$0
Adjusted Sales Price	\$148,000
MLS #	21603859

TRANSFER INFORMATION

Grantor	George R. Blendermann & Pamela C. Blendermann	Grantee	Brenda M. Flanagan
Recording Data	Warranty Deed #201708012	Marketing Time	382 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kim Koppen, Listing Agent
Legal Description	Lots 10 & 11 of Block 6, Seeley Lake Homesites #2	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		

DESCRIPTION OF IMPROVEMENTS

ANALYSIS OF SALE

Water Frontage	N/A
Access	Locust Ln, Paved/Spruce Dr, Gravel
House Square Feet	1,260
Bedroom/Bathrooms	3BR/1.5BA
Year Built or Renovated	1980
Basement	Crawl Space
Construction	Wood Frame
Quality	Average
Condition	Average
Water/Sewer	City Water/Septic
Utilities	Electricity/Telephone/Gas
Topography	Level
Garage	None
Outbuildings	Sheds
Miscellaneous	Property consists of 2 city lots.

Sales Price	\$148,000
Estimated Site Value	<u>\$35,000</u>
Sales Price of Improvements	\$113,000
Improvement Price/SF	\$90



Report File # 17-028ec

HOME SALE 4

COMPARABLE SALE INFORMATION			
		Location 656 Juniper Lane	
		City/State Seeley Lake	
		County Missoula	
		Assessor Number 2291956	
		Zoning Unzoned Portion of Missoula Co.	
		Site Size: Acres 0.190	
		Square Feet 8,276	
		Date of Sale May 1, 2017	
		Sales Price \$140,000	
		Adjustment to Sales Price \$0	
		Adjusted Sales Price \$140,000	
		MLS # 21611173	
TRANSFER INFORMATION			
Grantor	William F. Grone	Grantee	John R. Sisko
Recording Data	Warranty Deed #201707262	Marketing Time	570 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Kevin Wetherell, Listing Agent
Legal Description	Lot 11 of Block 8, Seeley Lake Homesites #2	Intended Use	Residential
Section/Township/Range	S02/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$140,000
Access	Juniper Drive, Gravel	Estimated Site Value	\$25,000
House Square Feet	1,398	Sales Price of Improvements	\$115,000
Bedroom/Bathrooms	2BR/1BA	Improvement Price/SF	\$82
Year Built or Renovated	1968		
Basement	Crawl Space		
Construction	Log		
Quality	Average		
Condition	Average		
Water/Sewer	City Water/Septic		
Utilities	Electricity/Telephone/Propane		
Topography	Level		
Garage	2 Car Detached		
Outbuildings	Storage Shed		
Miscellaneous			

Report File # 17-028ec

PROPERTY VALUATIONS

LOT 1

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 1, COS #6161, SEELEY LAKE DEVELOPMENT						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		165 B St	1184 Boy Scout Rd	704 Placid View Pl	Lot 2A, Placid View Pl	NHN Placid View Pl
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$470,000	\$390,000	\$500,000	\$545,000	\$1,050,000
ADJUSTMENT FOR IMPROVEMENTS		-\$130,000	-\$90,000	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		7/31/2014	07/09/14	06/10/16	09/16/16	08/01/16
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$340,000	\$300,000	\$500,000	\$545,000	\$1,050,000
SITE SIZE/ACRES	1.656	0.986	1.800	2.610	2.660	5.540
FRONT FEET ON LAKE	197.05	100.00	100.00	166.53	166.30	332.99
ADJUSTED SALES PRICE PER FRONT FOOT		\$3,400	\$3,000	\$3,002	\$3,277	\$3,153
ADJUSTMENT FOR:						
LOCATION/LAKE NAME	Seeley Lake	Seeley Lake	Seeley Lake	Placid Lake	Placid Lake	Placid Lake
		0%	0%	0%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Sloping	Sloping	Sloping
		0%	0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	Private Road	Private Road	Private Road
		0%	0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	ZD 8	ZD 8	ZD 8
		0%	0%	0%	0%	0%
EASEMENTS AFFECTING USE	Yes	No	No	Yes	Yes	Yes
		-5%	-5%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
		0%	0%	0%	0%	0%
SITE SIZE/ACRES	1.656	0.986	1.800	2.610	2.660	5.540
		0%	0%	0%	0%	0%
FRONT FEET	197.05	100.00	100.00	166.53	166.30	332.99
		-15%	-15%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-20%	-20%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$680	-\$600	\$0	\$0	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,720	\$2,400	\$3,002	\$3,277	\$3,153

Discussion of Adjustments

Adjustments for Improvements: Land Sales 1 and 2 included small residences considered to add some value to these properties. We estimated the contributory values of the residences on these sites based upon information from the listing agents. The estimated contributory values were utilized as adjustments in this category. Land Sales 3, 4, and 5 did not include improvements and required no adjustments in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2014 and 2016. The sales utilized were the most recent located. There are few sales each year of vacant lots with frontage along Seeley Lake or other similar area lakes. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

It is important to note that list prices for lots on Seeley Lake, Lindbergh Lake, and Placid Lake far exceed prices received in 2014 and 2016. At least one area realtor reported that a lot along Seeley Lake with 100 front feet would likely command a price of \$5,000 per front foot.

Location/Lake Name: The subject site has frontage along Seeley Lake. The comparables have frontage along Seeley Lake or Placid Lake. There is no market data available suggesting that an adjustment is necessary for frontage along Placid Lake versus Seeley Lake. For this reason, no adjustment was made in this category. The lake location is addressed in the reconciliation of this section of this report.

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

Topography: The subject site and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The lessee for subject Lot 1 reported flooding along the lakefront portions of the property in the spring of 2018; however, this was an atypical flooding year for the area and the water did not extend to the existing residence.

Frontage/Access: The subject site and comparables have frontage along and access from shared roads and no adjustment was necessary in this category.

Zoning: The subject site and Land Sales 1 and 2 are not zoned. Land Sales 3, 4, and 5 are within a zoning district that is specific to properties around Placid Lake. Based upon analysis of the highest and best uses of the subject and comparables, no adjustment is necessary in this category.

Easements Affecting Value: The subject site includes an easement for access to parking on an adjacent site. This easement is considered to have a negative impact on the marketability of the subject property. Land Sales 1 and 2 do not include easements that affect value. There is little relevant market data available on which to base an adjustment for this easement; however, some downward adjustment is considered necessary for Land Sales 1 and 2 in this category. We made downward adjustments of 5% to these comparables. This adjustment percentage is considered reasonable and indicative of the actions of market participants. Land Sales 2, 3, and 4 are encumbered with private road easements and required no adjustment in this category.

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

Size/Acres: The subject site is bracketed in size by the comparables. There was no market data indicating that an adjustment was necessary for acreage differences in the size range of the subject and comparables.

Front Feet: Based upon our analysis of available data, the appropriate unit of comparison for the subject site and comparables is the price per front foot. The subject site has more frontage footage than Land Sales 1, 2, 3, and 4 and less than Land Sale 5. We have paired that land sales that closed in the same years and that varied in the amount of front footage. These pairings are below and on the following page.

Paired Sales Analysis - Effect of Amount of Lake Front Footage on Price Per Front Foot						
Paired Sale Set 1						
Sale Address	Lake	Size/Acres	Site/Front Footage	Sale Date	Sales Price	Price/FF
704 Placid View Pl	Placid Lake	2.610	166.53	2016	\$500,000	\$3,002
NHN Placid View Pl	Placid Lake	5.540	332.99	2016	\$1,050,000	\$3,153
			Indicated Adjustment for Difference in Amount of Lake Front Footage			5%
Paired Sale Set 2						
Sale Address	Lake	Size/Acres	Site/Front Footage	Sale Date	Sales Price	Price/FF
Lot 2A, Placid View Pl	Placid Lake	2.610	166.53	2016	\$545,000	\$3,273
NHN Placid View Pl	Placid Lake	5.540	332.99	2016	\$1,050,000	\$3,153
			Indicated Adjustment for Difference in Amount of Lake Front Footage			-4%

Paired Sale Set 3						
Sale Address	Lake	Size/Acres	Site/Front Footage	Sale Date	Sales Price	Price/FF
1185 Boy Scout Rd	Seeley Lake	1.800	100.00	2014	\$300,000	\$3,000
Lot 1A, Placid View Pl	Placid Lake	1.380	200.00	2014	\$490,000	\$2,450
			Indicated Adjustment for Difference in Amount of Lake Front Footage			-18%
Paired Sale Set 4						
Sale Address	Lake	Size/Acres	Site/Front Footage	Sale Date	Sales Price	Price/FF
165 B St	Seeley Lake	0.990	100.00	2014	\$340,000	\$3,400
Lot 1A, Placid View Pl	Placid Lake	1.380	200.00	2014	\$490,000	\$2,450
			Indicated Adjustment for Difference in Amount of Lake Front Footage			-28%

Paired Sales Sets 1 and 2 indicated small positive and negative adjustments. This may be due to the fact that the sale at NHN Placid View Place (Land Sale 5) is actually two legal parcels. If this sale had only consisted of one legal parcel, the price per front foot may have been different.

Paired Sale Sets 3 and 4 indicated downward adjustments of 18% and 28% for comparables with 100 front feet when compared to properties with 200 front feet. These paired sales are on different lakes and there may be additional variables associated with these sales that have some impact on value.

We also interviewed area realtors with knowledge of the market. These realtors are referenced specifically in the write-ups of the Lakefront Land Sales and Lakefront Home Sales section of this report. The realtors interviewed reported that the price per front foot is the typical unit of comparison for properties on Seeley Lake and Placid Lake. They also noted that if front footage far exceeds the typical size, some downward adjustment may be necessary. The typical size for a lot along Seeley Lake was approximately 100 front feet.

The maximum sales price for the sales on similar area lakes seen in recent years is \$545,000. This does not include the sales price for the property at NHN Placid View Place that sold in 2016 for \$1,050,000; however, this property consists of two legal parcels.

Based upon paired sales analyses and interviews with area realtors, some downward adjustment is necessary for Land Sales 1 and 2 as they both have 100 feet of frontage along Seeley Lake. It is our opinion that a downward adjustment of 15% (somewhat lower than the adjustment indications from Paired Sales 3 and 4) is reasonable and indicative of the actions of market participants with respect to front footage. No adjustment was made to Land Sales 3 and 4 as they are more similar in front footage compared to the subject. No adjustment was made to Land Sale 5 because it consists of two legal parcels with approximately 166 front feet each.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide indications of value for the subject site of \$2,720, \$2,400, \$3,002, \$3,277, and \$3,153 per front foot. All weight is accorded Land Sales 1 and 2 as these properties are along Seeley Lake like the subject. The average of indications from Land Sales 1 and 2 is \$2,560 per front foot. A value of \$2,560 per front foot is well supported by this analysis. Consequently;

197.05 FF @ \$2,560/FF

\$504,448

Rounded To

\$504,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 1, COS #6161, SEELEY LAKE DEVELOPMENT				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		Lot 23 B St	115 B St	246 Boy Scout Rd
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$676,000	\$627,000	\$700,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		01/22/16	06/29/18	08/06/15
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$676,000	\$627,000	\$700,000
LESS SITE VALUE		(\$310,000)	(\$235,000)	(\$310,000)
ADJUSTED IMPROVEMENT PRICE		\$366,000	\$392,000	\$390,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Good	Good	Good	Average
		\$0	\$0	\$39,000
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
BATHROOMS	1	3	2	2
		-\$10,000	-\$5,000	-\$5,000
HOUSE SIZE/SF	1,344	1,512	2,304	3,098
		-\$15,120	-\$86,400	-\$157,860
OUTBUILDINGS	Shed	Superior	Superior	Superior
		-\$18,500	-\$14,500	-\$28,500
TOTAL ADJUSTMENT		-\$43,620	-\$105,900	-\$152,360
NET ADJUSTMENT PERCENTAGE		-12%	-27%	-39%
ADJUSTED PRICE INDICATION		\$322,380	\$286,100	\$237,640

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2015, 2016, and 2018. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

Location: The contributory site values for the sales were removed. This results in the comparison of the subject improvements to the improvements associated with each sale. The site sales utilized to determine the site values for the improved sales are included in the Subject Market Analysis for Lot 1.

Quality: The subject residence and Improved Sales 1 and 2 are considered similar in quality of construction and no adjustment was necessary. Improved Sale 3 is considered to inferior in construction quality compared to the subject. Some upward adjustment was necessary for this sale in this category. An upward adjustment of 10% was made to this sale based upon analysis of cost differences for difference construction qualities.

Condition: The subject residence and comparables are considered similar in condition and no adjustment was necessary in this category.

Bathrooms: The subject residence includes 1 bathroom. The improved sales either include 2 or 3 bathrooms. Downward adjustments of \$5,000 per difference in bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$90 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 price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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 value of the subject outbuilding was estimated based upon depreciated cost calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Shed	80	Section 17/Page 12	\$12.90	\$1,032
Total Cost New				\$1,032
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$516
Depreciated Cost Estimate				\$516
Rounded To				\$500

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$322,380, \$286,100, and \$237,640. Improved Sale 3 is accorded no weight as it closed in 2015 and is considered inferior in quality compared to the subject. All weight is accorded the adjusted indications from Improved Sales 1 and 2. The average of these two indications is \$304,240. A value of \$305,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$504,000
Subject Improvements Value	<u>\$305,000</u>
Total Value Indication	\$809,000

LOT 17

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 17, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 8 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	1.449	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.449	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 for the subject lot is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 17, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Good	Average	Average	Average	Average
		\$6,500	\$12,650	\$11,300	\$11,500
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	888	576	864	1,260	1,398
		\$15,600	\$1,200	-\$18,600	-\$25,500
OUTBUILDINGS	Large Screened Porch, Shed, Outhouse, & Pumphouse	Superior	Superior	Inferior	Superior
		-\$3,000	-\$18,000	\$6,000	-\$3,500
TOTAL ADJUSTMENT		\$19,100	-\$4,150	-\$3,800	-\$17,500
NET ADJUSTMENT PERCENTAGE		29%	-3%	-3%	-15%
ADJUSTED PRICE INDICATION		\$84,100	\$122,350	\$109,200	\$97,500

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence was in superior condition compared to the comparables. Some upward adjustment was necessary in this category to the comparables. Upward adjustments of 10% were made to all four improved sales in this category. This adjustment percentage is reasonable and indicative of the actions of market participants with respect to condition.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom and no adjustment was necessary in this category for these sales. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Screened Porch	300	Section 12/Page 40	\$33.11	\$9,933
Pumphouse	34	Section 17/Page 12	\$12.90	\$439
Shed	53	Section 17/Page 12	\$12.90	\$684
Outhouse	Lump Sum Estimate			\$2,000
Total Cost New				\$13,055
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$6,528
Depreciated Cost Estimate				\$6,528
Rounded To				\$7,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$84,100, \$122,350, \$109,200, and \$97,500. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$103,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$103,000</u>
Total Value Indication	\$133,000

LOT 19

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 19, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	1.639	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.639	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 19, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Good	Average	Average	Average	Average
		\$6,500	\$12,650	\$11,300	\$11,500
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	968	576	864	1,260	1,398
		\$19,600	\$5,200	-\$14,600	-\$21,500
OUTBUILDINGS	Bunkhouse, Garage, & Shed	Inferior	Superior	Inferior	Inferior
		\$9,000	-\$6,000	\$18,000	\$8,500
TOTAL ADJUSTMENT		\$35,100	\$11,850	\$12,200	-\$1,500
NET ADJUSTMENT PERCENTAGE		54%	9%	11%	-1%
ADJUSTED PRICE INDICATION		\$100,100	\$138,350	\$125,200	\$113,500

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence was in superior condition compared to the comparables. Some upward adjustment was necessary in this category to the comparables. Upward adjustments of 10% were made to all four improved sales in this category. This adjustment percentage is reasonable and indicative of the actions of market participants with respect to condition.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom and no adjustment was necessary in this category for these sales. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Bunkhouse	160	Section 12/Page 15	\$76.47	\$12,235
Shed	70	Section 17/Page 12	\$12.90	\$903
Garage	196	Section 12/Page 35	\$60.50	\$11,858
Total Cost New				\$24,996
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$6,249
Depreciated Cost Estimate				\$18,747
Rounded To				\$19,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$100,100, \$138,350, \$125,200, and \$113,500. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$119,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$119,000</u>
Total Value Indication	\$149,000

LOT 20

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 20, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	1.217	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.217	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 for the subject lot is well supported by the available market data. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 20, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	1,121	576	864	1,260	1,398
		\$27,250	\$12,850	-\$6,950	-\$13,850
OUTBUILDINGS	Pump House, Lean-to Storage, Metal Storage Building, Outhouse, Log Storage Building, & Wood Shed	Superior	Superior	Inferior	Superior
		-\$3,000	-\$18,000	\$6,000	-\$3,500
TOTAL ADJUSTMENT		\$24,250	-\$5,150	-\$3,450	-\$17,350
NET ADJUSTMENT PERCENTAGE		37%	-4%	-3%	-15%
ADJUSTED PRICE INDICATION		\$89,250	\$121,350	\$109,550	\$97,650

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence and comparables are similar in overall condition. No adjustment was necessary in this category.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom and adjustment was necessary in this category for these sales. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Pump House	64	Section 17/Page 12	\$12.90	\$826
Lean-to Storage	64	Section 17/Page 16	\$12.75	\$816
Log Storage Building	132	Section 17/Page 16	\$16.00	\$2,112
Metal Storage Building	384	Section 17/Page 16	\$14.70	\$5,645
Wood Shed	143	Section 17/Page 12	\$12.90	\$1,845
Outhouse	Lump Sum Adjustment			<u>\$2,000</u>
Total Cost New				\$13,243
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$6,622</u>
Depreciated Cost Estimate				\$6,622
Rounded To				\$7,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$89,250, \$121,350, \$109,550, and \$97,650. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$104,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$104,000</u>
Total Value Indication	\$134,000

LOT 27

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 27, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	3.148	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	3.148	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 for the subject lot is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 27, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	1,066	576	864	1,260	1,398
		\$24,500	\$10,100	-\$9,700	-\$16,600
OUTBUILDINGS	Shop Building, Covered Storage, Metal Storage Building, Carport	Inferior	Inferior	Inferior	Inferior
		\$77,000	\$62,000	\$86,000	\$76,500
TOTAL ADJUSTMENT		\$101,500	\$72,100	\$73,800	\$59,900
NET ADJUSTMENT PERCENTAGE		156%	57%	65%	52%
ADJUSTED PRICE INDICATION		\$166,500	\$198,600	\$186,800	\$174,900

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence and comparables are similar in overall condition. No adjustment was necessary in this category.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom and no adjustment was necessary in this category for these sales. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shop	3,360	Section 17/Page 12	\$29.50	\$99,120
Covered Storage	588	Section 17/Page 16	\$16.00	\$9,408
Metal Storage Building	396	Section 17/Page 16	\$14.70	\$5,821
Carport	380	Section 12/Page 35	\$24.40	\$9,272
Total Cost New				\$123,621
Less Depreciation - Age/Life - 6/20 Years = 30%				-\$37,086
Depreciated Cost Estimate				\$86,535
Rounded To				\$87,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$166,500, \$198,600, \$186,800, and \$174,900. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$182,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$182,000</u>
Total Value Indication	\$212,000

LOT 31

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 31, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	2.189	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	2.189	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

This property includes a storage building, a pump house, a shed, and an outhouse. No comparable sales were located with similar improvements. For that reason, the contributory value of the improvements was estimated using depreciated cost. This analysis does not constitute a full Cost Approach but is adequate for determination of the contributory value of the improvements on this property. The depreciated cost analysis is below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Pumphouse	34	Section 17/Page 12	\$12.90	\$439
Shed	53	Section 17/Page 12	\$12.90	\$684
Outhouse	Lump Sum Estimate			\$2,000
Total Cost New				\$3,122
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$1,561</u>
Depreciated Cost Estimate				\$1,561
Rounded To				\$2,000

Total Value Conclusion

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

Subject Site Value	\$30,000
Subject Improvements Value	<u>\$ 2,000</u>
Total Value Indication	\$32,000

LOT 38

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 38, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	1.293	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.293	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 38, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
CONDITION	Good	Average	Average	Average	Average
		\$6,500	\$12,650	\$11,300	\$11,500
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	1,109	576	864	1,260	1,398
		-\$28,750	-\$43,150	-\$62,950	-\$69,850
OUTBUILDINGS	Large Covered Porch, Bunk House, Garage, Shed, & Outhouse	Inferior	Inferior	Inferior	Inferior
		\$65,000	\$50,000	\$74,000	\$64,500
TOTAL ADJUSTMENT		\$42,750	\$19,500	\$19,850	\$6,150
NET ADJUSTMENT PERCENTAGE		66%	15%	18%	5%
ADJUSTED PRICE INDICATION		\$107,750	\$146,000	\$132,850	\$121,150

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence was in superior condition compared to the comparables. Some upward adjustment was necessary in this category to the comparables. Upward adjustments of 10% were made to all four improved sales in this category. This adjustment percentage is reasonable and indicative of the actions of market participants with respect to condition.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom. No adjustment was necessary in this category. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Covered Porch	378	Section 12/Page 40	\$28.04	\$10,599
Bunkhouse	273	Section 12/Page 15	\$76.47	\$20,876
Shed	100	Section 17/Page 12	\$12.90	\$1,290
Garage	1,088	Section 12/Page 35	\$60.50	\$65,824
Outhouse	Lump Sum Estimate			\$2,000
Total Cost New				\$100,589
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$25,147
Depreciated Cost Estimate				\$75,442
Rounded To				\$75,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$107,750, \$146,000, \$132,850, and \$121,150. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$127,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$127,000</u>
Total Value Indication	\$157,000

LOT 40

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 40, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		NHN Riverview Dr	Lot 18 Lemar Dr	Lot 14 Lemar Dr	NHN Eagle Port
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/17/17	04/04/18	08/10/17	05/24/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500
SITE SIZE/ACRES	1.291	0.337	1.070	1.180	0.460
ADJUSTED SALES PRICE		\$33,000	\$25,000	\$20,603	\$38,500
ADJUSTMENT FOR:					
LOCATION	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		0%	0%	0%	0%
SHAPE	Irregular	Rectangular	Rectangular	Irregular	Square
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	County Road	County Road	County Road	County Road	County Road
		0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No
		0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.291	0.337	1.070	1.180	0.460
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTED PRICE		\$33,000	\$25,000	\$20,603	\$38,500

Discussion of Adjustments

Adjustments for Improvements: There were no improvements noted on the comparables. No adjustments were necessary in this category.

Property Rights: The ownership interest in this report for the subject site and for the land sales are the fee simple interests. 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: No adjustment is necessary to any of the comparables in this category.

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

Market Conditions: The comparable sales closed in 2017 and 2018. The sales utilized were the most recent located. There is not market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location: The locations of Land Sale 1 and 4 are considered superior to the subject. Land Sale 1 has a view of a pond and Land Sale 4 has direct access to the Seeley Lake Airport. There is not sufficient market data on which to credibly base an adjustment in this category. Location differences are addressed in the Reconciliation portion of this section of this report.

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

Topography: The subject lot and comparables have topographies that are suitable for residential construction and no adjustment was necessary in this category. The subject lessee reported seasonal flooding but did not report flooding extending into the residence.

Frontage/Access: The subject site and comparables have frontage along public roads and no adjustment was necessary in this category.

Zoning: The subject sites and comparables are in areas with no zoning and no adjustment was necessary in this category.

Easements Affecting Value: The subject site and comparables do not include easements that adversely affect value. No adjustments were necessary for the comparables in this category.

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

Size/Acres: The subject site is larger than the comparables. There was no market data indicating that an adjustment was necessary for size differences in the size range of the subject and comparables.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$33,000, \$25,000, \$20,603, and \$38,500. The verifying party for Land Sales 2 and 3 indicated that these sales prices may not be indicative of market values for similar lots in Seeley Lake. Land Sale 2 was purchased by a builder who was also interested in the purchase of a second lot in the subdivision. It was the opinion of the listing/selling agent for this property that the seller accepted a lower price as an incentive for the purchaser to buy a second lot. The listing/selling agent for Land Sale 3 indicated that this lot backed up to a machine shop. It was her opinion that the proximity to this business negatively impacted the marketability of Land Sale 3.

Land Sales 1 and 4 are considered superior to the subject lot in location. Land Sale 1 has a pond view and Land Sale 4 has direct access to Seeley Lake Airport.

The comparables bracket the subject site in overall marketability. It is our opinion that all four comparables, considered together, provide a credible market value indication for the subject lot. A value of \$30,000 for the subject lot is well supported by this analysis. Consequently;

Subject Site Value

\$30,000

Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 40, COS #6161, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		260 Timberlane	645 Morrell Creek Dr	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LIST ADJUSTMENT					
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/01/17	10/17/17	05/12/17	05/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$135,000	\$166,500	\$148,000	\$140,000
LESS SITE VALUE		(\$70,000)	(\$40,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$65,000	\$126,500	\$113,000	\$115,000
ADJUSTMENT FOR:					
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0	\$0
QUALITY	Fair	Average	Average	Average	Average
		-\$6,500	-\$12,650	-\$11,300	-\$11,500
CONDITION	Average	Average	Average	Average	Average
		\$0	\$0	\$0	\$0
BATHROOMS	1	1	1	1.5	1
		\$0	\$0	-\$2,500	\$0
HOUSE SIZE/SF	551	576	864	1,260	1,398
		-\$1,250	-\$15,650	-\$35,450	-\$42,350
OUTBUILDINGS	Outhouse & Shed	Inferior	Inferior	Similar	Inferior
		-\$9,000	-\$24,000	\$0	-\$9,500
TOTAL ADJUSTMENT		-\$16,750	-\$52,300	-\$49,250	-\$63,350
NET ADJUSTMENT PERCENTAGE		-26%	-41%	-44%	-55%
ADJUSTED PRICE INDICATION		\$48,250	\$74,200	\$63,750	\$51,650

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

Quality: The subject residence is considered to be of inferior quality of construction compared to the comparables. Some downward adjustment is necessary in this category. A downward adjustment of 10% was made to all four sales in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants with respect to construction quality.

Condition: The subject residence and comparables are similar in overall condition. No adjustment was necessary in this category.

Bathrooms: The subject residence and Improved Sales 1, 2, and 4 include one bathroom. No adjustment was necessary in this category. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was considered to be indicative of the actions of market participants with respect to an additional half bath.

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 \$50 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.

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 value of the subject outbuildings were estimated based upon depreciated costs calculated to the right.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shed	40	Section 17/Page 12	\$12.90	\$516
Outhouse		Lump Sum Estimate		\$2,000
Total Cost New				\$2,516
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$1,258
Depreciated Cost Estimate				\$1,258
Rounded To				\$1,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$48,250, \$74,200, \$63,750, and \$51,650. The comparables considered together provide a credible indication of value for the subject improvements. Approximately equal weight is accorded the adjusted indications from all four sales. A value of \$59,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$ 30,000
Subject Improvements Value	<u>\$ 59,000</u>
Total Value Indication	\$ 89,000

RECAPITULATION OF VALUE INDICATIONS

The market value for the subject property is recapitulated on the table below;

Lot #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
1	\$504,000	\$305,000	\$809,000	6/20/2018
17	\$30,000	\$103,000	\$133,000	6/20/2018
19	\$30,000	\$119,000	\$149,000	6/20/2018
20	\$30,000	\$104,000	\$134,000	6/20/2018
27	\$30,000	\$182,000	\$212,000	6/20/2018
31	\$30,000	\$2,000	\$32,000	6/20/2018
38	\$30,000	\$127,000	\$157,000	6/20/2018
40	\$30,000	\$59,000	\$89,000	6/20/2018

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

Institute of Financial Education

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

IAAO

1991 - Standards of Practice and Professional Ethics

Citadel Evening College

1993 - Residential Appraisal Reports Using URAR Form

William H. Sharp & Associates

1995 - The Home Inspection

Trident Technical College

1997 - Uniform Standards of Appraisal

Historic Preservation Consulting

1998 - Appraising Historic Property

The Beckman Company

2004 - The Technical Inspection of Real Estate

WORK EXPERIENCE

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

STATE LICENSES/CERTIFICATIONS

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

APPRAISAL SEMINARS ATTENDED

2000 - JT&T Seminars: Financial Calculator HP-12C
2000 - Appraisal Institute: Highest and Best Use Applications
2004 - Appraisal Institute: Evaluating Commercial Construction
2005 - Appraisal Institute: Scope of Work: Expanding Your Range of Services
2006 - Appraisal Institute: Subdivision Valuation
2006 - Appraisal Institute: Appraising from Blueprints and Specifications
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

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
Whitefish Credit Union
Parkside Credit Union
First Interstate Bank
Three Rivers Bank
Stockman 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-8806–Uniform Standards for Federal Land Acquisitions – 2017
Course REA-CEC-REC-9788 – 7 Hour National USPAP Update – 2018
Course REA-CEC-REC- Real Estate Finance, Value, & Investment Performance – 2018



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)–Tech. Marketing

STATE LICENSES/CERTIFICATIONS

Montana Licensed Appraiser # REA-RAL-LIC-841

APPRAISERS LICENSES

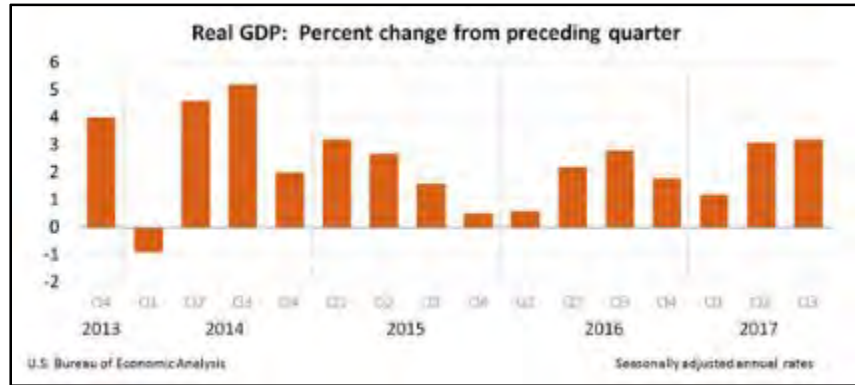
	State of Montana Business Standards Division Board of Real Estate Appraisers	This certificate verifies licensure as: CERTIFIED GENERAL APPRAISER With endorsements of: <i>REAL ESTATE APPRAISER MENTOR</i>
License #:	REA-RAG-LIC-683	
Status:	Active	
Expiration Date:	03/31/2019	
ELLIOTT M CLARK CLARK REAL ESTATE APPRAISAL 704C E 13TH STREET #509 WHITEFISH, MT 59937		
		 Montana Department of LABOR & INDUSTRY <small>RENEW OR VERIFY YOUR LICENSE AT: https://biz.mt.gov/pol/</small>

	State of Montana Business Standards Division Board of Real Estate Appraisers	This certificate verifies licensure as: LICENSED APPRAISER
License #:	REA-RAL-LIC-841	
Status:	Active	
Expiration Date:	03/31/2019	
CHRISTOPHER D CLARK CLARK REAL ESTATE APPRAISAL 704C E 13TH STREET #509 WHITEFISH, MT 59937		
		 Montana Department of LABOR & INDUSTRY <small>RENEW OR VERIFY YOUR LICENSE AT: https://biz.mt.gov/pol/</small>

ADDENDUM

NATIONAL ECONOMIC DATA

Real GDP increased by 3.2% in the third quarter of 2017 after increasing 3.1% in the second quarter of 2017 according to the Bureau of Economic Analysis of the US Department of Commerce (BEA). According to the BEA, the increase in real GDP reflected positive contributions from personal consumption expenditures, private inventory investment, nonresidential fixed investment, exports, federal government spending, and state and local government spending that were partly offset by a negative contribution from residential fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased.



According to the US Bureau of Labor and Statistics, the seasonally adjusted national unemployment rate for December 2017 was 4.1 %. This is lower than the December 2016 rate of 4.7%. This is the lowest national unemployment rate for the prior ten years.

STATE ECONOMIC DATA

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

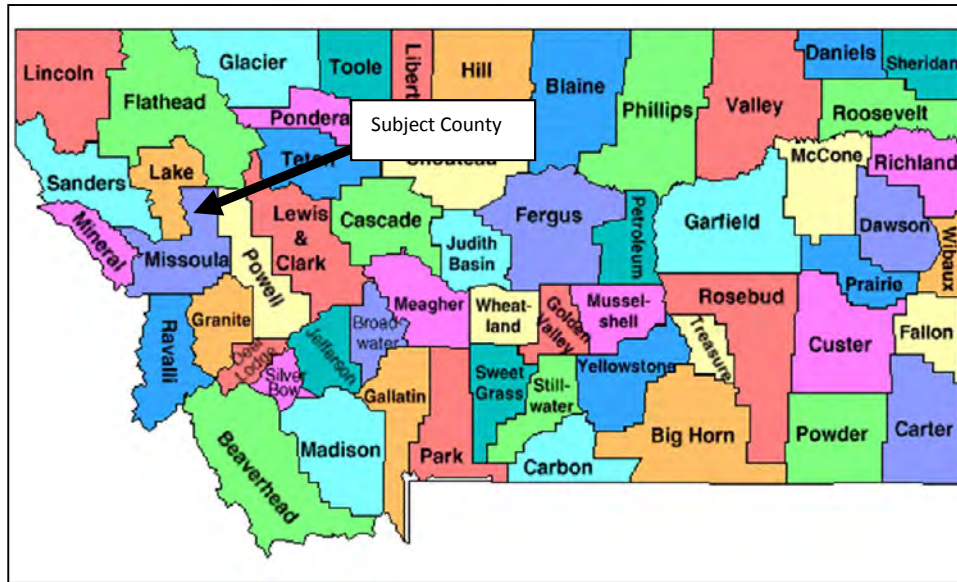
- Trade, Transportation, and Utilities
- Government (Federal, State, & Local)
- Education & Health Services
- Healthcare & Social Assistance
- Leisure & Hospitality

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

The Montana Bureau of Business and Economic Development forecasted issues with cattle prices and wheat production for 2017. State production of pulse crops such as lentils and peas greatly increased in 2016, coal production dropped dramatically in 2016, forest industry employment dropped in 2016, manufacturing in the state increased by 2.0% in 2016, high-tech and manufacturing companies were projected to grow seven times faster during 2017. State airport deboardings were up by 4% in 2016, Medicaid expansion in Montana pushed the uninsured rate to 8.7%, and Montana's housing market resembles the market conditions prior to recession.

MISSOULA COUNTY DATA

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



Geographical Information

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

City and Communities

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

Population

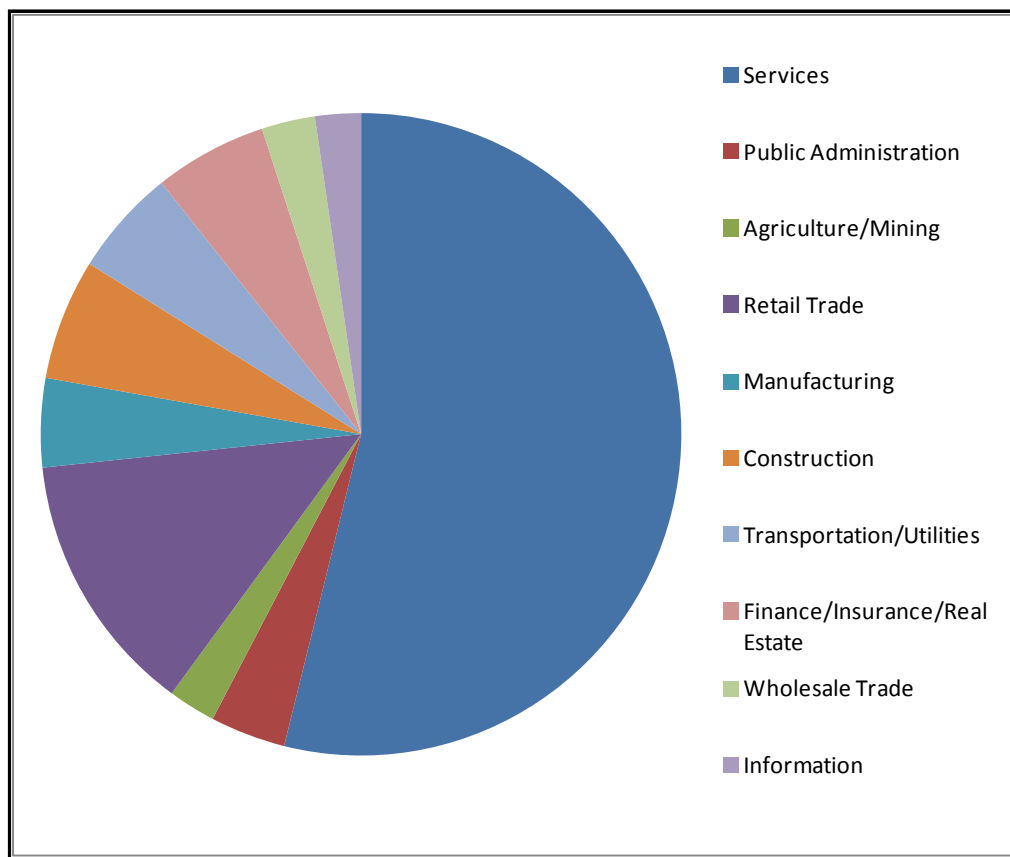
Missoula County is the 2nd most populous county in Montana. The 2015 county population estimate from ESRI based upon US Census Bureau data was 113,665. The population is projected to increase to 118,223 by 2020 or 0.8% per year.

Income

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

Employment

According to ESRI there were 56,415 people over 16 years of age in the workforce in Missoula County in 2010. The workforce percentages by industry are included on the chart below;



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

Real Estate

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

Education & Healthcare

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

Linkages & Transportation

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

County Data Conclusion

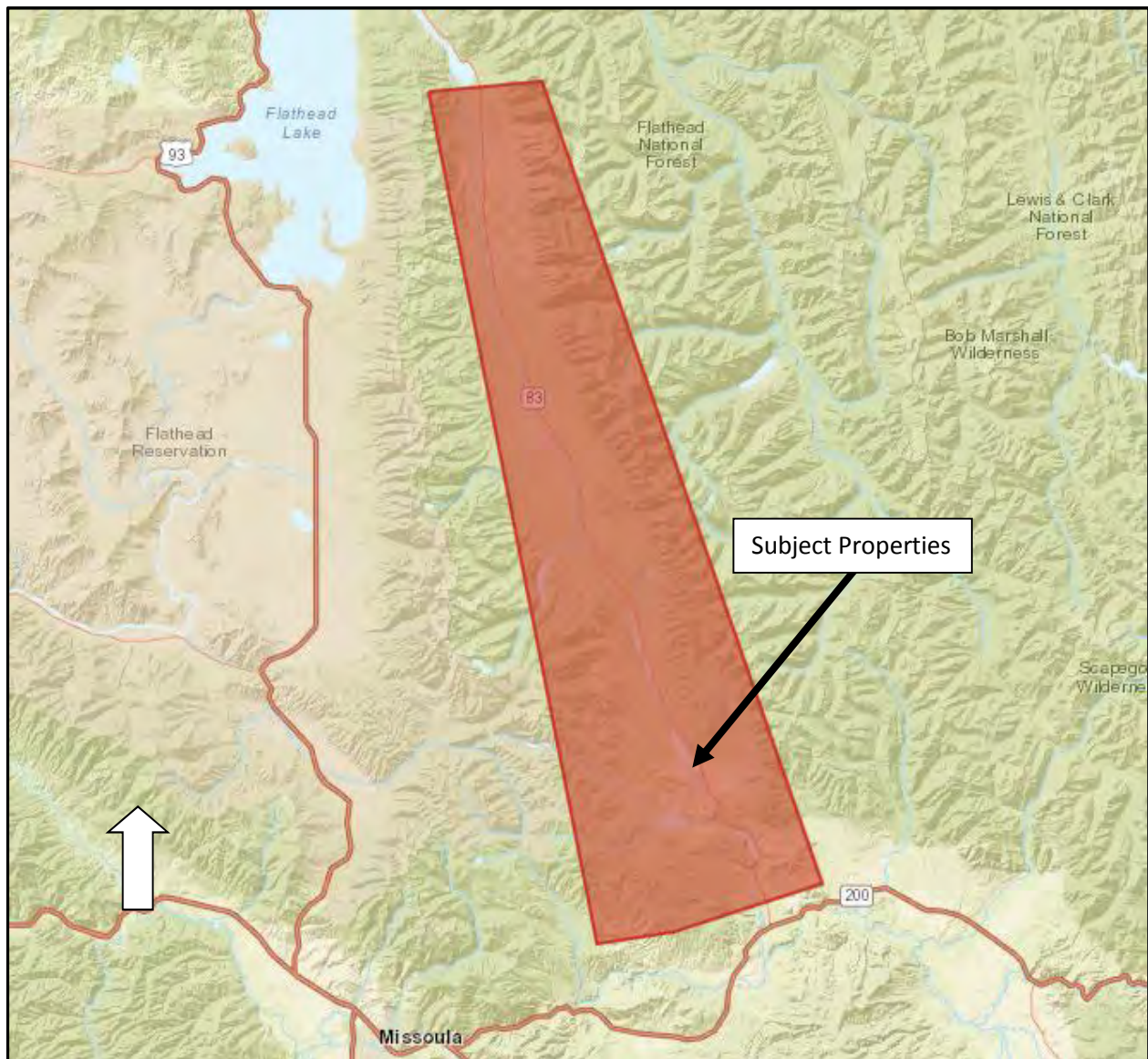
Missoula County is one of the most populous counties in Montana. The population is slated to increase approximately 0.8% per year through 2020. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The county unemployment rate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

SEELEY-SWAN VALLEY DATA

General Information

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

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



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

Geography

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

Population

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

Economy/Income

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

Housing & Real Estate

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

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

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

Recreation

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

Conclusion

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

SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS

(Page 1 of 7)

ATTACHMENT A

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:
2018 Seeley Lake Development Appraisals*

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 State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), and Lessees David Batchelder & Bridget Laird, Olive Sol & Patricia Ann Doty, Brian & Nadine Pedersen, Richard & Elizabeth Meyn, Brian Bertsch, J&E Contracting, Marvin & Lynn Job, Bryce & Marcey Campbell, and David & Connie Murray. 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. (MCA 70-30-313) Current fair market value is the price that would be agreed to by a willing and informed seller and buyer, taking into consideration, but not limited to, the following factors:

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

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

PROPERTY RIGHTS APPRAISED:

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

EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:

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

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:

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

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

ASSIGNMENT CONDITIONS:

The appraiser must be a Montana certified general appraiser and be competent to appraise the subject property. The appraisal is to conform to the latest edition of USPAP, and the opinion of value must be credible.

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The appraiser is to physically inspect the subject properties at a level that will allow the appraiser to render a credible opinion of value about the properties. The appraiser must have knowledge of the comparables through either personal inspection or with use of sources the appraiser deems reliable, and must have at least viewed the comparables.

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

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

The appraisal will be an Appraisal Report, as per USPAP, that will describe adequately the information analyzed, appraisal methods, and techniques employed, and reasoning that support the analyses, opinions, and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values of the eight (8) cabin sites identified in the Supplemental Appraisal Instructions.

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

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

The cabin site (land) should be valued under the hypothetical condition that it is 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.

ATTACHMENT B

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

Supplemental Appraisal Instructions: 2018 Seeley Lake Development Appraisals

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

Subject Properties Located in the Seeley Lake Development in Missoula County:

Sale #	Acres	Legal Description
937	1.656 ±	Lot 1, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
938	1.449 ±	Lot 17, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
1036	1.639 ±	Lot 19, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
939	1.217 ±	Lot 20, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
940	3.148 ±	Lot 27, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
941	2.189 ±	Lot 31, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
942	1.293 ±	Lot 38, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County
943	1.291 ±	Lot 40, Seeley Lake Development T16N-R15W, Sec. 4, Missoula County

DNRC Contact Information:

Kelly Motichka, Lands Section Supervisor
PO Box 201601
Helena, MT 59620-1601
Phone: (406) 444-4165
kmotichka@mt.gov

Lessees:

Sale 937 David Batchelder & Bridget Laird PO Box 1010 Seeley Lake, MT 59868 (406) 210-0183	Sale 938 Olive Sol & Patricia Ann Doty 635 Montana Street East Missoula, MT 59802 (406) 549-3716	Sale 1036 Brian & Nadine Pedersen 73 6100 Fourth Avenue NE Calgary, Alberta, T2A 5Z8, Canada (403) 249-8282	Sale 939 Richard & Elizabeth Meyn 111 North Weaver Belgrade, MT 59714 (406) 570-1897
Sale 940 Brian Bertsch 2401 Boy Scout Road Seeley Lake, MT 59868 (406) 677-2376	Sale 941 J&E Contracting PO Box 926 Seeley Lake, MT 59868 (406) 239-0281	Sale 942 Marvin & Lynn Job, Brian & Marcey Campbell 11375 Mullan Road Missoula, MT 59808 (406) 360-6619	Sale 943 David & Connie Murray 27045 Ninemile Road Huson, MT 59848 (406) 544-9876

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

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

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

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

MISSOULA COUNTY SALE LOCATION MAP



Seeley Lake Development
T16N-R15W, Sec. 4, Missoula County



SALE PARCELS SURVEYS

