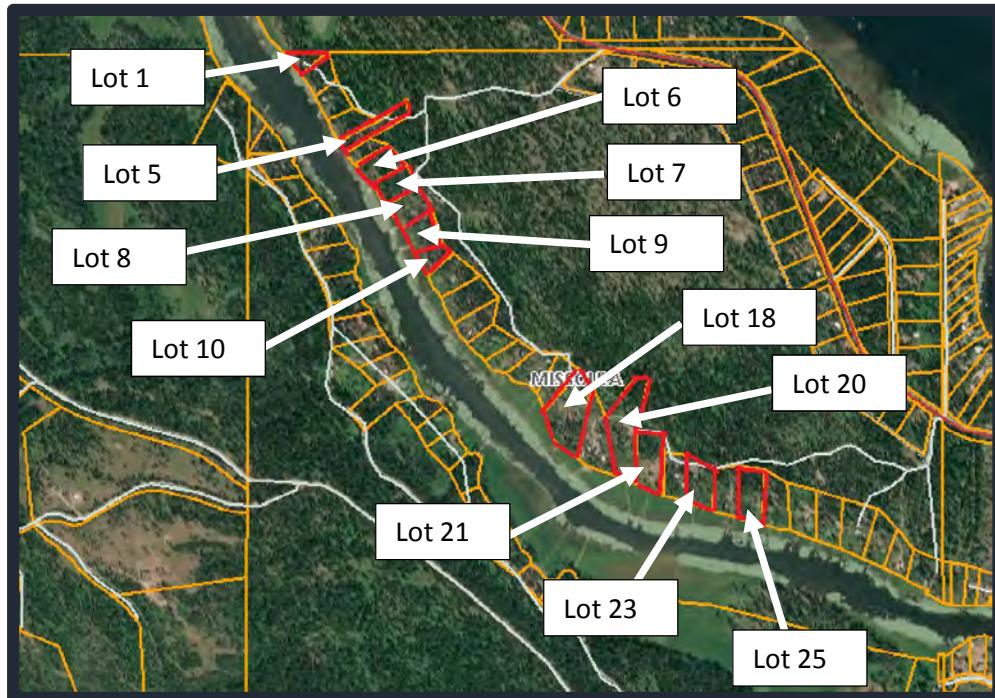


*APPRAISAL REPORT OF:*

**LOTS 1, 5, 6, 7, 8, 9, 10, 18, 20, 21, 23, & 25  
COS #4875, 6625, & 6626, SEELEY LAKE OUTLET EAST,  
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:*

**July 17 & 23, 2018**

*PREPARED BY:*

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



704-C East 13<sup>th</sup> Street, #509  
Whitefish, Montana 59937

---

## LETTER OF TRANSMITTAL

September 6, 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, 6, 7, 8, 9, 10, 18, 21, 23, and 25 COS #4875, Lot 20 of COS #6625, and Lot 5 of COS #6626, 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 July 17, 2018 or July 23, 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.

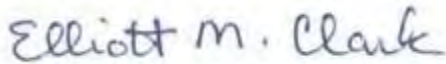
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We were not provided with soil studies for the subject sites. We assume that the soils are capable of supporting construction similar to that in similar area subdivisions without unusual soil preparation. We are also unaware of the presence of any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

18-024ec

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## SUMMARY OF SALIENT DATA AND CONCLUSIONS

### IDENTIFICATION OF CLIENT/INTENDED USE

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

### SUBJECT PROPERTY

<b>Property Identifications</b>	Lots 1, 6, 7, 8, 9, 10, 18, 21, 23, and 25 of COS #4875, Lot 20 of COS #6625, and Lot 5 of COS #6626, Section 4, Township 16 North, Range 15 West, Missoula County, Montana
<b>Site Sizes</b>	See Property Description
<b>Description of Improvements</b>	See Property Description
<b>Assessor Number(s)</b>	See Property Description
<b>Census Tract</b>	30-063-0018.00
<b>Flood Zone</b>	Unknown – Mapping in Process
<b>Zoning</b>	None

### HIGHEST AND BEST USE(S)

<b>As Is</b>	Recreational and/or Residential Use
<b>As Improved</b>	Recreational and/or Residential Use

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

<b>Report Date</b>	September 6, 2018
<b>Inspection Date(s)</b>	July 17, 2018 or July 23, 2018
<b>Effective Date(s) of Value(s)</b>	July 17, 2018 or July 23, 2018
<b>Property Rights Appraised</b>	Fee Simple

#### Estimate of Market Values

<b>Individual Lot Values</b>	Property Valuation Section of Report & Page 240 of Report
<b>Individual Improvement Values</b>	Property Valuation Section of Report & Page 240 of Report
<b>Individual Total Market Values</b>	Property Valuation Section of Report & Page 240 of Report

<b>Extraordinary Assumption(s)</b>	None
<b>Hypothetical Condition(s)</b>	See Scope of the Appraisal

### MARKETING & EXPOSURE TIME

The appraised values for the subject properties, as if vacant, are based upon 1 to 3 month marketing and exposure times. The appraised values for the subject properties, as improved, are based upon 3 to 6 months marketing and exposure times. Estimated marketing and exposure times are addressed in detail in the Subject Market Analysis portion of this report.

### APPRAISER INFORMATION

<b>Appraiser(s)</b>	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.



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Dated Signed: September 6, 2018  
Elliott M. Clark, MAI  
MT REA-RAG-LIC-683



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Date Signed: September 6, 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, 6, 7, 8, 9, 10, 18, 21, 23, and 25 of COS #4875, Lot 5 of COS# 6626, and Lot 20 of COS #6625, Seeley Lake, Missoula County, Montana.

The appraisers were asked to provide opinions of the market values of the fee simple interests in the sites and improvements for the subject 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 July 17, 2018 or July 23, 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	958	4875	S04/T16N/R15W	Missoula
5	959	6626	S04/T16N/R15W	Missoula
6	960	4875	S04/T16N/R15W	Missoula
7	961	4875	S04/T16N/R15W	Missoula
8	1041	4875	S04/T16N/R15W	Missoula
9	962	4875	S04/T16N/R15W	Missoula
10	963	4875	S04/T16N/R15W	Missoula
18	964	4875	S04/T16N/R15W	Missoula
20	965	6625	S04/T16N/R15W	Missoula
21	966	4875	S04/T16N/R15W	Missoula
23	967	4875	S04/T16N/R15W	Missoula
25	968	4875	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	958	Kirk & Kim Mace
5	959	Daniel, Deanna, & Kimberly Schwenk
6	960	Gregg E. Sautter
7	961	Jacquelyn & Robert Todd White
8	1041	Inga Ann Ibey
9	962	Virginia McHugh
10	963	Michael B. & Jennifer S. Duax
18	964	Christopher W. & Christopher W. E. Boland
20	965	Glen & Carol Richards
21	966	Marvin & Marianne Maki
23	967	Carolyn E. Gies
25	968	Gerald & Rae-Jean Johnson

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

## PURPOSE OF THE APPRAISAL

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

## DATES OF PROPERTY VIEWINGS

Lot #	Sale #	Lessee	Dates of Property Viewings
1	958	Kirk & Kim Mace	July 23, 2018
5	959	Daniel, Deanna, & Kimberly Schwenk	July 17, 2018
6	960	Gregg E. Sautter	July 17, 2018
7	961	Jacquelyn & Robert Todd White	July 23, 2018
8	1041	Inga Ann Ibey	July 23, 2018
9	962	Virginia McHugh	July 17, 2018
10	963	Michael B. & Jennifer S. Duax	July 23, 2018
18	964	Christopher W. & Christopher W. E. Boland	July 17, 2018
20	965	Glen & Carol Richards	July 17, 2018
21	966	Marvin & Marianne Maki	July 23, 2018
23	967	Carolyn E. Gies	July 23, 2018
25	968	Gerald & Rae-Jean Johnson	July 23, 2018

## EFFECTIVE DATES OF MARKET VALUES

July 17 & 23, 2018 – As Noted Above

## 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	958	Kirk & Kim Mace	Quit Claim Deed - 2003
5	959	Daniel, Deanna, & Kimberly Schwenk	Quit Claim Deed - 2016
6	960	Gregg E. Sautter	Bill of Sale - 2005
7	961	Jacquelyn & Robert Todd White	Quitclaim Deed - 2014
8	1041	Inga Ann Ibey	Unknown (Leasing for 50 years per Lessee)
9	962	Virginia McHugh	Bill of Sale - 2008
10	963	Michael B. & Jennifer S. Duax	Bill of Sale - 2013
18	964	Christopher W. & Christopher W. E. Boland	Bill of Sale - 1994
20	965	Glen & Carol Richards	Unknown (Leasing for 20 years per Lessees)
21	966	Marvin & Marianne Maki	Bill of Sale - 2016
23	967	Carolyn E. Gies	Bill of Sale - 1995
25	968	Gerald & Rae-Jean Johnson	Unknown (Leasing for 68 years per Lessees)

## 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. 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	958	Kirk & Kim Mace	1935	N/A
5	959	Daniel, Deanna, & Kimberly Schw enk	1940	N/A
6	960	Gregg E. Sautter	1955	N/A
7	961	Jacquelyn & Robert Todd White	1950	N/A
8	1041	Inga Ann Ibey	1955	N/A
9	962	Virginia McHugh	1950	Sold for \$175,000 in 2008 via MLS
10	963	Michael B. & Jennifer S. Duax	1950	Sold for \$76,750 in 2013 via MLS
18	964	Christopher W. & Christopher W. E. Boland	2009	N/A
20	965	Glen & Carol Richards	2008	N/A
21	966	Marvin & Marianne Maki	1970	N/A
23	967	Carolyn E. Gies	1940	N/A
25	968	Gerald & Rae-Jean Johnson	1955	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.

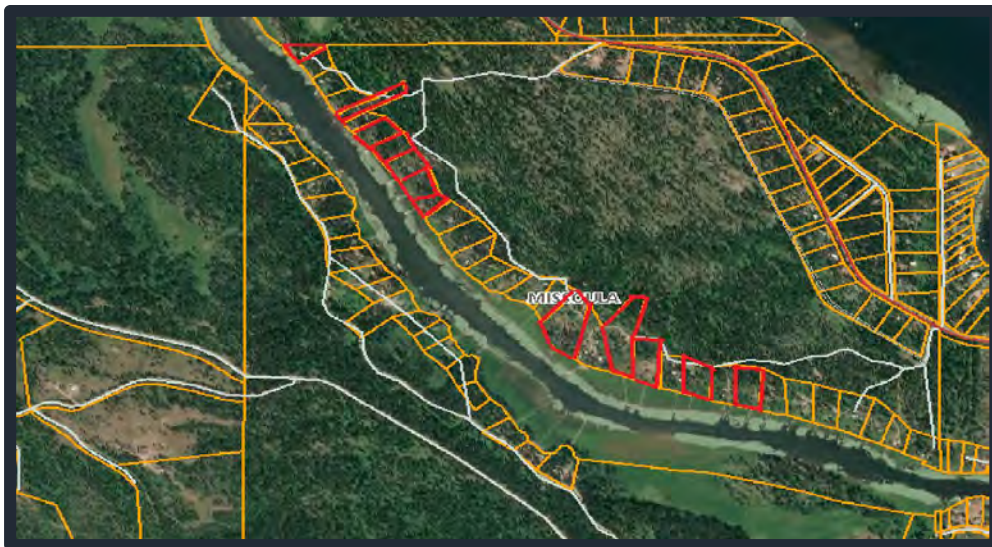
## PROPERTY DESCRIPTIONS

### GENERAL DESCRIPTIONS

The subject properties are Lots 1, 6, 7, 8, 9, 10, 18, 21, 23, and 25 of Certificate of Survey #4875; Lot20 in Certificate of Survey #6625; and Lot 5 in Certificate of Survey #6626. The subject lots are 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	958	Kirk & Kim Mace	0.700
5	959	Daniel, Deanna, & Kimberly Schwenk	1.236
6	960	Gregg E. Sautter	1.351
7	961	Jacquelyn & Robert Todd White	1.315
8	1041	Inga Ann Ibey	1.303
9	962	Virginia McHugh	1.349
10	963	Michael B. & Jennifer S. Duax	0.851
18	964	Christopher W. & Christopher W. E. Boland	3.174
20	965	Glen & Carol Richards	3.409
21	966	Marvin & Marianne Maki	2.075
23	967	Carolyn E. Gies	1.540
25	968	Gerald & Rae-Jean Johnson	1.826

Since the subject lots are legally platted on three different Certificates of Survey, an image from the Montana Department of Revenue which includes all 12 subject lots is below;

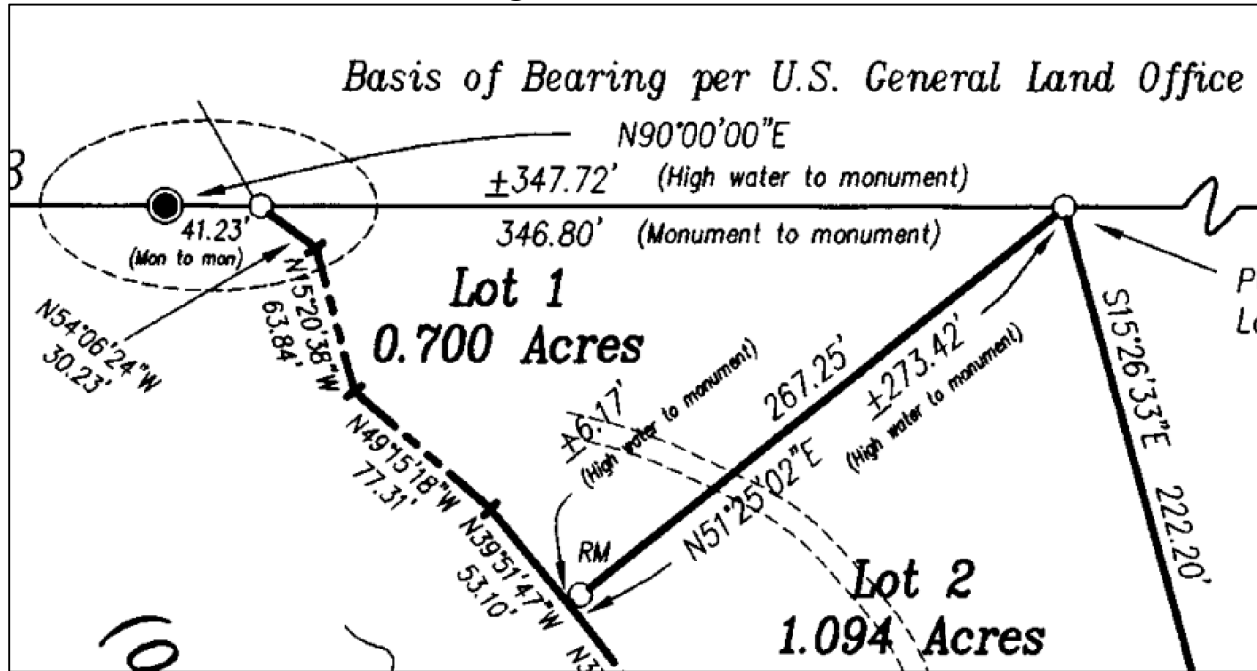


Individual images depicting each subject site recorded as part of the appropriate Certificate of Survey and topographic maps are included on the following pages.

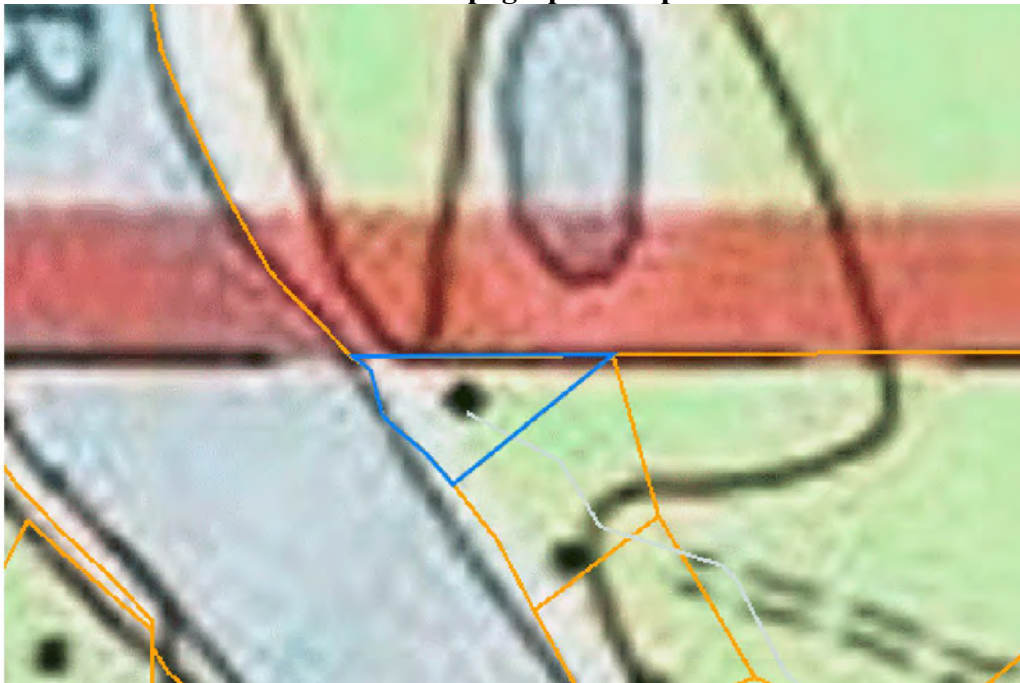


## LOT 1

### Enlarged View of COS #4875

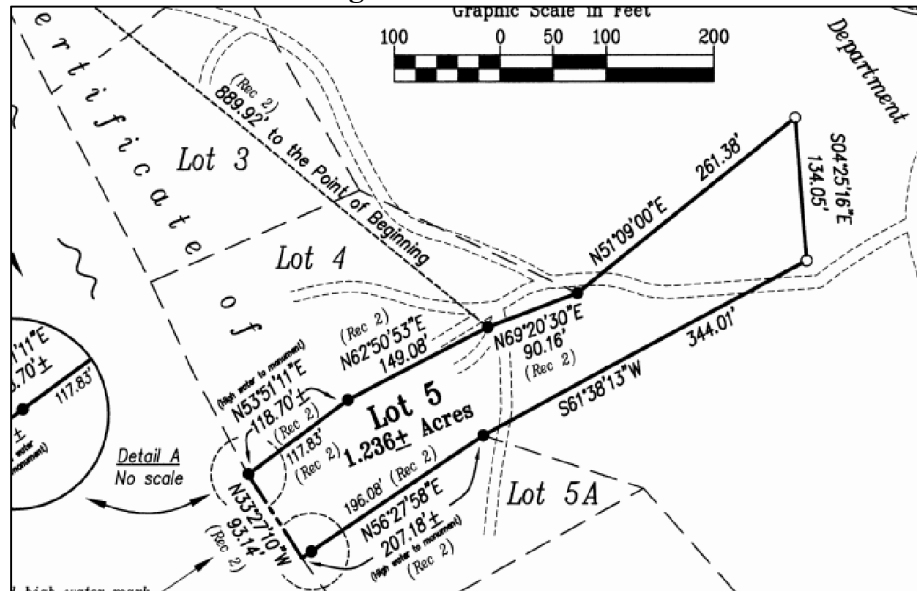


### Area Topographic Map

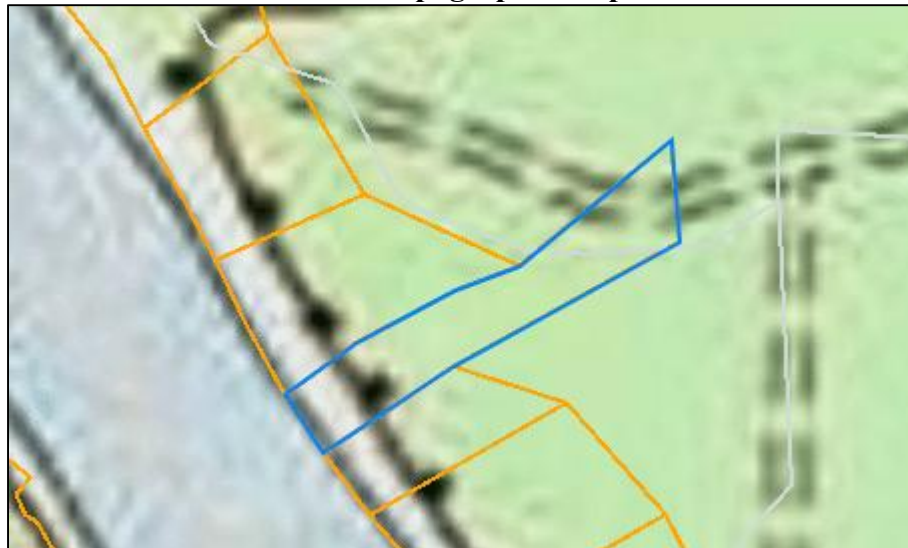


## LOT 5

### Enlarged View of COS #6626

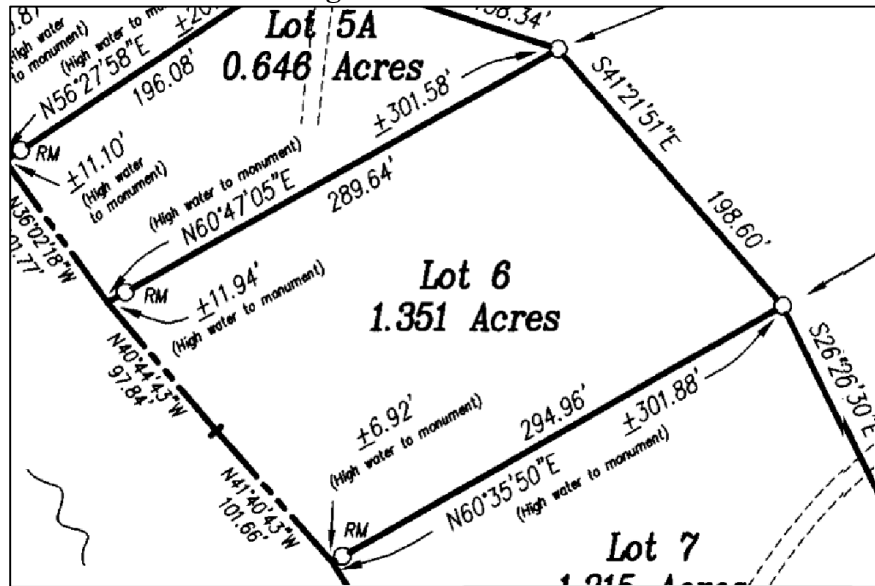


### Area Topographic Map



## LOT 6

### Enlarged View of COS #4875

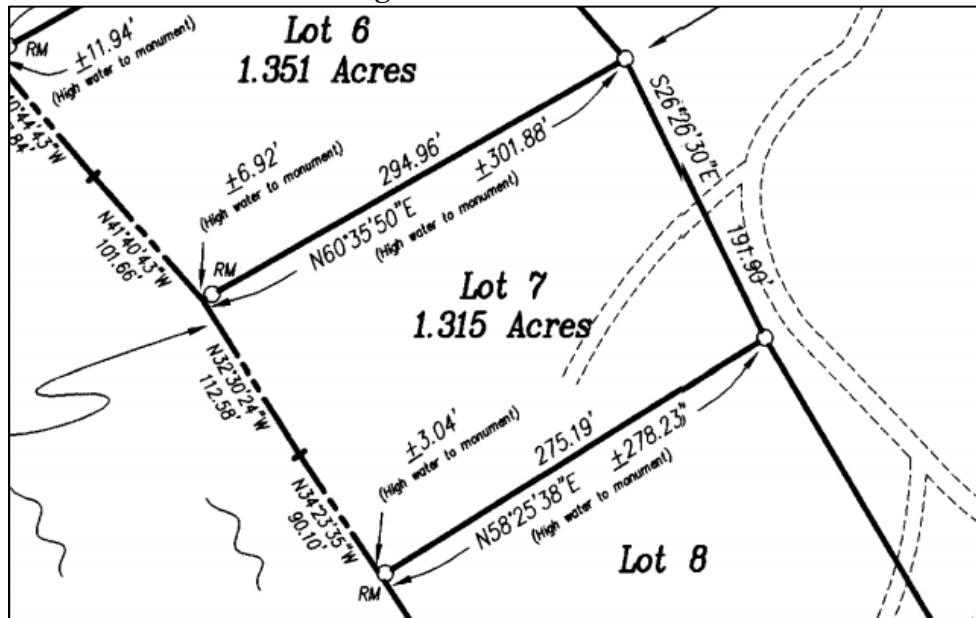


### Area Topographic Map

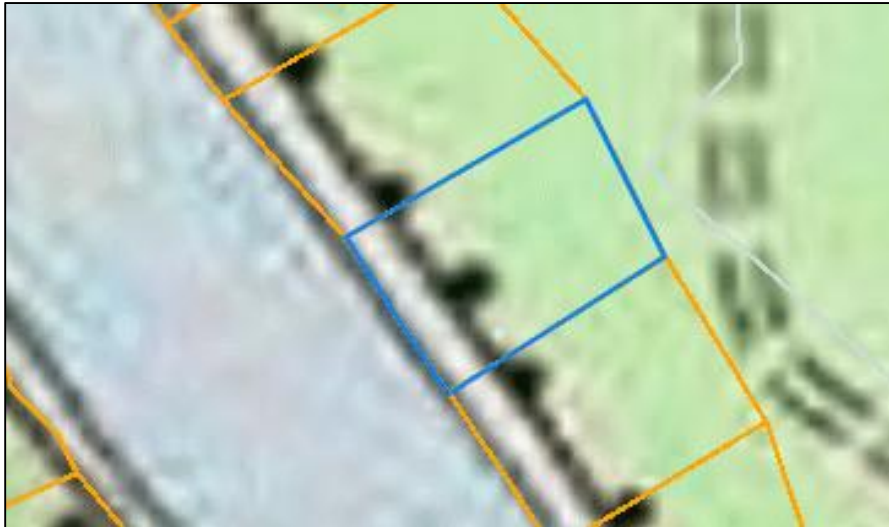


## LOT 7

### Enlarged View of COS #4875

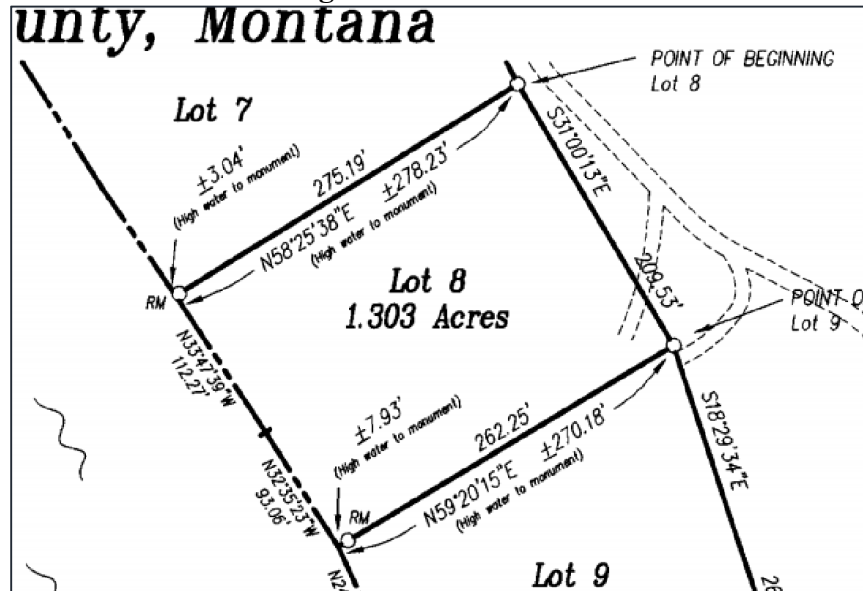


### Area Topographic Map



## LOT 8

### Enlarged View of COS #4875



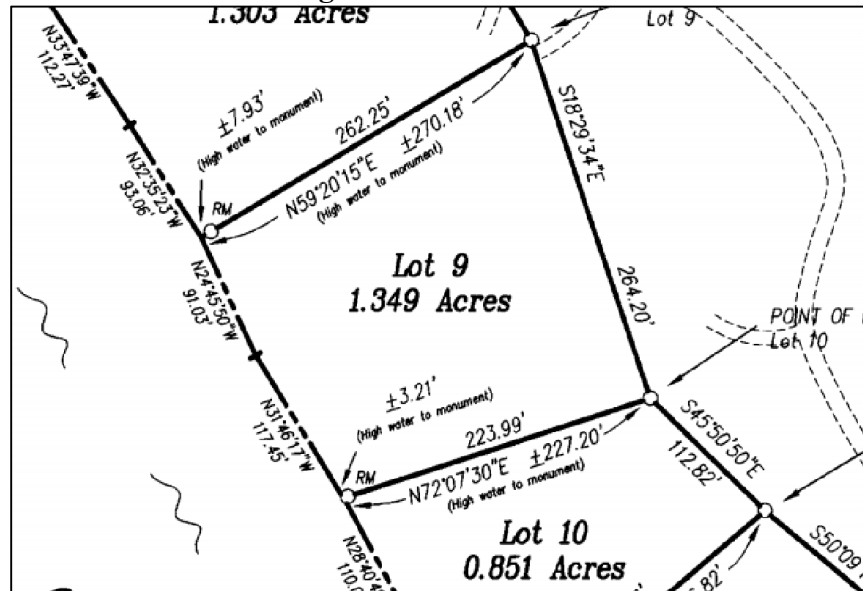
### Area Topographic Map





## LOT 9

### Enlarged View of COS #4875

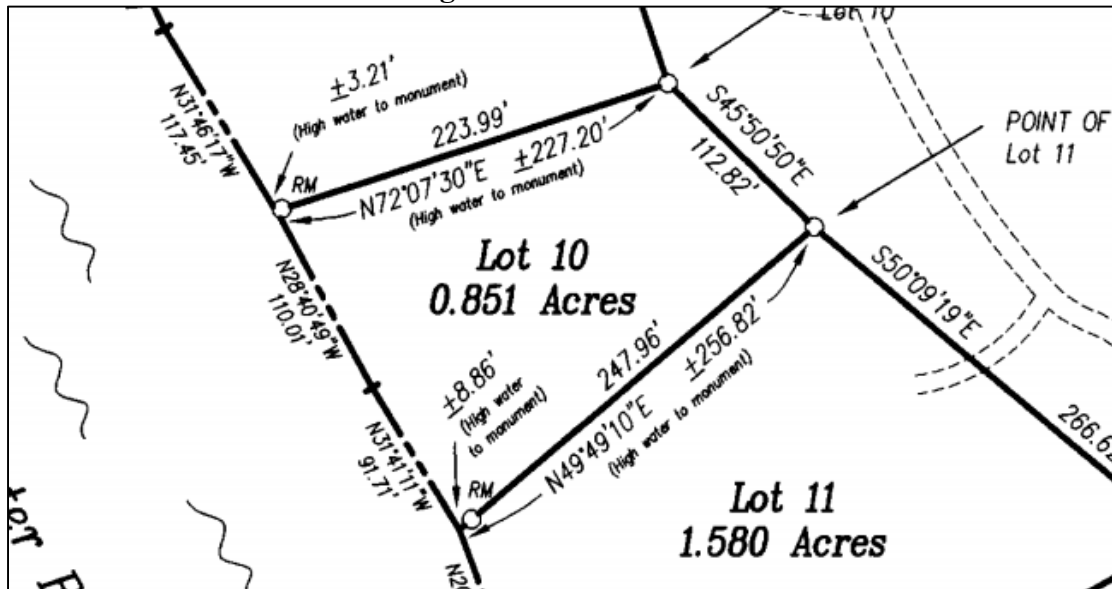


### Area Topographic Map

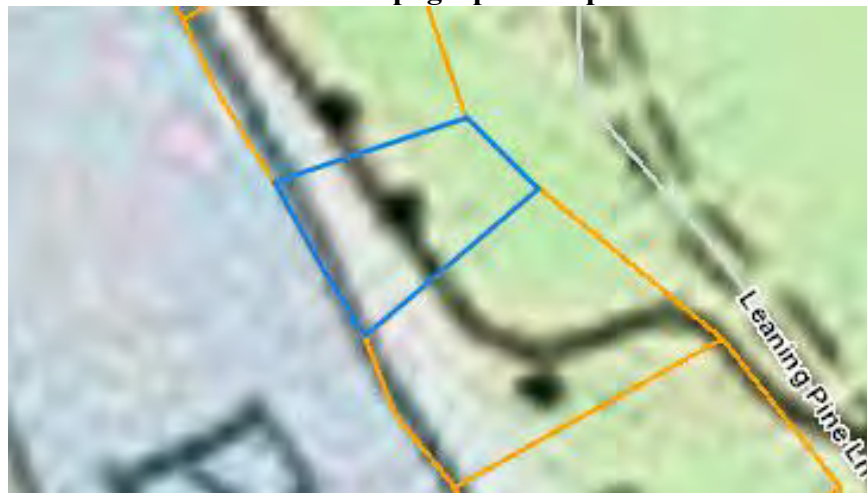


## LOT 10

### Enlarged View of COS #4875



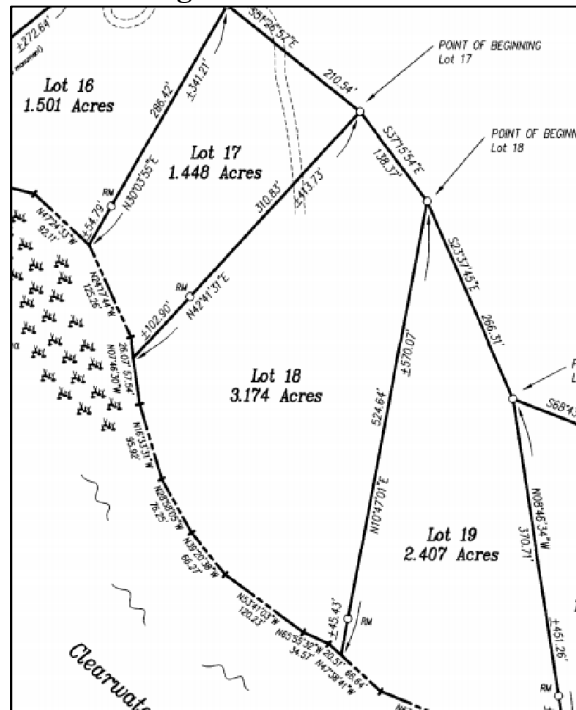
### Area Topographic Map



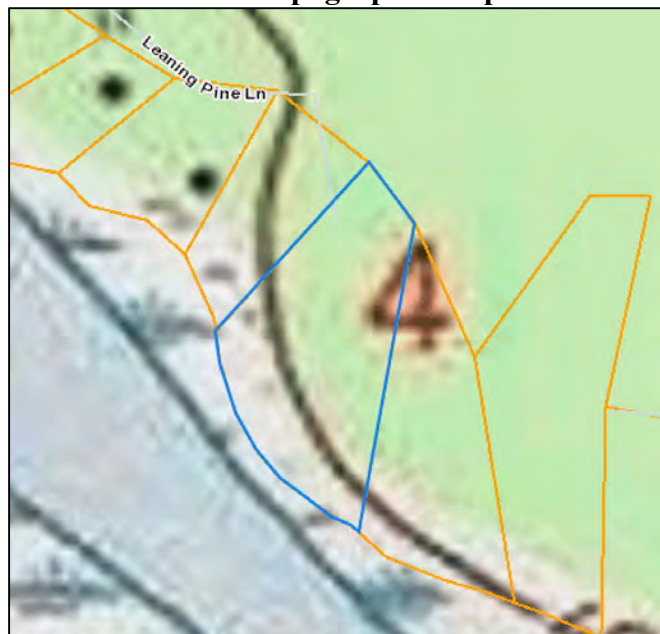


## LOT 18

### Enlarged View of COS #4875

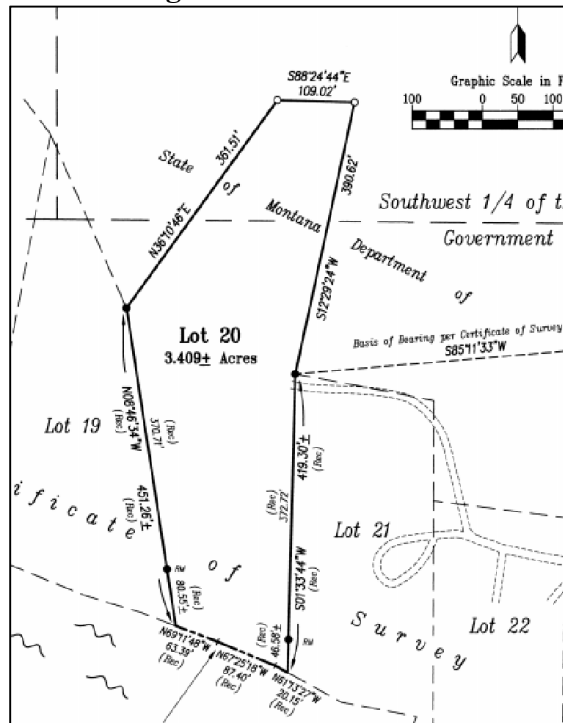


### Area Topographic Map

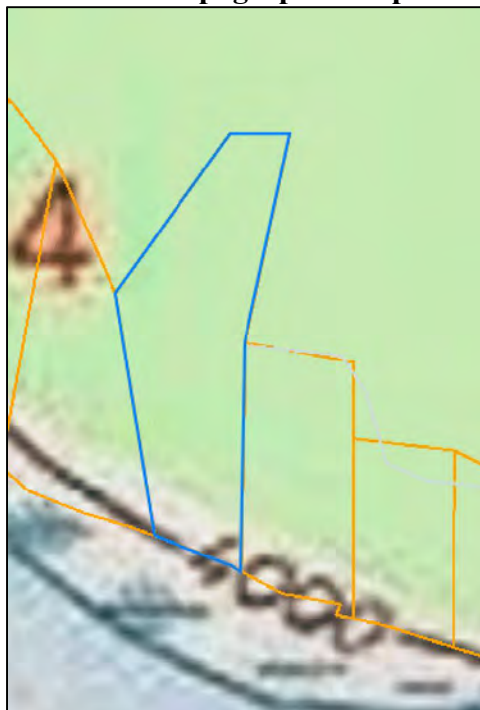


## LOT 20

### Enlarged View of COS #6626



### Area Topographic Map



**LOT 21**

## Enlarged View of COS #4875

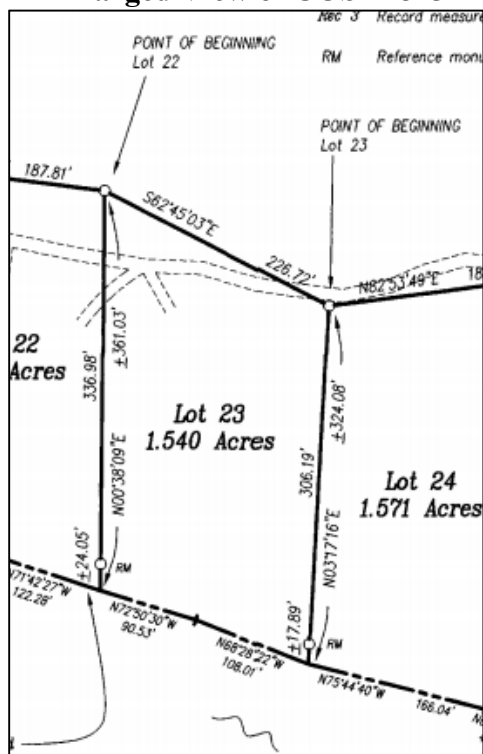


## Area Topographic Map



**LOT 23**

## Enlarged View of COS #4875

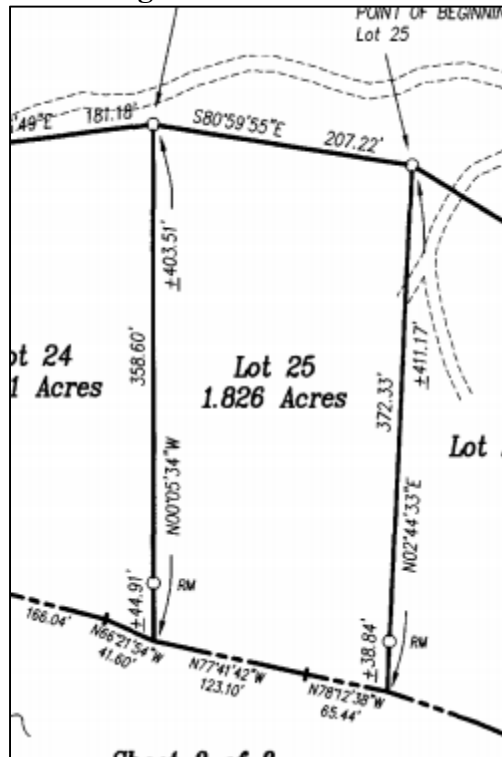


## Area Topographic Map



## LOT 25

### Enlarged View of COS #4875



### Area Topographic Map



## ACCESS AND VIEWS

The subject lots have frontage along and views of the Seeley Lake Outlet. The subject properties have vehicular access from driveways off of Lars Kramen Lane, Leaning Pine Lane, or Cabin Lane. 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	958	Kirk & Kim Mace	NHN Lars Kramen Ln	Driveway from Lars Kramen Ln via Boy Scout Rd
5	959	Daniel, Deanna, & Kimberly Schwenk	607 Lars Kramen Ln	Driveway from Lars Kramen Ln via Boy Scout Rd
6	960	Gregg E. Sautter	NHN Lars Kramen Ln	Driveway from Lars Kramen Ln via Boy Scout Rd
7	961	Jacquelyn & Robert Todd White	639 Leaning Pine Ln	Driveway from Leaning Pine Ln via Lars Kramen Ln and Boy Scout Rd
8	1041	Inga Ann Ibey	701 Leaning Pine Ln	Driveway from Leaning Pine Ln via Lars Kramen Ln and Boy Scout Rd
9	962	Virginia McHugh	757 Leaning Pine Ln	Driveway from Leaning Pine Ln via Lars Kramen Ln and Boy Scout Rd
10	963	Michael B. & Jennifer S. Duax	833 Leaning Pine Ln	Driveway from Leaning Pine Ln via Lars Kramen Ln and Boy Scout Rd
18	964	Christopher W. & Christopher W. E. Boland	1209 Leaning Pine Ln	Driveway from Leaning Pine Ln via Lars Kramen Ln and Boy Scout Rd
20	965	Glen & Carol Richards	795 Cabin Ln	Driveway from Cabin Ln via Boy Scout Rd
21	966	Marvin & Marianne Maki	785 Cabin Ln	Driveway from Cabin Ln via Boy Scout Rd
23	967	Carolyn E. Gies	725 Cabin Ln	Driveway from Cabin Ln via Boy Scout Rd
25	968	Gerald & Rae-Jean Johnson	565 Cabin Ln	Driveway from Cabin Ln via Boy Scout Rd

## IMPROVEMENTS

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

Lot #	1	5	6	7
<b>Residence SF</b>	459	1,436	694	906
<b>Construction Type</b>	Wood Frame	Wood Frame	Wood Frame	Wood Frame
<b>Foundation</b>	Post & Pier	Crawl Space	Crawl Space	Crawl Space
<b>Quality</b>	Average	Average	Average	Average
<b>Condition</b>	Average	Average	Average	Average
<b>Year Built</b>	1935	Unknown	1955	1950
<b># of Bedrooms</b>	0	2	1	1
<b># of Bathrooms</b>	0	1	0	0
<b>Porches</b>	48 SF Covered Porch	582 SF Covered Porch & 60 SF Covered Porch	212 SF Deck	26 SF Covered Porch & 30 SF Covered Porch
<b>Outbuildings</b>	84 SF Shed, 36 SF Sauna, & 28 SF Outhouse	231 SF Bunk House, 160 SF Shed, 192 SF Pier, & 25 SF Outhouse	48 SF Open Storage, 48 SF Open Storage, 34 SF Shed, 272 SF Pier, & 25 SF Outhouse	176 SF Bunk House, 30 SF Pump House, 34 SF Shed, 120 SF Shed, 308 SF Pier, 228 SF Boat House, & 18 SF Out House
<b>Well/Septic</b>	None/None	Well/Septic	None/None	None/None
<b>Landscaping</b>	Lawn	Lawn	Lawn	Lawn

Lot #	8	9	10	18
<b>Residence SF</b>	1,388	918	1,112	2,183
<b>Construction Type</b>	Wood Frame	Wood Frame	Wood Frame	Log Frame
<b>Foundation</b>	Crawl Space	Crawl Space	Crawl Space	Crawl Space
<b>Quality</b>	Average	Average	Average	Very Good
<b>Condition</b>	Average	Average	Average	Good
<b>Year Built</b>	1955	1950	1950	2009
<b># of Bedrooms</b>	2	1	1	4
<b># of Bathrooms</b>	1 (Not Functioning)	0	1 (No Drains)	0
<b>Porches</b>	80 SF Deck & 151 SF Deck	256 SF Deck	221 SF Deck, 66 SF Covered Porch, 18 SF Stoop, & 32 SF Deck	290 SF Covered Deck & 290 SF Covered Porch
<b>Outbuildings</b>	480 SF Pole Building, 228 SF Pier, 128 SF Shed, 42 SF Gazebo, & 20 SF Outhouse	288 SF Bunk House, 280 SF Shed, 96 SF Storage, 468 SF Pier, & 30 SF Out House	300 SF Bunk House, 280 SF Carport, 552 SF Pier, & 24 SF Out House	402 SF Pier, 54 SF Open Storage, 80 SF Shed, & 36 SF Out House
<b>Well/Septic</b>	Shallow Well/None	None/None	None/None	None/None
<b>Landscaping</b>	Lawn	Lawn	Lawn	Lawn



Lot #	20	21	23	25
Residence SF	1,689	1,454	819	926
Construction Type	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Foundation	Piers	Crawl Space	Crawl Space	Crawl Space
Quality	Good	Average	Average	Average
Condition	Good	Average	Average	Average
Year Built	2008	1970	1940	1955
# of Bedrooms	4	3	2	1
# of Bathrooms	1	1 (Composting Toilet)	1 (Composting Toilet)	0
Porches	120 SF Deck & 320 SF Deck	40 SF Covered Porch, 368 SF Deck, 126 SF Deck, & 72 SF Deck	75 SF Covered Porch & 48 SF Covered Porch	12 SF Stoop & 28 SF Covered Stoop
Outbuildings	945 SF Pole Building, 176 SF Detached Deck, 240 SF Shed, & 1,260 SF Pier	860 SF Pier, 200 SF Shed, 192 SF Shed, & 54 SF Outhouse	360 SF Garage, 102 SF Shed, 102 SF Wood Shed, & 800 SF Pier	132 SF Wood Shed, 96 SF Shed, & 18 SF Out House
Well/Septic	Well/Septic	Well/None	None/None	None/None
Landscaping	Law n	Law n	Law n	Law n

## 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	958	Kirk & Kim Mace	NHN Lars Kramen Ln	Easements for power line and buried telephone line
5	959	Daniel, Deanna, & Kimberly Schwenk	607 Lars Kramen Ln	20' wide shared drive crosses lot and benefits Lots 1, 2, 3, & 4; a second 20' wide shared drive crosses Lot 5 and benefits Lots 5A & 6, power line easement, & buried telephone lines
6	960	Gregg E. Sautter	NHN Lars Kramen Ln	Easements for power line and buried telephone line
7	961	Jacquelyn & Robert Todd White	639 Leaning Pine Ln	Easements for power line and buried telephone line
8	1041	Inga Ann Ibey	701 Leaning Pine Ln	Easements for power line and buried telephone line
9	962	Virginia McHugh	757 Leaning Pine Ln	20' wide shared driveway cross southeastern corner of lot and benefits Lots 9 & 10, easements for power line and buried telephone line
10	963	Michael B. & Jennifer S. Duax	833 Leaning Pine Ln	Easements for power line and buried telephone line
18	964	Christopher W. & Christopher W. E. Boland	1209 Leaning Pine Ln	Easements for power line and buried telephone line
20	965	Glen & Carol Richards	795 Cabin Ln	20' wide shared driveway cross lot and benefits Lot 19, easements for power line and buried telephone line
21	966	Marvin & Marianne Maki	785 Cabin Ln	20' wide shared driveway along northern boundary of lot and benefits Lots 19 & 20, easements for power line and buried telephone line
23	967	Carolyn E. Gies	725 Cabin Ln	20' wide shared driveway along northern half of lot and benefits Lots 19, 20, 21, & 22, easements for power line and buried telephone line
25	968	Gerald & Rae-Jean Johnson	565 Cabin Ln	Easements for power line and buried telephone line

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

**See Topography, Vegetation, Wetlands, Soils, and Drainage for potential property use restrictions.**

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**

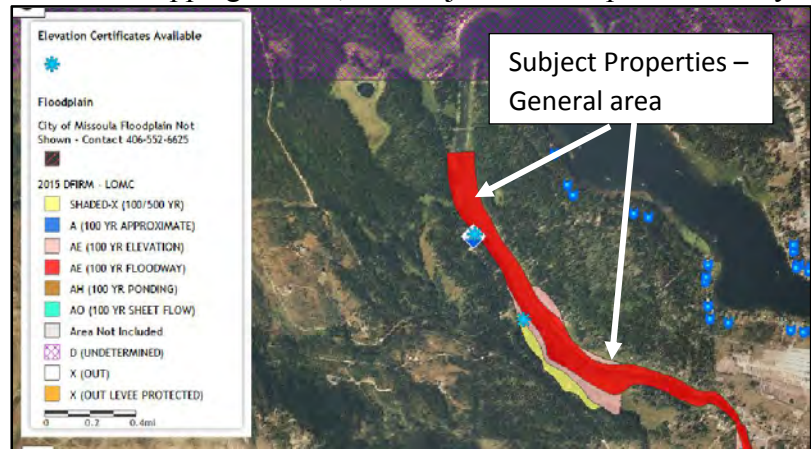
The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2017 tax bills and taxable market values for the **subject improvements** (as per the Montana Department of Revenue)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

<b>Tax Bills for Improvements</b>				
<b>Lot #</b>	<b>Lessees</b>	<b>Assessor # for Improvements</b>	<b>2017 Taxable Market Value</b>	<b>2017 Tax Bill Amount</b>
1	Kirk & Kim Mace	1347758	\$30,700	\$414.00
5	Daniel, Deanna, & Kimberly Schwenk	747309	\$52,520	\$709.00
6	Gregg E. Sautter	414507	\$37,600	\$508.00
7	Jacquelyn & Robert Todd White	1716604	\$42,830	\$578.00
8	Inga Ann Ibey	1000004	\$55,530	\$750.00
9	Virginia McHugh	2474303	\$58,320	\$787.00
10	Michael B. & Jennifer S. Duax	775108	\$50,660	\$684.00
18	Christopher W. & Christopher W. E. Boland	3004808	\$119,860	\$1,618.00
20	Glen & Carol Richards	4134386	\$182,100	\$2,458.00
21	Marvin & Marianne Maki	1672756	\$76,600	\$1,034.00
23	Carolyn E. Gies	2476701	\$48,350	\$653.00
25	Gerald & Rae-Jean Johnson	1059103	\$21,810	\$294.00

## TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Missoula County GIS flood mapping feature, the subject lots are predominantly 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 and the lessors, 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 septic systems are not possible for most of the subject lots. Subject Lots 5 and 20 were enlarged by updated Certificates of Survey to include areas suitable for septic systems because these lots include relatively recently permitted septic systems it is assumed there is sufficient space for replacement drain fields.

It does not appear that drainage and storm water runoff are adequate and/or properly designed and engineered for most of 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	Kirk & Kim Mace	No	None	Yes (2)	N/A
5	Daniel, Deanna, & Kimberly Schwenk	Yes	Well	Yes	2004 Septic Permit on File
6	Gregg E. Sautter	No	None	Yes	N/A
7	Jacquelyn & Robert Todd White	No	None	Yes	N/A
8	Inga Ann Ibey	No	Shallow Well (not potable)	No	N/A
9	Virginia McHugh	No	None	No	N/A
10	Michael B. & Jennifer S. Duax	No	None	No	N/A
18	Christopher W. & Christopher W. E. Boland	No	None	No	N/A
20	Glen & Carol Richards	Yes	Well (20') & Well (227')	No	2008 Septic Permit on File
21	Marvin & Marianne Maki	No	Well (200')	Yes	Lessees reported gray water leach field
23	Carolyn E. Gies	No	None	Yes	N/A
25	Gerald & Rae-Jean Johnson	No	None	No	N/A

## PUBLIC SAFETY AND SERVICES

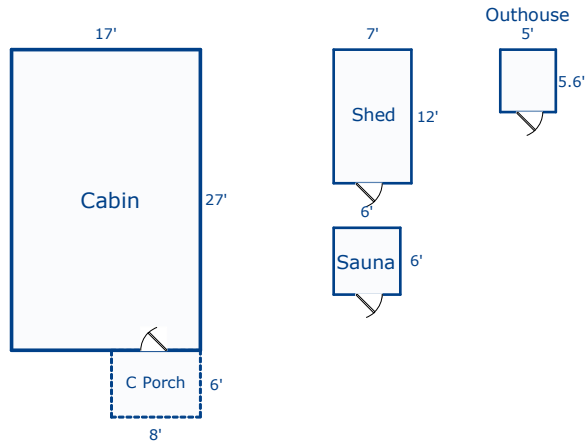
Police, fire protection, and other services are provided by Missoula County and area volunteer emergency services.

## 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. Most of the subject lots cannot accommodate septic systems.

# SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

## LOT 1 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	459.00	459.00
P/P	C Porch	48.00	48.00
OTH	Shed	84.00	
	Outhouse	28.00	
	Sauna	36.00	148.00
Net LIVABLE Area		(rounded)	459

LIVING AREA BREAKDOWN		
Breakdown	Subtotals	
First Floor	459.00	
17.0 x 27.0		
1 Item	(rounded)	459

## LOT 1 - SUBJECT PHOTOGRAPHS



Front of Cabin on Lot 1



Living Area



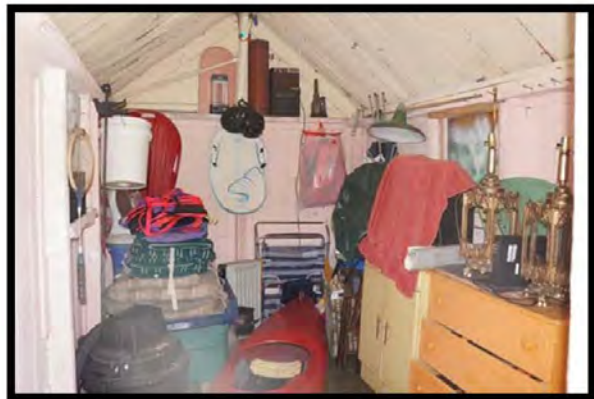
Kitchen Area



Shed



Shed



Shed Interior



## ADDITIONAL PHOTOGRAPHS



Sauna



Sauna Interior



Outhouse



Water Frontage Looking West



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking Southwest



## ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking Northwest



Lot 1 Interior



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking East



Southwest Property Boundary Marker



View North along West Property Boundary



## ADDITIONAL PHOTOGRAPHS



View West from Southwest Property Corner



East Property Boundary Marker



Lot 1 Interior from East Property Corner

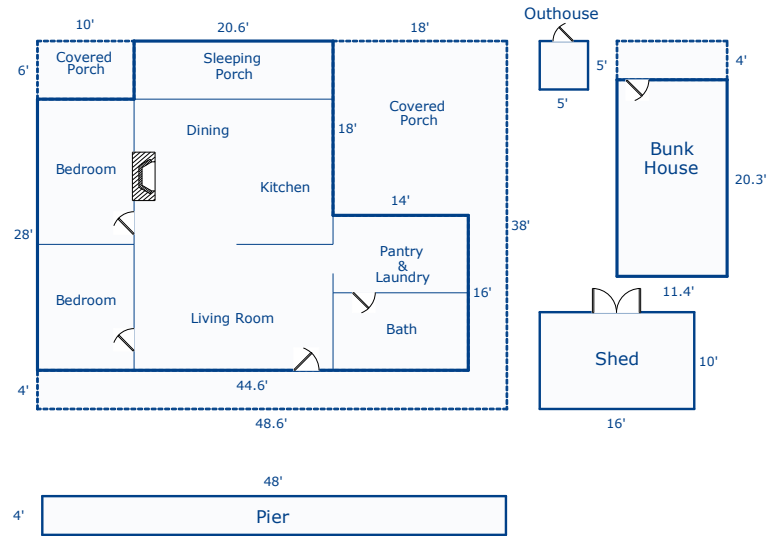


Lot 1 Interior from West Corner of Property



Lars Kramen Lane Looking Southeast

## LOT 5 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1204.40	
	Bunk House	231.42	1435.82
P/P	C Porch	60.00	
	Covered Porch	582.40	
	C Porch	45.60	688.00
OTH	Outhouse	25.00	
	Shed	160.00	
	Pier	192.00	377.00
Net LIVABLE Area		(rounded)	1436

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
20.6	x	6.0	123.60
44.6	x	16.0	713.60
12.0	x	30.6	367.20
Bunk House			
11.4	x	20.3	231.42
4 Items			(rounded)
			1436



## LOT 5 - SUBJECT PHOTOGRAPHS



Front of Cabin on Lot 5



South Side of Residence on Lot 5



West Side of Cabin



Sleeping Porch



Kitchen



Dining Room

## ADDITIONAL PHOTOGRAPHS



Bedroom



Living Room



Bedroom



Pantry / Laundry



Bathroom



Dining Room



## ADDITIONAL PHOTOGRAPHS



Bunk House



Bunk House Interior



Woodstove in Bunk House



Outhouse



Outhouse Interior



Shed

## ADDITIONAL PHOTOGRAPHS



Shed Interior



Patio Area



Patio and View toward Seeley Lake Outlet



Covered Porch



Pier and Dock Looking West



Seeley Lake Outlet Looking North



## ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



Northwest Property Boundary Marker



View South along West Property Boundary



Southwest Property Boundary Marker



View North along West Property Boundary



View Northeast along South Property Boundary



## ADDITIONAL PHOTOGRAPHS



Northeast along North Property Boundary



Well



View Southwest along North Property Boundary



Northeast Property Boundary Marker Looking Southwest



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking Southwest



## ADDITIONAL PHOTOGRAPHS



View Southwest along South Property Boundary



View Southwest along South Property Boundary



Lot 5 Interior



Lot 5 Interior

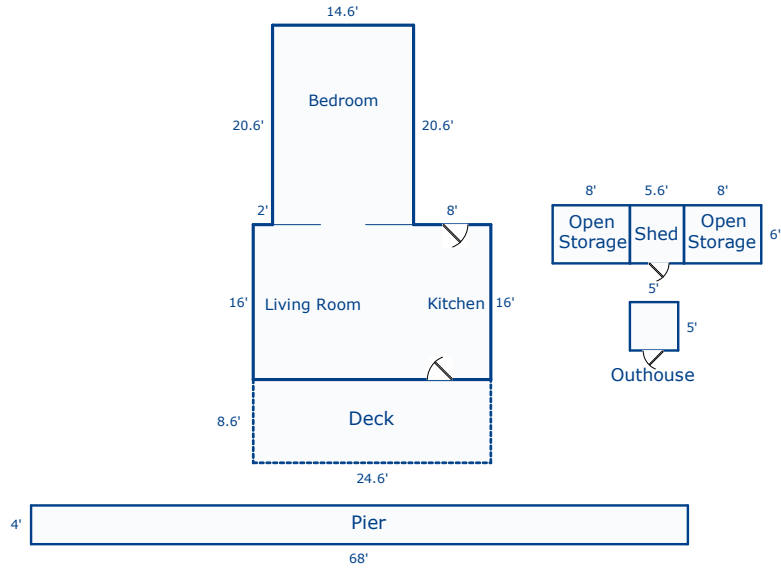


Driveway Looking toward Lars Kramen Lane



Driveway on Lot 5

## LOT 6 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	694.36	694.36
P/P	Deck	211.56	211.56
OTH	Shed	33.60	
	Open Storage	48.00	
	Open Storage	48.00	
	Pier	272.00	
	Outhouse	25.00	426.60
Net LIVABLE Area		(rounded)	694

LIVING AREA BREAKDOWN			Subtotals	
Breakdown				
First Floor				
	14.6	x 20.6		300.76
	24.6	x 16.0		393.60
2 Items			(rounded)	694



## LOT 6 - SUBJECT PHOTOGRAPHS



Residence on Lot 6 from Dock



North Side of Residence on Lot 6



North Side of Residence



South Side of Residence



East Side of Residence



Bedroom



## ADDITIONAL PHOTOGRAPHS



Living Area



Kitchen/Dining



Storage Building



Storage Interior



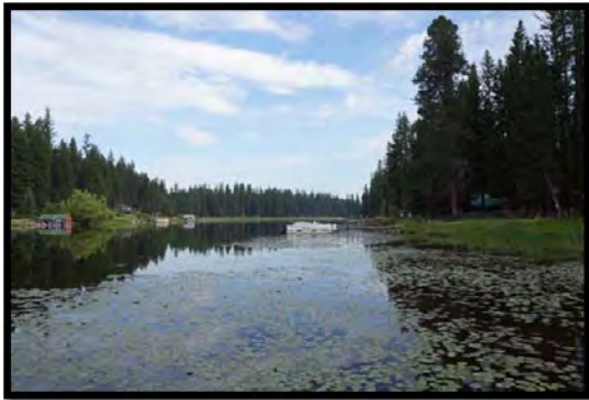
Outhouse



Pier & Dock



## ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking North



Seeley Lake Outlet Looking South



Lot 6 Interior Looking West



Lot 6 Interior Looking Southwest



Lot 6 Interior Looking North



Northwest Property Boundary Marker



## ADDITIONAL PHOTOGRAPHS



View South along West Property Boundary



View East along North Property Boundary



Driveway



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking North

## ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking West

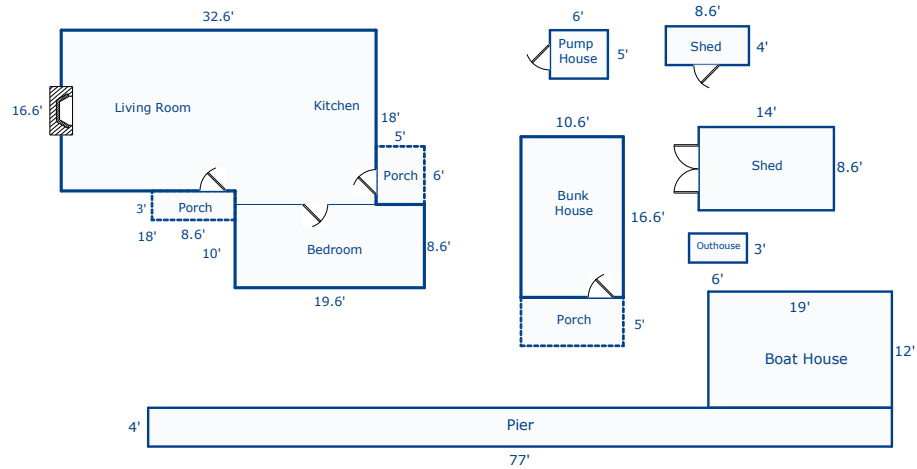


Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking East

## LOT 7 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	730.16	
	Bunk House	175.96	906.12
P/P	C Porch	25.80	
	C Porch	30.00	
	Bunk House Porch	53.00	108.80
OTH	Pump House	30.00	
	Shed 1	34.40	
	Shed 2	120.40	
	Outhouse	18.00	
	Pier	308.00	
	Boat House	228.00	738.80
Net LIVABLE Area		(rounded)	906

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
32.6	x	16.6	541.16
19.6	x	8.6	168.56
1.4	x	14.6	20.44
Bunk House			
10.6	x	16.6	175.96
4 Items			(rounded) 906



## LOT 7 - SUBJECT PHOTOGRAPHS



South Side of Residence on Lot 7



West Side of Residence on Lot 7



North Side of Residence



East Side of Residence



Residence on Lot 7



Living Area



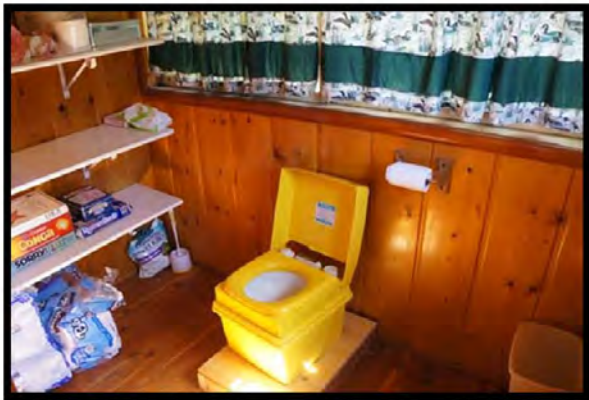
## ADDITIONAL PHOTOGRAPHS



Bedroom



Kitchen/Dining



Bathroom



Bunk House



Bunk House Interior



Pump House



## ADDITIONAL PHOTOGRAPHS



Storage Shed



Storage Shed Interior



Storage Shed 2



Pier and Boat House on Seeley Lake Outlet



Boat House



Horseshoe Pit



## ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking North



View West across Seeley Lake Outlet



Lot 7 Interior Looking West



Lot 7 Interior



Lot 7 Interior



## ADDITIONAL PHOTOGRAPHS



Northeast Boundary Marker Looking West



Northeast Boundary Marker Looking South



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



## ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker Looking West



Southwest Property Boundary Marker Looking North



Driveway

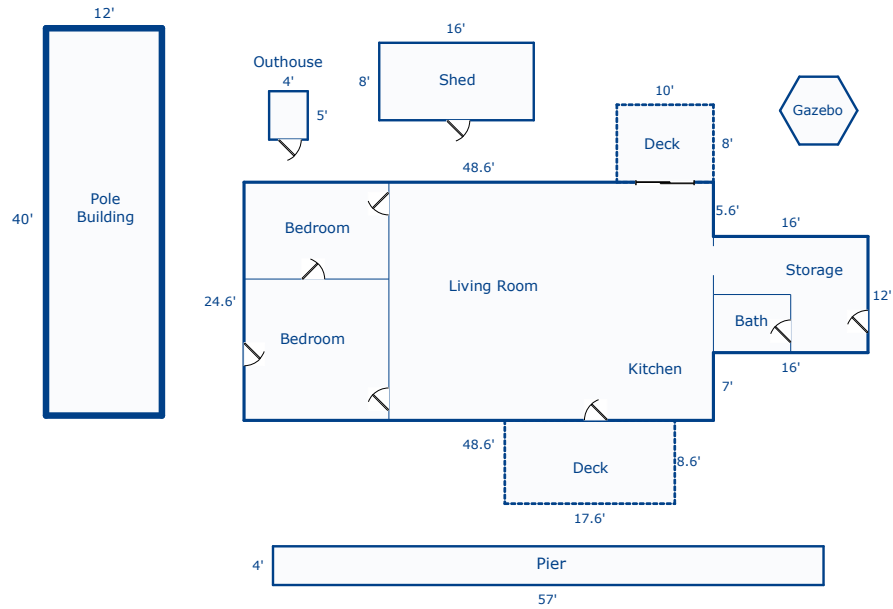


Leaning Pine Lane Looking South



Leaning Pine Lane Looking North

## LOT 8 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	1387.56	1387.56
GAR	Pole Building	480.00	480.00
P/P	Deck	80.00	
	Deck	151.36	231.36
OTH	Outhouse	20.00	
	Pier	228.00	
	Shed	128.00	
	Gazebo	42.00	418.00
Net LIVABLE Area		(rounded)	1388

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
48.6	x	7.0	340.20
64.6	x	12.0	775.20
5.6	x	48.6	272.16
3 Items			(rounded)
			1388



## LOT 8 - SUBJECT PHOTOGRAPHS



East Side of Residence on Lot 8



South Side of Residence on Lot 8



West Side of Residence



North Side of Residence



Kitchen



Living Area



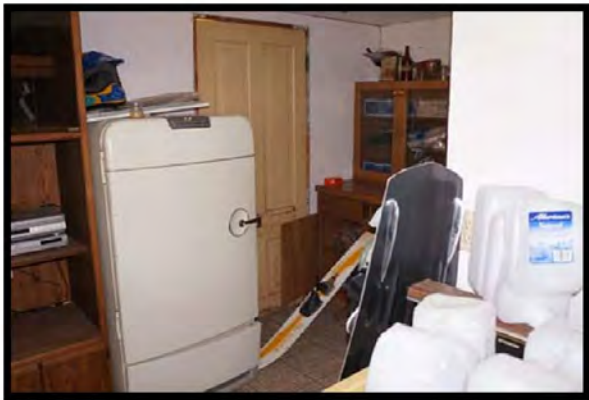
## ADDITIONAL PHOTOGRAPHS



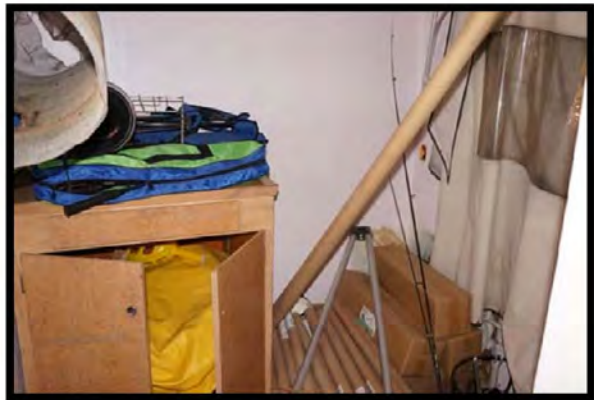
Bedroom



Bedroom



Storage



Storage



Shed



Pole Building

## ADDITIONAL PHOTOGRAPHS



Gazebo and Dock to Seeley Lake Outlet



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking North



Lot 8 Interior Looking West



Lot 8 Interior Looking West



Lot 8 Interior



## ADDITIONAL PHOTOGRAPHS



Lot 8 Interior Looking toward Seeley Lake Outlet



Lot 8 Interior from East Portion of Lot



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



## ADDITIONAL PHOTOGRAPHS



Northwest Boundary Marker Looking East



Northwest Boundary Marker Looking South



View North near Southwest Property Corner



View East near Southwest Property Corner



East Portion of Lot 8 Looking North



Driveway to Lot 8

## ADDITIONAL PHOTOGRAPHS

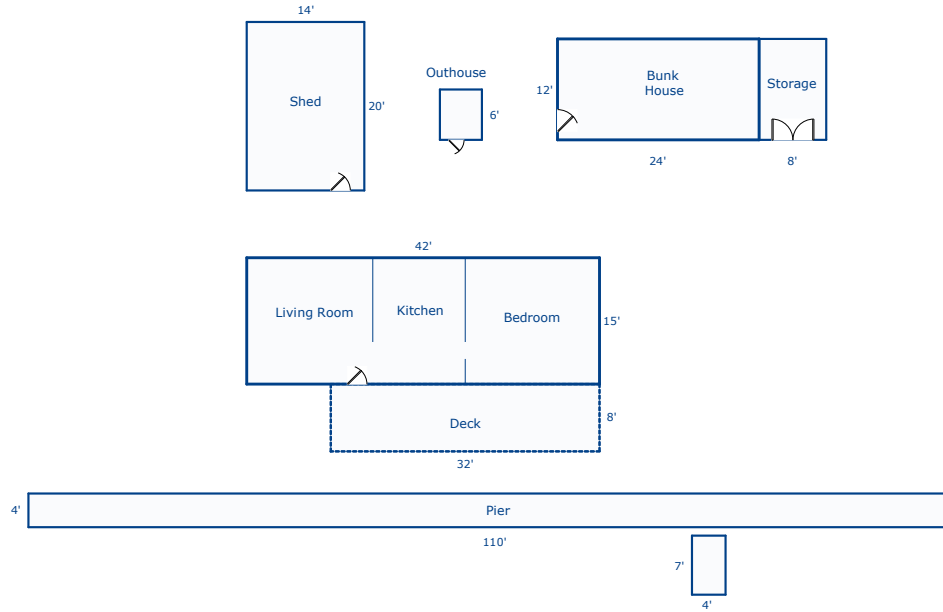


Leaning Pine Lane Looking South



Leaning Pine Lane Looking North

## LOT 9 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	630.00	
	Bunk House	288.00	918.00
P/P	Deck	256.00	256.00
OTH	Outhouse	30.00	
	Shed	280.00	
	Bunk House Storage	96.00	
	Pier	440.00	
	Pierhead	28.00	874.00
Net LIVABLE Area		(rounded)	918

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
	42.0	x 15.0	630.00
Bunk House			
	12.0	x 24.0	288.00
2 Items			(rounded)
			918



## LOT 9 - SUBJECT PHOTOGRAPHS



East and South Sides of Residence on Lot 9



East Side of Residence on Lot 9



North Side of Residence on Lot 9



West Side of Residence



Deck



Living Area



## ADDITIONAL PHOTOGRAPHS



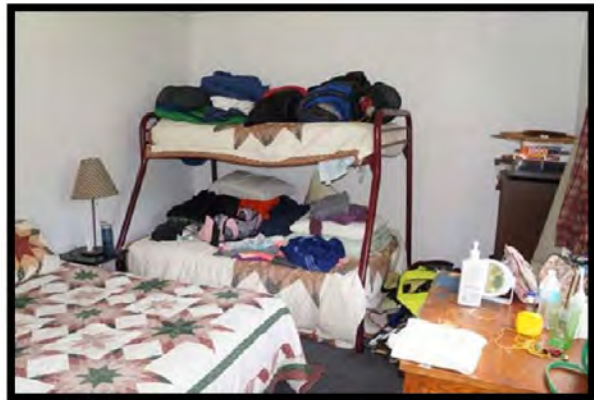
Kitchen



Bedroom



Bunk House



Bunk House Interior



Bunk House Storage



Outhouse

## ADDITIONAL PHOTOGRAPHS



Shed



Shed Interior



Pier



Seeley Lake Outlet Looking North



Seeley Lake Outlet Looking South



Lot 9 Interior Looking West



## ADDITIONAL PHOTOGRAPHS



View North along Lot 9 West Property Boundary



View South along Lot 9 West Property Boundary



View East along North Property Boundary



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking West



## ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking North



Driveway Looking East toward Leaning Pine Lane

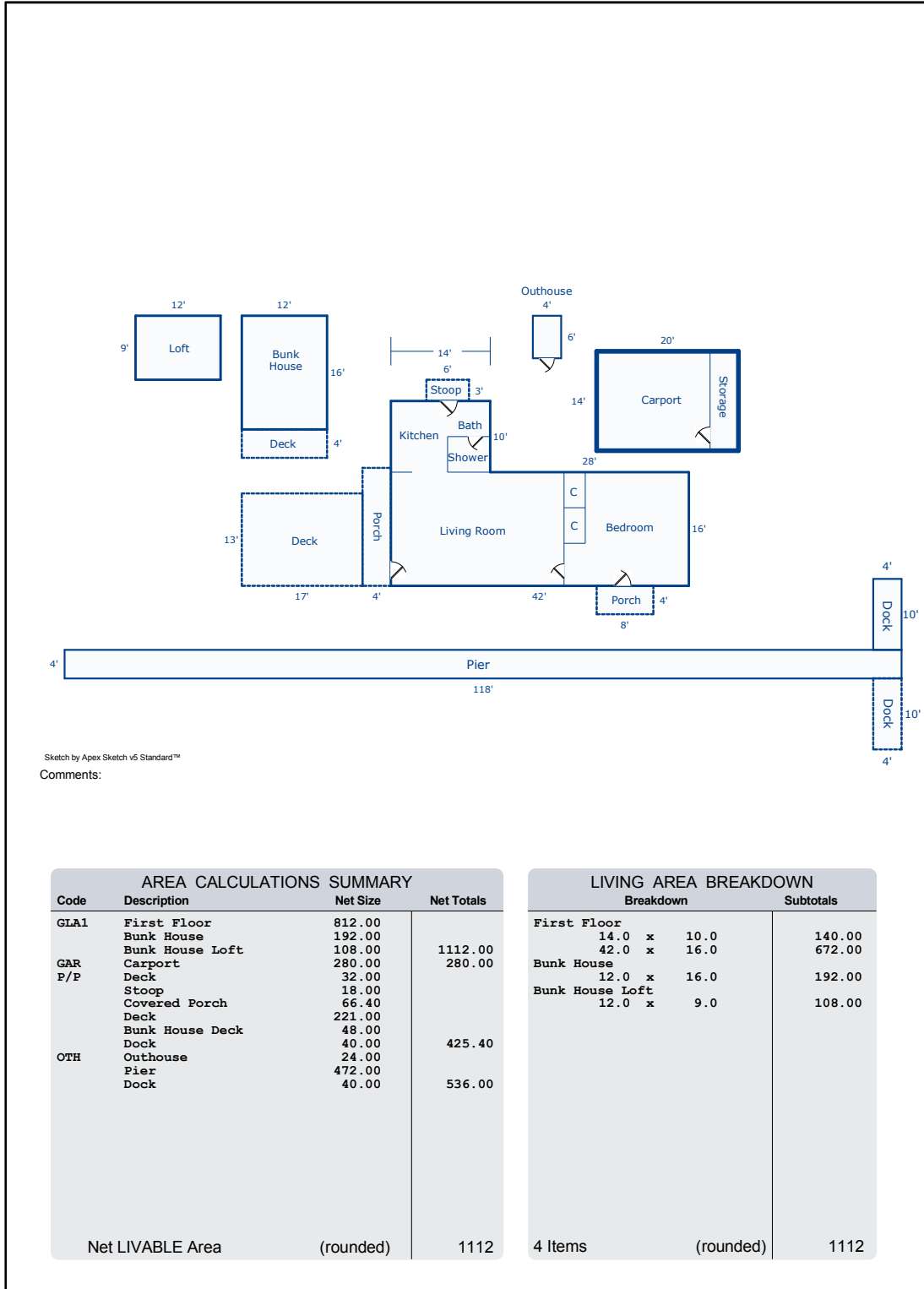


Leaning Pine Lane Looking South



Leaning Pine Lane Looking North

## LOT 10 - BUILDING SKETCH



## LOT 10 - SUBJECT PHOTOGRAPHS



East Side of Residence on Lot 10



North Side of Residence on Lot 10



West Side of Residence on Lot 10



South Side of Residence on Lot 10



Kitchen



Living Area



## ADDITIONAL PHOTOGRAPHS



Living Area



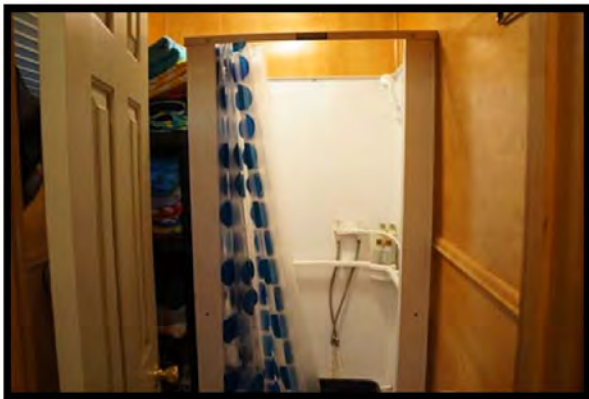
Bedroom



View from Living Area



Sink in Bathroom



Shower in Bathroom



Deck

## ADDITIONAL PHOTOGRAPHS



Bunk House



Bunk House Interior



Outhouse



Carport



Enclosed Storage in Carport



Firepit



## ADDITIONAL PHOTOGRAPHS



Lot 10 Interior Looking West toward Seeley Lake Outlet



Pier



Floating Dock at End of Pier



Seeley lake Outlet Looking South



Seeley Lake Outlet Looking North



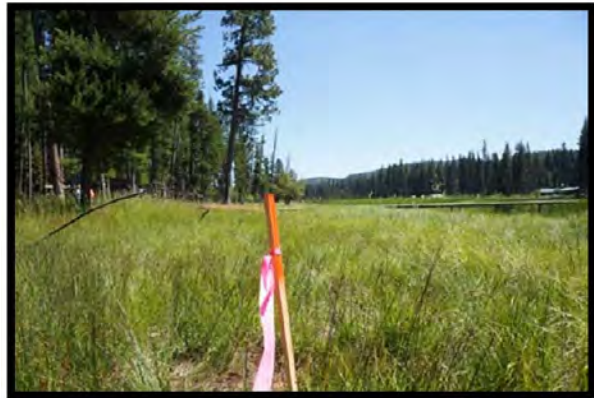
Lot 10 from Current Parking Area Near East Property Boundary



## ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking West



Southwest Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North

## ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



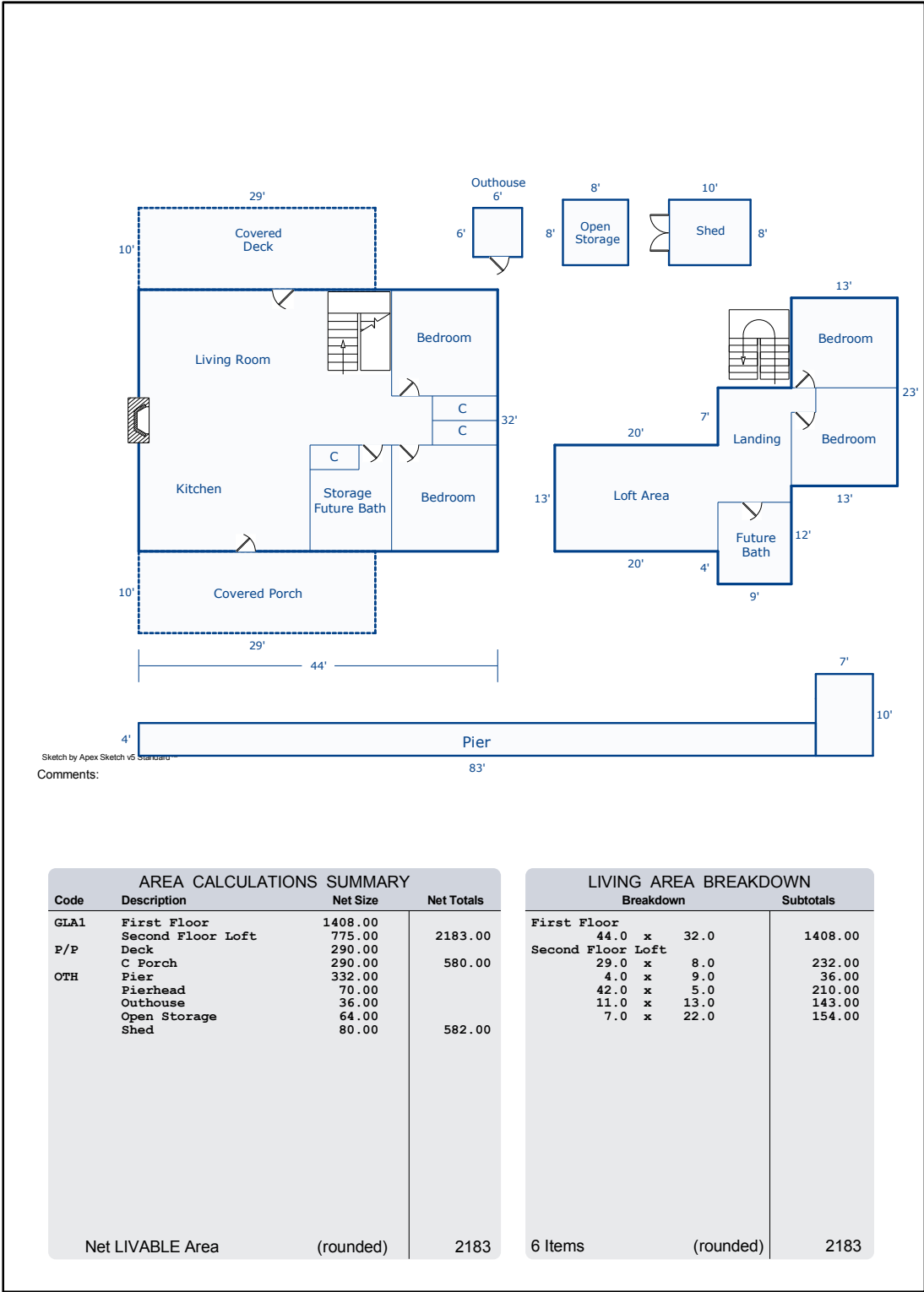
Leaning Pine Lane Looking North



Leaning Pine Lane Looking South



# LOT 18 - BUILDING SKETCH





## LOT 18 - SUBJECT PHOTOGRAPHS



North Side of Residence on Lot 18



South Side of Residence on Lot 18



West Side of Residence on Lot 18



East Side of Residence on Lot 18



Covered Porch



Kitchen

## ADDITIONAL PHOTOGRAPHS



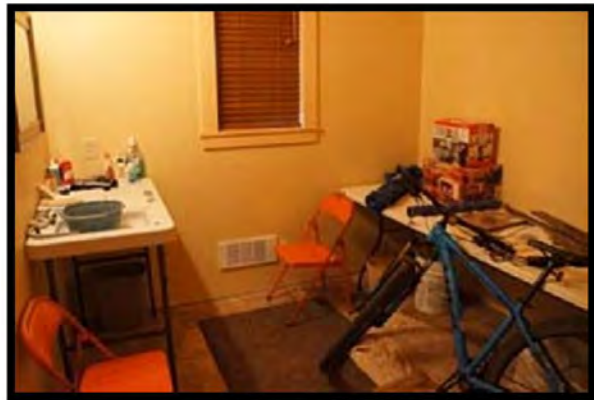
Living Area



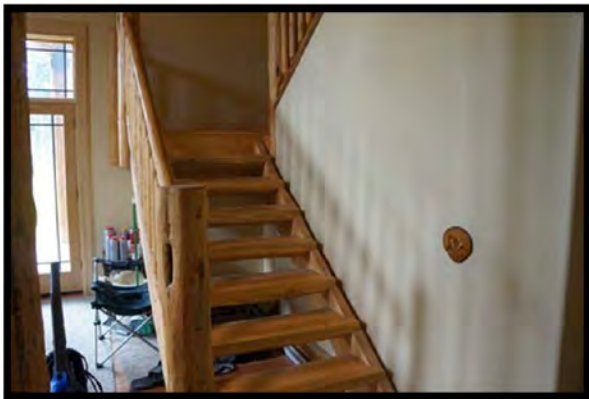
Bedroom



Bedroom



Storage/Future Bathroom



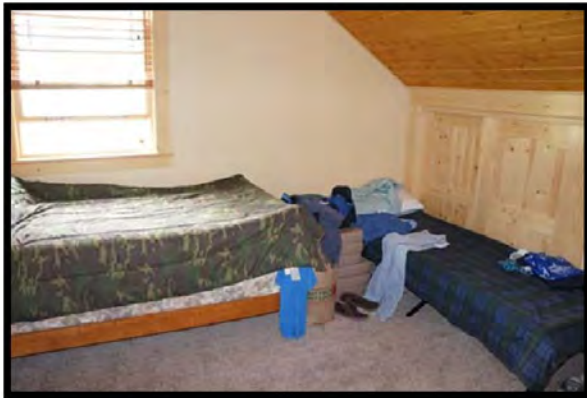
Stairway to 2<sup>nd</sup> Floor Loft



Loft Area



## ADDITIONAL PHOTOGRAPHS



Loft Bedroom



Loft Bedroom



Vaulted Ceiling



Open Storage



Shed



Outhouse



## ADDITIONAL PHOTOGRAPHS



Pier Looking toward Lot 18



Pier and Pierhead



Seeley Lake Outlet Looking Southeast



Seeley Lake Outlet Looking South



Seeley Lake Outlet Looking Northwest



Lot 18 Interior Looking toward Residence



## ADDITIONAL PHOTOGRAPHS



Lot 18 Interior and Well



Southeast Property Boundary Marker Looking Northwest



Southeast Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking Southeast



Southwest Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking Northeast



## ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking Southwest



Northwest Property Boundary Marker Looking Southeast



Northeast Property Boundary Marker Looking South



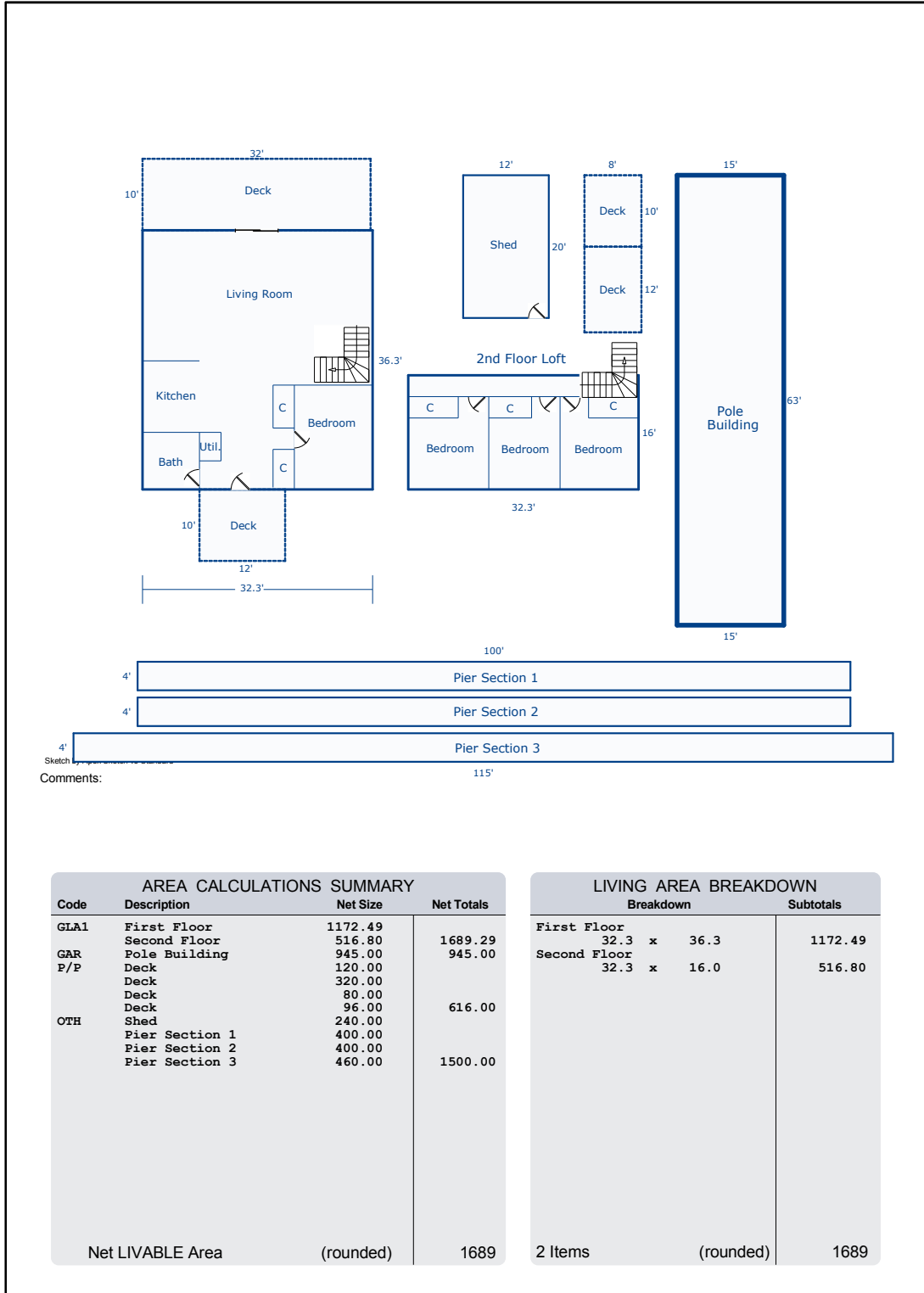
Northeast Property Boundary Marker Looking Northwest



Driveway to Lot 18 from Leaning Pine Lane



## LOT 20 - BUILDING SKETCH



## LOT 20 - SUBJECT PHOTOGRAPHS



North Side of Residence on Lot 20



West Side of Residence on Lot 20



South Side of Residence on Lot 20



East Side of Residence on Lot 20

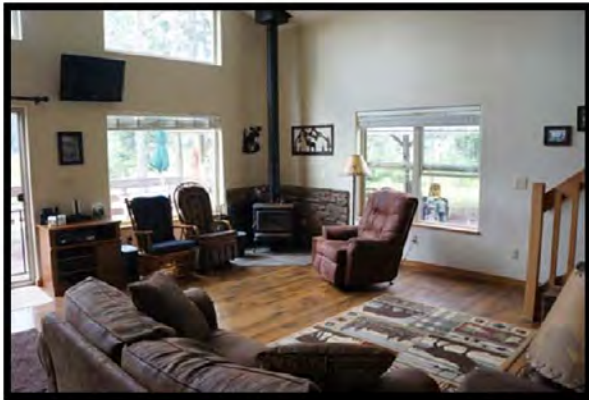


Deck



Kitchen

## ADDITIONAL PHOTOGRAPHS



Living Area



Bedroom



Bathroom



Utility Closet



Stairway to 2<sup>nd</sup> Floor Loft



View from Loft



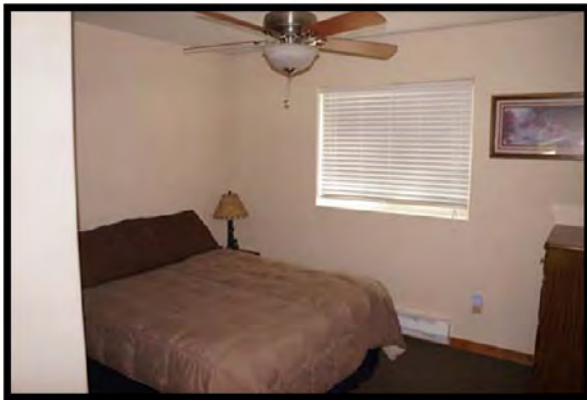
## ADDITIONAL PHOTOGRAPHS



Loft Bedroom



Loft Bedroom



Loft Bedroom



Pole Building



Shed



Shed Interior

## ADDITIONAL PHOTOGRAPHS



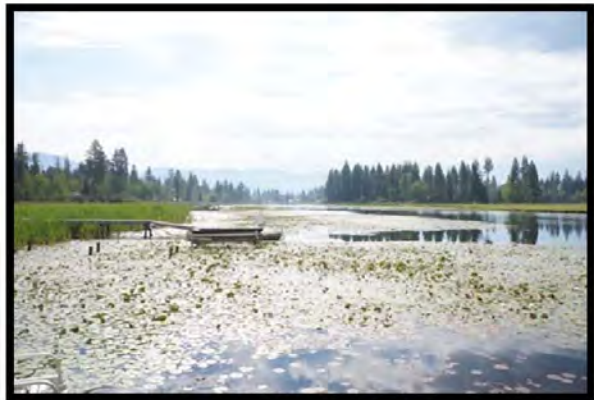
Lot 20 Looking toward Seeley Lake Outlet



Residence from South Portion of Lot 20



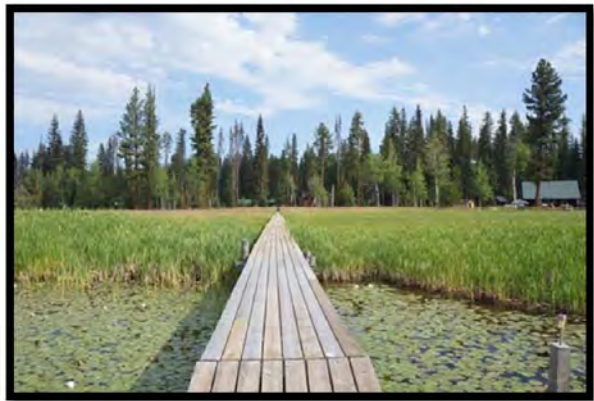
Pier



Seeley Lake Outlet Looking Southeast



Seeley Lake Outlet Looking Northwest



Pier Looking toward Residence



## ADDITIONAL PHOTOGRAPHS



Lot 20 from Pier



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



Northwest Property Boundary Marker Looking South



## ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking East



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Lot 20 Interior Looking South across Cabin Lane

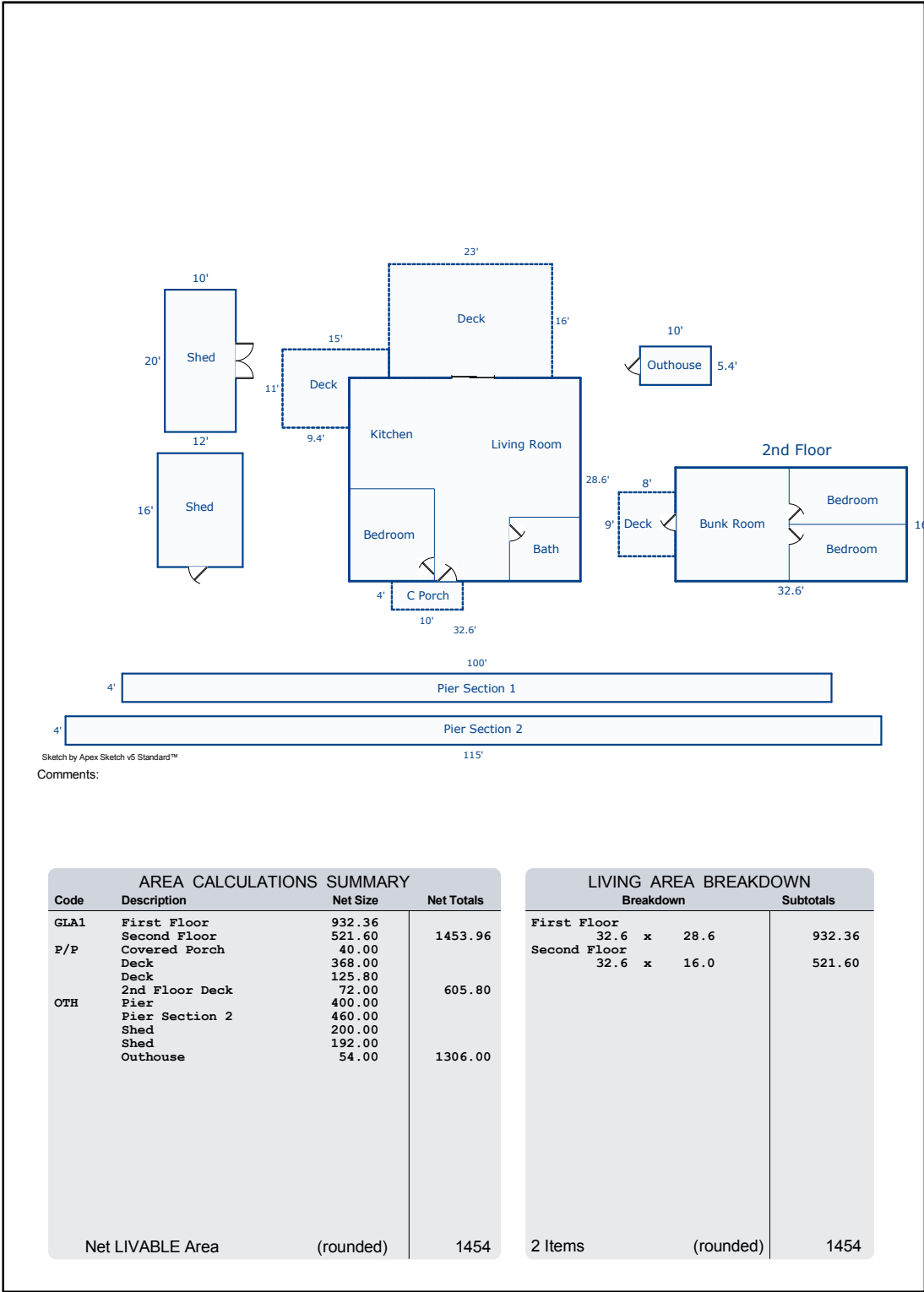


Cabin Lane Looking West



Cabin Lane Looking East

# LOT 21 - BUILDING SKETCH





**LOT 21 - SUBJECT PHOTOGRAPHS**



North Side of Residence on Lot 21



North Side of Residence on Lot 21



West Side of Residence on Lot 21



East Side of Residence on Lot 21



South Side of Residence



Kitchen



## ADDITIONAL PHOTOGRAPHS



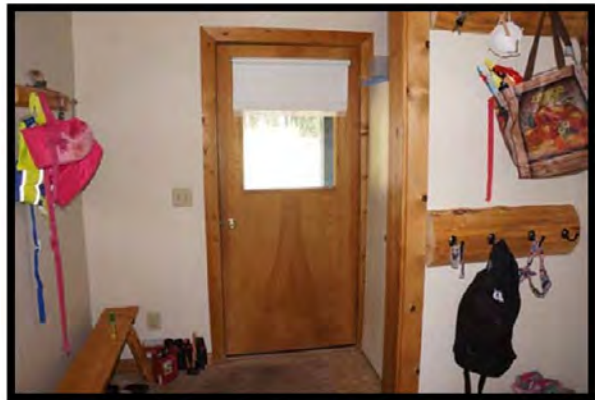
Living Area



Living Area



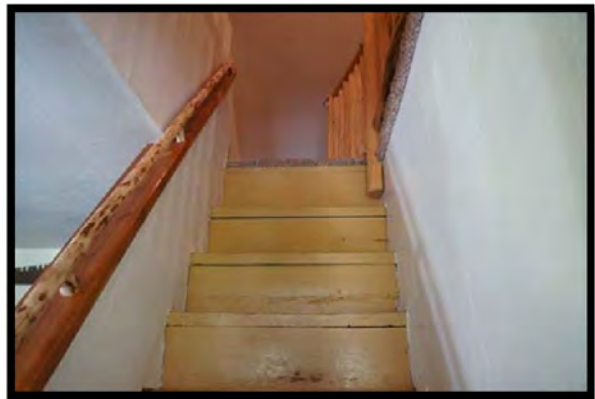
Bathroom



Entry



Bedroom



Stairway to 2<sup>nd</sup> Floor

## ADDITIONAL PHOTOGRAPHS



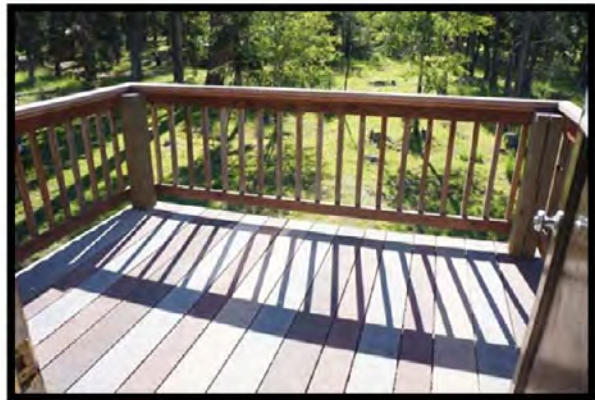
Bunk Room



Bedroom



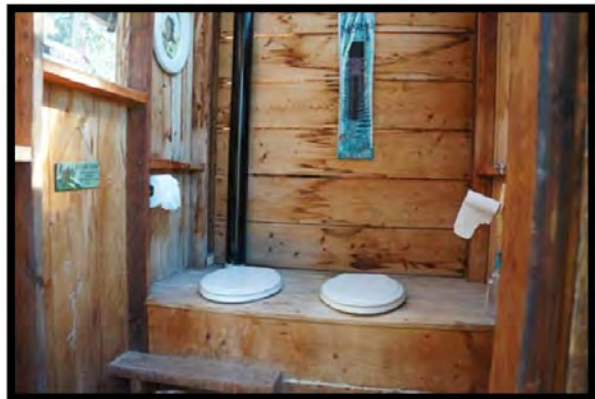
Bedroom



2<sup>nd</sup> Floor Deck



Outhouse



Outhouse Interior



## ADDITIONAL PHOTOGRAPHS



Shed



Shed Interior



Shed 2



Shed 2 Interior



Lot 21 Looking South toward Seeley Lake Outlet



Pier and Floating Dock



## ADDITIONAL PHOTOGRAPHS



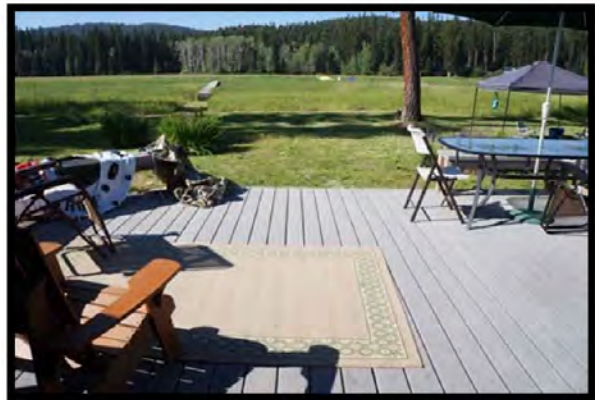
Seeley Lake Outlet Looking East



Seeley Lake Outlet Looking West



Lot 21 Interior Looking toward Seeley Lake Outlet



View from Deck



Southwest Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking East



## ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking East



Lot 21 Interior Looking South from North Boundary



Northeast Property Boundary Marker Looking South



## ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Lot 21 Interior Looking South



Driveway to Lot 21



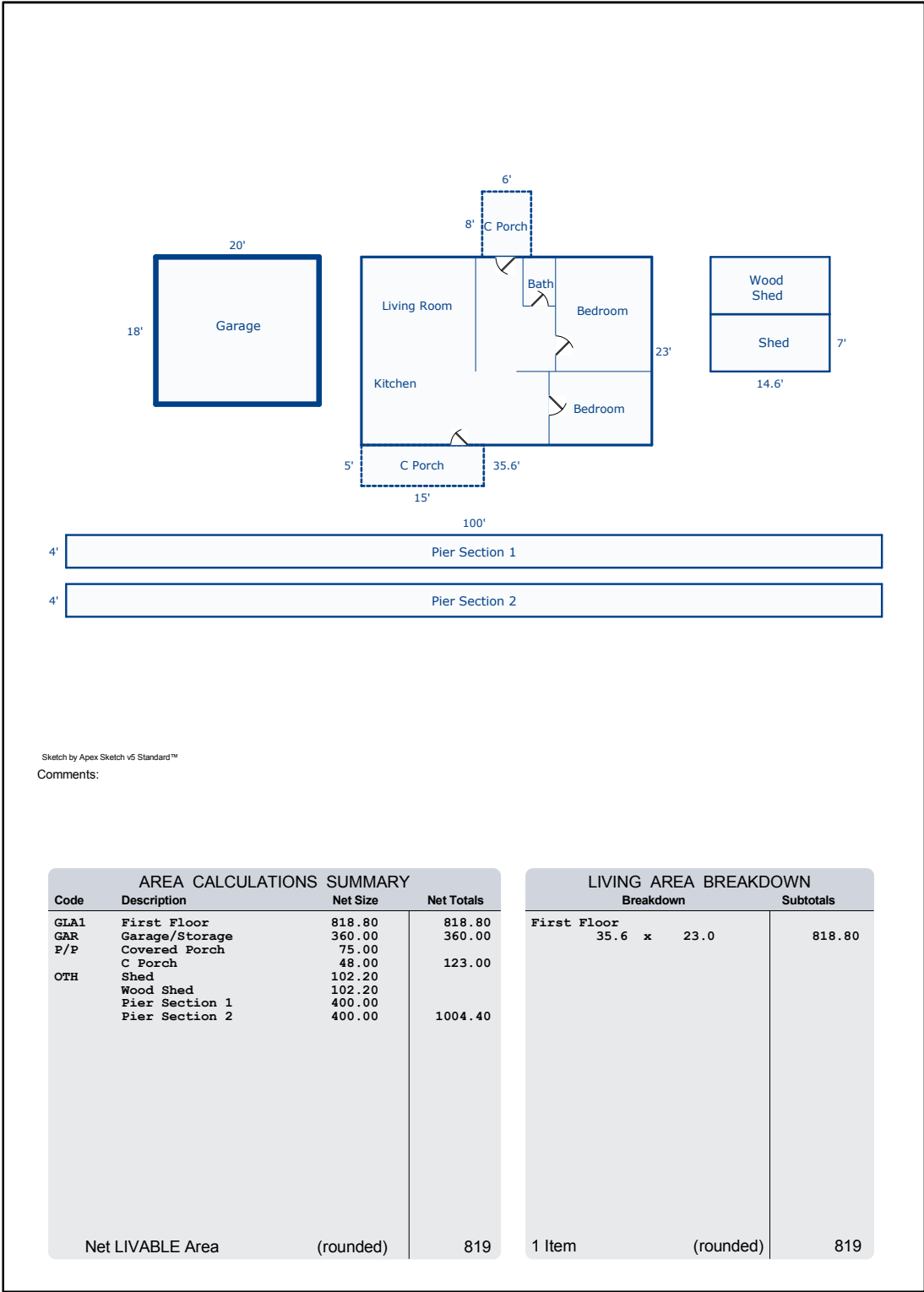
Cabin Lane Looking Northwest



Cabin Lane Looking East



# LOT 23 - BUILDING SKETCH



## LOT 23 - SUBJECT PHOTOGRAPHS



North Side of Residence on Lot 23



North Side of Residence on Lot 23



East Side of Residence on Lot 23



South Side of Residence on Lot 23



West Side of Residence on Lot 23



Kitchen

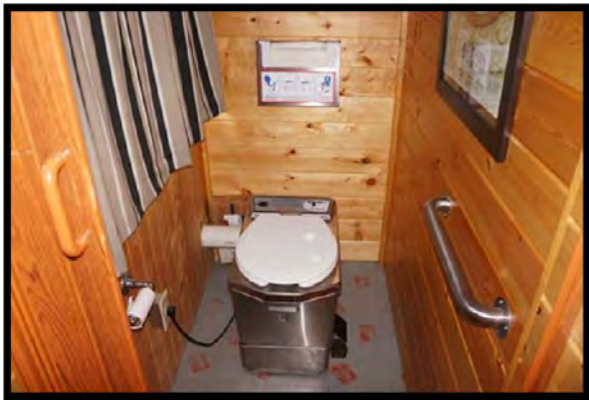
## ADDITIONAL PHOTOGRAPHS



Living Area



Entry and Woodstove



Bathroom



Bedroom



Bedroom



Garage/Storage



## ADDITIONAL PHOTOGRAPHS



Garage/Storage Interior



Shed



Shed Interior



Wood Storage Shed



Pier



Pier and Floating Dock



## ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



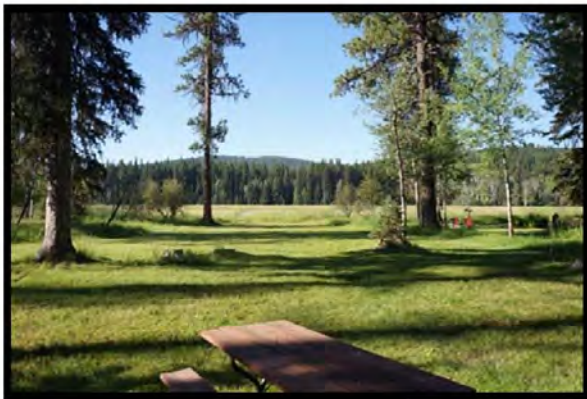
Seeley Lake Outlet Looking East



Seeley Lake Outlet Looking West



Lot 23 Looking North from Pier



Lot 23 Looking South toward Seeley Lake Outlet



Southwest Property Boundary Marker Looking North



## ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker Looking East



View North along East Property Boundary



View West along South Property Boundary



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking Southeast



Northeast Property Boundary Marker Looking South



## ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking Northwest

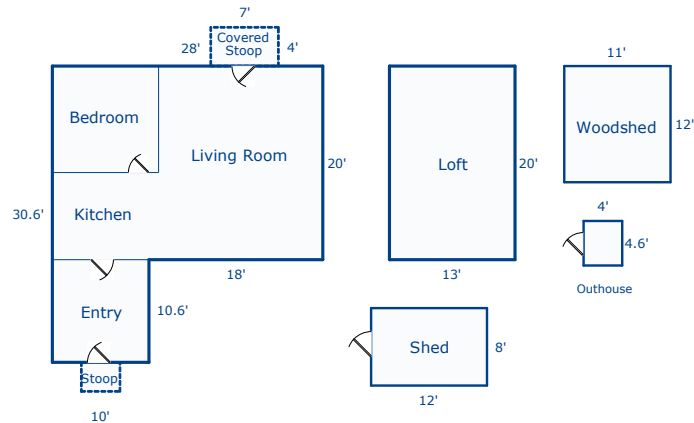


Cabin Lane Looking West



Cabin Lane Looking East

# LOT 25 - BUILDING SKETCH



Sketch by Apex Sketch v5 Standard™  
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Net Size	Net Totals
GLA1	First Floor	666.00	
	Loft	260.00	926.00
P/P	Covered Stoop	28.00	
	Stoop	12.00	40.00
OTH	Woodshed	132.00	
	Outhouse	18.40	
	Shed	96.00	246.40
Net LIVABLE Area		(rounded)	926

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
	20.0	x 28.0	560.00
	10.6	x 10.0	106.00
Loft			
	13.0	x 20.0	260.00
3 Items			(rounded) 926

## LOT 25 - SUBJECT PHOTOGRAPHS



North Side of Residence on Lot 25



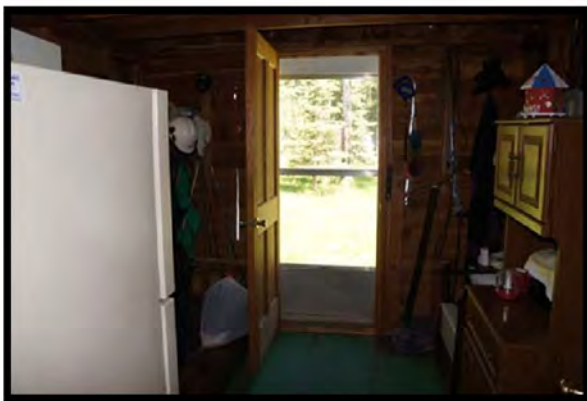
East Side of Residence on Lot 25



South Side of Residence on Lot 25



North and West Sides of Residence on Lot 25



Entrance



Kitchen



## ADDITIONAL PHOTOGRAPHS



Woodstove



Bedroom



Living Room



Shed



Shed Interior



Outhouse



## ADDITIONAL PHOTOGRAPHS



Woodshed



Raised Walk to Seeley Lake Outlet



Floating Dock



Seeley Lake Outlet Looking West



Seeley Lake Outlet Looking East



Lot 25 Looking North from Raised Walkway



## ADDITIONAL PHOTOGRAPHS



Lot 25 Interior Looking North



South Side of Residence and Woodshed



Raised Walkway Looking toward Outlet



Southeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking West



Southwest Property Boundary Marker Looking South



## ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking East



Northeast Property Boundary Marker Looking South



Driveway to Lot 25



Cabin Lane Looking East

## ADDITIONAL PHOTOGRAPHS



Cabin Lane Looking West

## SUBJECT MARKET ANALYSIS

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

### Subject Productivity Analysis

#### General Property Description

The subject sites range in size from 0.700 up to 3.409 in gross acres. All of the sites include residential improvements. The subject properties all have frontage on a portion of the Clearwater River also known as Seeley Lake Outlet. Seeley Lake is accessible by boat from the subject lots; however, boats must be small enough to fit under the bridge at Boy Scout Road. **Based upon our research, all of the subject lots are in an area with a high water table and low elevation.**

#### Area Land Use Trends

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

### Potential Users of Subject Property

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

### Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted searches of the area MLS for sales (vacant and improved) with frontage along Seeley Lake Outlet. Very limited market data was located. For this reason, it was necessary to expand the search for to include properties with frontage along other portions of the Clearwater River.

#### Vacant Sites with Frontage on Seeley Lake Outlet or the Clearwater River

The search parameters include vacant sites and/or sites with improvements that contribute less than \$80,000 with frontage along Seeley Lake Outlet or the Clearwater River. The market data located is on the following page.



Riverfront Lot* Listings & Sales									
Seeley Lake Outle & Clearwater River									
Address	Water Frontage Name	Sale Date	List Date	Sales Price	List Price	Improvement Value	Price Less Improvements	Site Acres	Days on Market
218 Overland Trail	Clearwater River	ACTIVE	Jul-17	N/A	\$98,900	\$0	\$98,900	1.46	385
Lot 12, River Watch	Clearwater River	ACTIVE	Mar-18	N/A	\$148,900	\$0	\$148,900	2.44	144
223 W Wagon Wheel	Clearwater River	ACTIVE	Apr-18	N/A	\$119,950	\$0	\$119,950	1.55	102
1025 Riverview Dr	Clearwater River	2017		\$225,000		\$75,000	\$150,000	2.66	82
388 Overland Trail	Clearwater River	2016		\$130,000		\$0	\$130,000	2.02	75
973 Riverview Dr	Clearwater River	2015		\$215,000		\$50,000	\$165,000	1.93	82
212 Shoreline Ct	Seeley Lake Outlet	2013		\$210,000		\$76,000	\$134,000	0.45	63
*Sales or Listings with improvements of \$80,000 of contributory value or less utilized in this analysis.									

There was only one sale with frontage along the Seeley Lake Outlet that transferred via the area MLS since 2013. The sales along 1025 Riverview Drive and 973 Riverview Drive are located along the Clearwater River near the Seeley Lake Outlet. It is necessary to navigate under an additional bridge (along Riverview Drive) for these two properties to reach Seeley Lake by boat.

### **Residential Improved Properties with Frontage on Seeley Lake Outlet or the Clearwater River**

We conducted a search for sales of homes with frontage along Seeley Lake Outlet or the Clearwater River that transferred via the area MLS. The results are below;

Sale Date	Sold Price	Waterfront Name	Days on Market
2013	\$210,000	Seeley Lake Outlet	63
2013	\$260,000	Clearwater River	157
Average Days on Market			110
2015	\$310,000	Clearwater River	474
Average Days on Market			474
2016	\$210,000	Clearwater River	106
2016	\$687,000	Clearwater River	69
2016	\$330,000	Clearwater River	42
2016	\$450,000	Clearwater River	497
Average Days on Market			179
2017	\$225,000	Clearwater River	169
Average Days on Market			169
2018	\$254,000	Clearwater River	161
Average Days on Market			161

This data indicates that there have been from 0 to 4 home sales each year on the Seeley Lake Outlet or Clearwater River from 2013 to 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 Lake Outlet or the Clearwater River**

We located three active listings of vacant sites with frontage along the Clearwater River as of the report effective date. The list prices for these properties range from \$98,900 up to \$148,900. These listings are not in areas with boat access to Seeley Lake.

### **Residential Improved Properties with Frontage on Seeley Lake Outlet or the Clearwater River**

There were no active listings of homes with frontage along the Seeley Lake Outlet as of the report effective date. There were 2 active listings of homes on site with frontage along the Clearwater River as of the report effective date. These two properties were listed for \$925,000 and \$1,195,000. Neither is considered similar to the subject properties as improved.

## Interaction of Supply and Demand

### **Vacant Sites with Frontage on Seeley Lake Outlet or the Clearwater River**

There were no lots considered truly similar to the subject lots available for sale as of the report effective date.

### **Residential Improved Properties with Frontage on Seeley Lake Outlet or the Clearwater River**

There were no lots with improvements similar to the subject properties available for sale as of the report effective date.

## Subject Marketability Conclusion

### **Vacant Sites with Frontage on Seeley Lake Outlet or the Clearwater River**

The subject sites are considered to have similar marketability compared to other sites along the east side of the Seeley Lake Outlet. The subject sites are considered to have superior marketability compared to most sites on the Clearwater River but further from Seeley Lake.

### **Residential Improved Properties with Frontage on Seeley Lake Outlet or the Clearwater River**

The subject properties, as improved, are considered to have similar marketability compared to other properties with frontage along the east side of the Seeley Lake Outlet.

## Estimated Marketing and Exposure Times

The most recent sales of sites (or sites within minimal improvements) with frontage along the Seeley Lake Outlet or the Clearwater River were marketed for an average of 76 days. Based upon this data, **marketing times** between 1 to 3 months are considered appropriate for subject properties as if vacant. If subject properties had sold, as if vacant, on the effective date of this report, at the appraised values concluded, 1 to 3 month **exposure times** would have been reasonable.

The six improved sales with frontage along the Clearwater River that sold via the area MLS during 2016 were marketed for an average of 179 days or approximately 6 months. The one improved sales that closed during 2017 was marketed for 169 days and the one improved sales that closed in 2018 as of the report effective date was marketed for 161 days. **Marketing times** between 3 to 6 months are appropriate for subject properties as improved. If this subject properties had sold, as improved, on the effective date of this report, at the appraised values concluded in this report, 3 to 6 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.

## **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. There are potential limits on the uses of the subject sites as if vacant due to high ground water and low elevation.

### *Financially Feasible*

Most other lots with frontage along the subject portion of the Seeley Lake Outlet are improved with single family residences. Use of the subject lots for construction of single family residences is financially feasible.

### *Maximally Productive*

Based upon the analysis of the legally permissible, physically possible, and financially feasible uses of the subject lots, the maximally productive highest and best use for each lot as if vacant, is for construction of a single family residence for recreational and/or residential use. It is important to note that there are potential limits on the use of the subject sites as if vacant due to high ground water and low elevation.

## **AS IMPROVED**

All of the subject properties are improved with single family residences. There is market acceptance of many types of residences along area lakes and rivers. Area waterfront residences range from very small, older, un-renovated cottages used seasonally to newer homes utilized on a year round basis. Alteration of the subject residences for any use other than as single family homes would require large capital expenditures and additions may not be permitted due to high water table and low elevation in the area. Continued use as single family residences (recreational and/or residential) for the subject properties is the highest and best use as improved.

## THE APPRAISAL PROCESS

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

### APPROACHES IN THE VALUATION OF REAL PROPERTY

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

#### Cost Approach

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

#### Sales Comparison Approach

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

#### Income Capitalization Approach

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

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

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

All three approaches to value were considered for the valuation of 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. After presentation of the comparables, the subject sites and improvements are valued for each property.



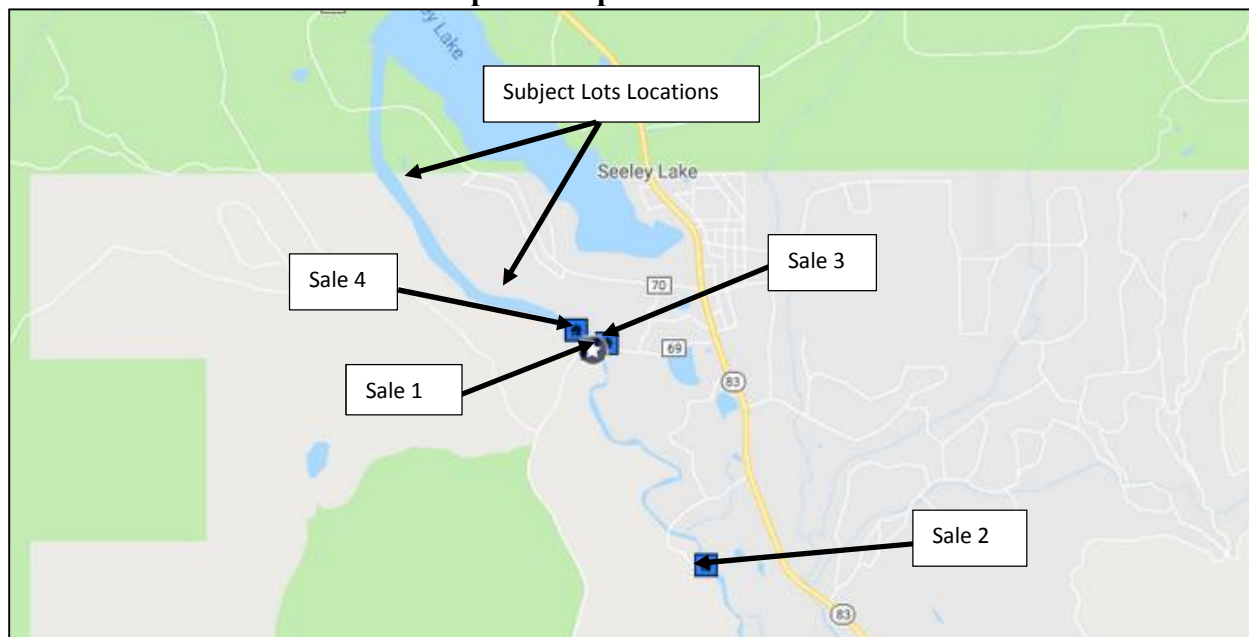
## LOT SALES

We conducted a search for sales of sites along the Seeley Lake Outlet that closed during the past year. No sales (other than those that transferred from MT DNRC to Lessees) 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 properties with frontage along the Clearwater River. Only one sale since 2013 was located with frontage along the Seeley Lake Outlet. It is our opinion that properties along the Clearwater River near the Seeley Lake Outlet are the second most similar substitutes for the subject lots. We located three sales of vacant sites or sites with minimal improvements relatively near the subject sites. We analyzed price per lot compared to price per front footage for riverfront lots in the subject market area. Analysis of the price per lot resulted in a closer statistical relationship than the price per front foot. Additionally, the recognized unit of comparison for area river front properties is the price per lot. These comparables are described on the table below;


Sale #	Address	City	Water Frontage	Sale Date	Acres	Sales Price	Value of Improvements	Sales Price Less Improvements
1	1025 Riverview Dr	Seeley Lake	Clearwater River	2017	2.661	\$225,000	\$75,000	\$150,000
2	388 Overland Trail	Seeley Lake	Clearwater River	2016	2.020	\$130,000	\$0	\$130,000
3	973 Riverview Dr	Seeley Lake	Clearwater River	2015	1.932	\$215,000	\$50,000	\$165,000
4	212 Shoreline Ct	Seeley Lake	Seeley Lake Outlet	2013	0.466	\$210,000	\$76,000	\$134,000

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

**Map of Comparable Lot Sales**



## LAND SALE 1



Location	1025 Riverview Drive
City/State	Seeley Lake
County	Missoula
Assessor Number	0002281002
Zoning	Unzoned
Site Size: Acres	2.661
Square Feet	115,913
Date of Sale	November 9, 2017
Sales Price	\$225,000
Less Cost of Improvements*	\$75,000
Sales Price Adjusted	\$150,000
MLS #	21706124

ANALYSIS OF SALE

Price per Acre	\$56,370	Price per Square Foot	\$1.29
		Price Per Front Foot	\$368

TRANSFER INFORMATION


Grantor	Edward H. Townsend Trust & Betty Jo Townsend Trust	Grantee	Kevin F. Breen & Michelle J. Breen
Type of Instrument	Warranty Deed	Document #	201722789
		Marketing Time	82 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Carey Kanavel, Selling Agent
Legal Description	Parcel 1 of Certificate of Survey #6328, Missoula County, Montana	Intended Use/Comments	Purchased for Residential Purposes
Section/Township/Range	S3/T16N/R15W		

PROPERTY DETAILS

Access	Paved County Road	View	River, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, only portions of the property directly adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 952 SF residence constructed in 1947. Based upon interior photographs of this residence and examination of sales of similar residences in Seeley Lake, the improvements on this property contribute \$75,000 to the sale price.
Feet of Water Frontage	407.71	Value of Improvements	\$75,000
Utilities	Electricity, Telephone, Well, & Septic System	Miscellaneous	


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## LAND SALE 2


COMPARABLE SALE INFORMATION			
	<b>Location</b>	388 Overland Trail	
	<b>City/State</b>	Seeley Lake	
	<b>County</b>	Missoula	
	<b>Assessor Number</b>	0005472247	
	<b>Zoning</b>	Unzoned	
	<b>Site Size: Acres</b>	2.020	
	<b>Square Feet</b>	87,991	
	<b>Date of Sale</b>	June 29, 2016	
	<b>Sales Price</b>	\$130,000	
	<b>Less Cost of Improvements*</b>	\$0	
	<b>Sales Price Adjusted</b>	\$130,000	
	<b>MLS #</b>	21603267	
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$64,356	<b>Price per Square Foot</b>	\$1.48
		<b>Price Per Front Foot</b>	\$813
TRANSFER INFORMATION			
<b>Owner</b>	Mabel Lee Higgins	<b>Grantee</b>	Nathan W. Williams & Christi Ann Williams
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	201610559
<b>Financing/Conditions</b>	Cash/Market	<b>Marketing Time</b>	75 Days on Market
<b>Legal Description</b>	Lot 138 of Double Arrow Ranch Phase 1A	<b>Verified By</b>	Robin Matthews-Barnes, Listing Agent
<b>Section/Township/Range</b>	S15/T16N/R15W	<b>Intended Use/Comments</b>	Marketed for Residential Use
PROPERTY DETAILS			
<b>Access</b>	Paved County Rd.	<b>View</b>	River, Mountains
<b>Topography</b>	Level	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to Flood Map # 30063C0740E, approximately half of this property (portion bordering the river) is in an area of Elevated Flood Risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	160	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity, Telephone, Access to Community Water System	<b>Miscellaneous</b>	Double Arrow Ranch Subdivision is governed by CC&R's that limit property use to Residential.
<b>Report File #</b> 16-015ec			



## LAND SALE 3

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

## LAND SALE 4

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

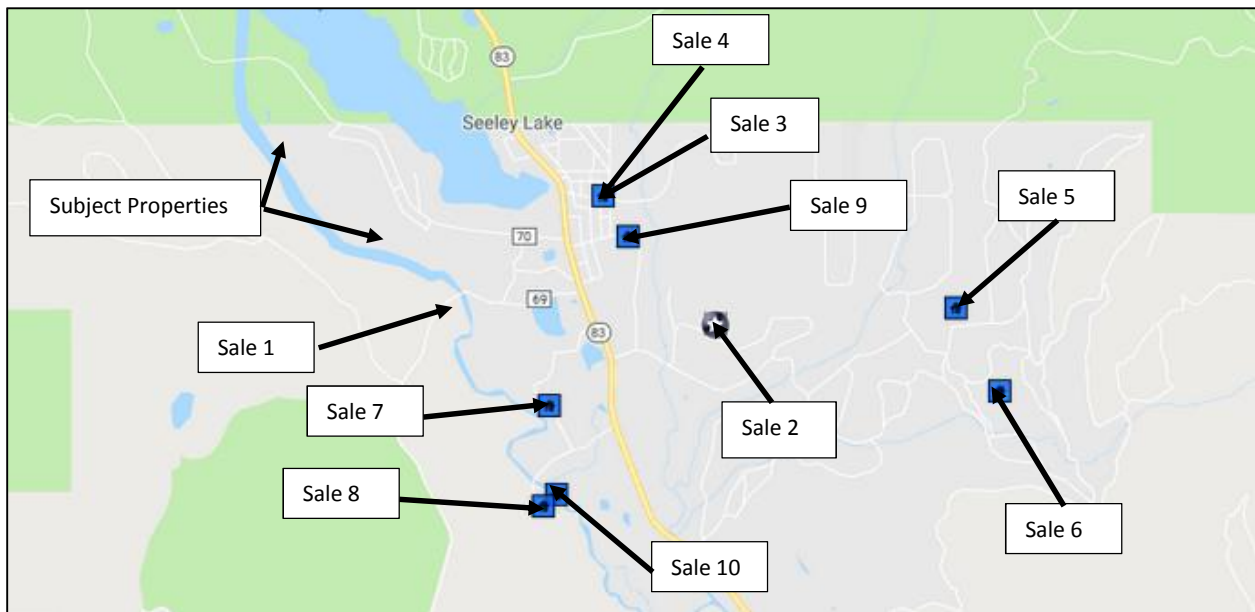
## HOME SALES

We conducted a search for sales of homes on sites along the Seeley Lake Outlet or the Clearwater River. Few comparable sales were located. For this reason, it was necessary to utilize sales without water frontage. Since the subject residences vary in quality and condition it was necessary to utilize 10 improved comparable sales. The most applicable and recent comparable sales located are described on the table below;

Home Sales							
Sale #	Address	City	Water Frontage	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
1	1025 Riverview Dr	Seeley Lake	Clearwater River	2017	\$225,000	\$150,000	\$75,000
2	260 Timberline	Seeley Lake	None	2017	\$135,000	\$70,000	\$65,000
3	700 Spruce St	Seeley Lake	None	2017	\$148,000	\$35,000	\$113,000
4	656 Juniper Ln	Seeley Lake	None	2017	\$140,000	\$25,000	\$115,000
5	570 Glacier Dr	Seeley Lake	None	2018	\$254,500	\$60,000	\$194,500
6	300 Loeota Peak	Seeley Lake	None	2018	\$375,000	\$60,000	\$315,000
7	699 Daisy Ln	Seeley Lake	None	2018	\$490,000	\$70,000	\$420,000
8	209 Overland Dr	Seeley Lake	None	2017	\$185,000	\$60,000	\$125,000
9	601 Morrell Creek Dr	Seeley Lake	None	2017	\$250,000	\$60,000	\$190,000
10	246 Overland Trail	Seeley Lake	Clearwater River	2017	\$285,000	\$130,000	\$155,000



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**


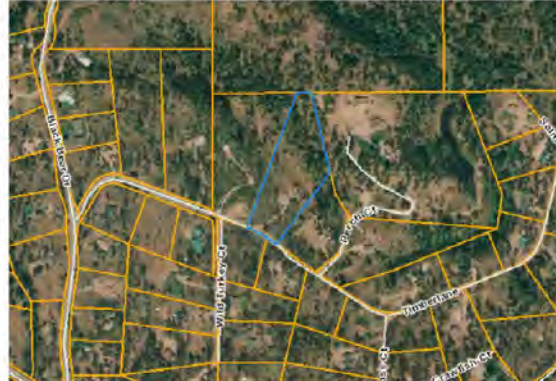




# HOME SALE 1

COMPARABLE SALE INFORMATION			
	<b>Location</b>	1025 Riverview Drive	
	<b>City/State</b>	Seeley Lake, MT	
	<b>County</b>	Missoula	
	<b>Assessor Number</b>	0002281002	
	<b>Zoning</b>	Unzoned Portion of Missoula Co.	
	<b>Site Size: Acres</b>	2.661	
	<b>Square Feet</b>	115,913	
	<b>Date of Sale</b>	November 9, 2017	
	<b>Sales Price</b>	\$225,000	
	<b>Adjustment to Sales Price</b>	\$0	
	<b>Adjusted Sales Price</b>	\$225,000	
	<b>MLS #</b>	21702410	
TRANSFER INFORMATION			
<b>Grantor</b>	Edward H. Townsend Trust & Betty Jo Townsend Trust	<b>Grantee</b>	Kevin F. Breen & Michelle J. Breen
<b>Recording Data</b>	Warranty Deed #201722789	<b>Marketing Time</b>	82 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Carey Kanavel, Selling Agent
<b>Legal Description</b>	Parcel 1 of Certificate of Survey #6328, Missoula County, Montana	<b>Intended Use</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S3/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Water Frontage</b>	407.71' on Clearwater River	<b>Sales Price</b>	\$225,000
<b>Access</b>	Paved County Road	<b>Estimated Site Value</b>	\$150,000
<b>House Square Feet</b>	952	<b>Sales Price of Improvements</b>	\$75,000
<b>Bedroom/Bathrooms</b>	2BR/1BA	<b>Improvement Price/SF</b>	\$79
<b>Year Built or Renovated</b>	1947		
<b>Basement</b>	Basement (Unfinished)		
<b>Construction</b>	Wood Frame		
<b>Quality</b>	Average		
<b>Condition</b>	Average		
<b>Water/Sewer</b>	Well/Septic		
<b>Utilities</b>	Electricity/Telephone		
<b>Topography</b>	Level		
<b>Garage</b>	1 Car Garage - Basement Level		
<b>Outbuildings</b>	N/A		
<b>Miscellaneous</b>	According to Flood Map#30063C0740E, the portions of this property adjacent to the river are in an area of elevated flood risk. The residence may be in this area.		
			
Report File # 18-024ec			

## HOME SALE 2

COMPARABLE SALE INFORMATION			
		<b>Location</b> 260 Timberlane	
		<b>City/State</b> Seeley Lake, MT	
		<b>County</b> Missoula	
		<b>Assessor Number</b> 0005901290	
		<b>Zoning</b> Unzoned Portion of Missoula Co.	
		<b>Site Size: Acres</b> 4.830	
		<b>Square Feet</b> 210,395	
		<b>Date of Sale</b> November 1, 2017	
		<b>Sales Price</b> \$135,000	
		<b>Adjustment to Sales Price</b> \$0	
<b>Adjusted Sales Price</b> \$135,000			
<b>MLS #</b> 21702410			
TRANSFER INFORMATION			
<b>Grantor</b>	Mathew H. Brown	<b>Grantee</b>	John P. McDonald
<b>Recording Data</b>	Warranty Deed #201722339	<b>Marketing Time</b>	225 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Kevin Wetherell, Selling Agent
<b>Legal Description</b>	Lot 50 of the Amended Plat of Double Arrow Ranch Phase 6	<b>Intended Use</b>	Residential
<b>Section/Township/Range</b>	S11/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Water Frontage</b>	N/A	<b>Sales Price</b>	\$135,000
<b>Access</b>	Timberlane, Private Gravel Rd.	<b>Estimated Site Value</b>	\$70,000
<b>House Square Feet</b>	576	<b>Sales Price of Improvements</b>	\$65,000
<b>Bedroom/Bathrooms</b>	1BR/1BA	<b>Improvement Price/SF</b>	\$113
<b>Year Built or Renovated</b>	1988		
<b>Basement</b>	Crawl Space		
<b>Construction</b>	Wood Frame		
<b>Quality</b>	Average		
<b>Condition</b>	Average		
<b>Water/Sewer</b>	Well/Septic		
<b>Utilities</b>	Electricity/Telephone		
<b>Topography</b>	Rolling		
<b>Garage</b>	2 Car Detached		
<b>Outbuildings</b>	N/A		
<b>Miscellaneous</b>			

**Report File # 17-028ec**



## HOME SALE 3


[illegible]



## HOME SALE 4



[illegible]

## HOME SALE 5

COMPARABLE SALE INFORMATION			
	<b>Location</b>		570 Glacier Drive
	<b>City/State</b>		Seeley Lake, MT
	<b>County</b>		Missoula
	<b>Assessor Number</b>		0000164958
	<b>Zoning</b>		Unzoned Portion of Missoula Co.
	<b>Site Size: Acres</b>		2.680
	<b>Square Feet</b>		116,741
	<b>Date of Sale</b>		January 16, 2018
	<b>Sales Price</b>		\$254,500
	<b>Adjustment to Sales Price</b>		\$0
	<b>Adjusted Sales Price</b>		\$254,500
	<b>MLS #</b>		21800466
TRANSFER INFORMATION			
<b>Grantor</b>	Corey Gracey	<b>Grantee</b>	Melody Taylor
<b>Recording Data</b>	Warranty Deed #201800893	<b>Marketing Time</b>	474 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Kevin Wetherell, Listing Agent
<b>Legal Description</b>	Lot 212 of Double Arrow Ranch Phase IV, Missoula County, Montana	<b>Intended Use</b>	Residential
<b>Section/Township/Range</b>	S12/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Water Frontage</b>	N/A	<b>Sales Price</b>	\$254,500
<b>Access</b>	Private, Gravel Road	<b>Estimated Site Value</b>	\$60,000
<b>House Square Feet</b>	1,152	<b>Sales Price of Improvements</b>	\$194,500
<b>Bedroom/Bathrooms</b>	2 BR/2 BA	<b>Improvement Price/SF</b>	\$169
<b>Year Built or Renovated</b>	2006		
<b>Basement</b>	Finished Basement (768 SF)		
<b>Construction</b>	Log Frame		
<b>Quality</b>	Very Good		
<b>Condition</b>	Good		
<b>Water/Sewer</b>	Well/Septic		
<b>Utilities</b>	Electricity/Telephone		
<b>Topography</b>	Level		
<b>Garage</b>	None		
<b>Outbuildings</b>	440 SF Shop		
<b>Miscellaneous</b>	Interior finishes include rough sawn flooring, vaulted ceilings, & rock fireplace. Kitchen includes hickory cabinets and granite counter tops. Basement level includes 2 bedrooms and 1 full bath.		
		<b>Report File # 18-024ec</b>	




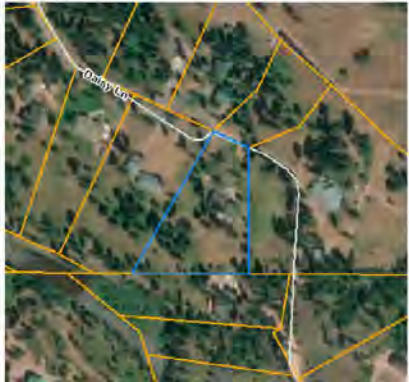
## HOME SALE 6

COMPARABLE SALE INFORMATION			
		<b>Location</b>	
		300 Leota Peak Court	
		<b>City/State</b>	
		Seeley Lake, MT	
		<b>County</b>	
		Missoula	
		<b>Assessor Number</b>	
		0005827084	
		<b>Zoning</b>	
		Unzoned Portion of Missoula Co.	
		<b>Site Size: Acres</b>	
		2.780	
<b>Square Feet</b>			
121,097			
<b>Date of Sale</b>			
April 16, 2018			
<b>Sales Price</b>			
\$375,000			
<b>Adjustment to Sales Price</b>			
\$0			
<b>Adjusted Sales Price</b>			
\$375,000			
<b>MLS #</b>			
21705514			
TRANSFER INFORMATION			
<b>Grantor</b>	Joseph M. Parker & Laura M. Parker	<b>Grantee</b>	Jared W. Crum & Patricia L. Brown
<b>Recording Data</b>	Warranty Deed #201805782	<b>Marketing Time</b>	335 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Kevin Wetherell, Listing Agent
<b>Legal Description</b>	Lot 93 of Drew Creek Addition - Phase VII To the Double Arrow Ranch, Missoula County, Montana	<b>Intended Use</b>	Residential
<b>Section/Township/Range</b>	S7/T16N/R14W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Water Frontage</b>	N/A	<b>Sales Price</b>	\$375,000
<b>Access</b>	Private, Gravel Road	<b>Estimated Site Value</b>	\$60,000
<b>House Square Feet</b>	1,795	<b>Sales Price of Improvements</b>	\$315,000
<b>Bedroom/Bathrooms</b>	3 BR/2 BA	<b>Improvement Price/SF</b>	\$175
<b>Year Built or Renovated</b>	1999		
<b>Basement</b>	Finished Basement (1,408 SF)		
<b>Construction</b>	Log Frame		
<b>Quality</b>	Very Good		
<b>Condition</b>	Good		
<b>Water/Sewer</b>	Well/Septic		
<b>Utilities</b>	Electricity/Telephone		
<b>Topography</b>	Level		
<b>Garage</b>	2 Car Garage - Attached		
<b>Outbuildings</b>	None		
<b>Miscellaneous</b>	Interior finishes include vaulted ceilings & tiled entry. Basement level includes 1 bedroom and 1 full bath.		

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## HOME SALE 7

COMPARABLE SALE INFORMATION			
		<b>Location</b>	699 Daisy Lane
		<b>City/State</b>	Seeley Lake, MT
		<b>County</b>	Missoula
		<b>Assessor Number</b>	0003536706
		<b>Zoning</b>	Unzoned Portion of Missoula Co.
		<b>Site Size: Acres</b>	1.800
		<b>Square Feet</b>	78,408
		<b>Date of Sale</b>	May 18, 2018
		<b>Sales Price</b>	\$490,000
		<b>Adjustment to Sales Price</b>	\$0
		<b>Adjusted Sales Price</b>	\$490,000
		<b>MLS #</b>	21712165
TRANSFER INFORMATION			
<b>Grantor</b>	Trustees of the Trace A. Weisenburger & Pamela K. Weisenburger Revocable Trust	<b>Grantee</b>	Justin Fisher & Ashley Fisher
<b>Recording Data</b>	Warranty Deed #201807991	<b>Marketing Time</b>	1,766 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Laurie Darrow, Listing Agent
<b>Legal Description</b>	Lot 1 of Pinoridge Estates, Missoula County, Montana	<b>Intended Use</b>	Residential
<b>Section/Township/Range</b>	S10/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Water Frontage</b>	N/A	<b>Sales Price</b>	\$490,000
<b>Access</b>	Private, Gravel Road	<b>Estimated Site Value</b>	\$70,000
<b>House Square Feet</b>	2,885	<b>Sales Price of Improvements</b>	\$420,000
<b>Bedroom/Bathrooms</b>	3 BR/4 BA	<b>Improvement Price/SF</b>	\$146
<b>Year Built or Renovated</b>	2006		
<b>Basement</b>	Finished Basement (2,025 SF)		
<b>Construction</b>	Wood Frame		
<b>Quality</b>	Very Good		
<b>Condition</b>	Good		
<b>Water/Sewer</b>	Well/Septic		
<b>Utilities</b>	Electricity/Telephone		
<b>Topography</b>	Level		
<b>Garage</b>	2 Car Garage - Attached		
<b>Outbuildings</b>	None		
<b>Miscellaneous</b>	Interior finishes include mahogany kitchen cabinets and stone fireplace. Basement level includes 2 bedroom and 1 full bath. Property has view of the Clearwater River. It does not include river frontage but has access via a private pedestrian easement.		
		<b>Report File # 18-024ec</b>	

## HOME SALE 8

[illegible]



## HOME SALE 9

### COMPARABLE SALE INFORMATION



<b>Location</b>	601 Morrell Creek Drive
<b>City/State</b>	Seeley Lake, MT
<b>County</b>	Missoula
<b>Assessor Number</b>	0001477709
<b>Zoning</b>	Unzoned Portion of Missoula Co.
<b>Site Size: Acres</b>	1.080
<b>Square Feet</b>	47,045
<b>Date of Sale</b>	September 28, 2017
<b>Sales Price</b>	\$250,000
<b>Adjustment to Sales Price</b>	\$0
<b>Adjusted Sales Price</b>	\$250,000
<b>MLS #</b>	21701388

### TRANSFER INFORMATION

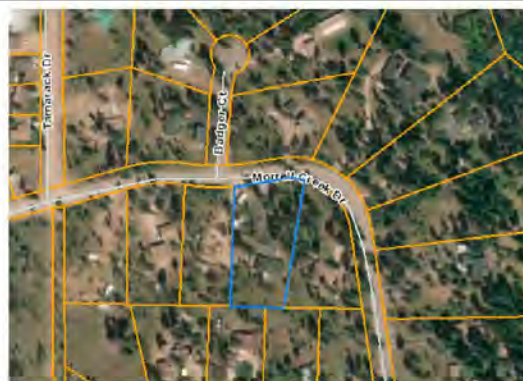
<b>Grantor</b>	Peggy Walker	<b>Grantee</b>	LeeRoy L. Strong & Sherry S. Strong
<b>Recording Data</b>	Warranty Deed #201719940	<b>Marketing Time</b>	224 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Robin Matthews-Barns, Listing Agent
<b>Legal Description</b>	Lot 67 of Double Arrow Ranch Phase II, Missoula, Montana	<b>Intended Use</b>	Residential
<b>Section/Township/Range</b>	S15/T16N/R15W		

## DESCRIPTION OF IMPROVEMENTS

## ANALYSIS OF SALE

<b>Water Frontage</b>	N/A
<b>Access</b>	Private, Gravel Road
<b>House Square Feet</b>	1,612
<b>Bedroom/Bathrooms</b>	2 BR/2 BA
<b>Year Built or Renovated</b>	2002
<b>Basement</b>	Crawl Space
<b>Construction</b>	Wood Frame
<b>Quality</b>	Good
<b>Condition</b>	Good
<b>Water/Sewer</b>	Community Water/Septic
<b>Utilities</b>	Electricity/Telephone
<b>Topography</b>	Level
<b>Garage</b>	2 Car Garage - Attached
<b>Outbuildings</b>	None
<b>Miscellaneous</b>	Home includes tile flooring and vaulted ceilings.



<b>Sales Price</b>	\$250,000
<b>Estimated Site Value</b>	\$60,000
<b>Sales Price of Improvements</b>	\$190,000
<b>Improvement Price/SF</b>	\$118



Report File # 18-024ec



## HOME SALE 10

COMPARABLE SALE INFORMATION																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td><b>Location</b></td><td>246 Overland Trail</td></tr> <tr><td><b>City/State</b></td><td>Seeley Lake, MT</td></tr> <tr><td><b>County</b></td><td>Missoula</td></tr> <tr><td><b>Assessor Number</b></td><td>0005472292</td></tr> <tr><td><b>Zoning</b></td><td>Unzoned Portion of Missoula Co.</td></tr> <tr><td><b>Site Size: Acres</b></td><td>1.710</td></tr> <tr><td><b>Square Feet</b></td><td>74,488</td></tr> <tr><td><b>Date of Sale</b></td><td>October 26, 2017</td></tr> <tr><td><b>Sales Price</b></td><td>\$285,000</td></tr> <tr><td><b>Adjustment to Sales Price</b></td><td>\$0</td></tr> <tr><td><b>Adjusted Sales Price</b></td><td>\$285,000</td></tr> <tr><td><b>MLS #</b></td><td>21707874</td></tr> </table>		<b>Location</b>	246 Overland Trail	<b>City/State</b>	Seeley Lake, MT	<b>County</b>	Missoula	<b>Assessor Number</b>	0005472292	<b>Zoning</b>	Unzoned Portion of Missoula Co.	<b>Site Size: Acres</b>	1.710	<b>Square Feet</b>	74,488	<b>Date of Sale</b>	October 26, 2017	<b>Sales Price</b>	\$285,000	<b>Adjustment to Sales Price</b>	\$0	<b>Adjusted Sales Price</b>	\$285,000	<b>MLS #</b>	21707874
<b>Location</b>	246 Overland Trail																										
<b>City/State</b>	Seeley Lake, MT																										
<b>County</b>	Missoula																										
<b>Assessor Number</b>	0005472292																										
<b>Zoning</b>	Unzoned Portion of Missoula Co.																										
<b>Site Size: Acres</b>	1.710																										
<b>Square Feet</b>	74,488																										
<b>Date of Sale</b>	October 26, 2017																										
<b>Sales Price</b>	\$285,000																										
<b>Adjustment to Sales Price</b>	\$0																										
<b>Adjusted Sales Price</b>	\$285,000																										
<b>MLS #</b>	21707874																										
TRANSFER INFORMATION																											
<b>Grantor</b>	John McDonald	<b>Grantee</b>	Sharon L. Ding & Rockey W. Kennedy																								
<b>Recording Data</b>	Warranty Deed #201721969	<b>Marketing Time</b>	125 Days on Market																								
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Kevin Wetherell, Listing Agent																								
<b>Legal Description</b>	Lot 143 of Double Arrow Ranch Phase 1A, Missoula, Montana	<b>Intended Use</b>	Residential																								
<b>Section/Township/Range</b>	S15/T16N/R15W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
<b>Water Frontage</b>	N/A	<b>Sales Price</b>	\$285,000																								
<b>Access</b>	Private, Gravel Road	<b>Estimated Site Value</b>	\$130,000																								
<b>House Square Feet</b>	2,038	<b>Sales Price of Improvements</b>	\$155,000																								
<b>Bedroom/Bathrooms</b>	3 BR/2 BA	<b>Improvement Price/SF</b>	\$76																								
<b>Year Built or Renovated</b>	2005																										
<b>Basement</b>	Crawl Space																										
<b>Construction</b>	Wood Frame																										
<b>Quality</b>	Good																										
<b>Condition</b>	Good																										
<b>Water/Sewer</b>	Community Water/Septic																										
<b>Utilities</b>	Electricity/Telephone																										
<b>Topography</b>	Level																										
<b>Garage</b>	2 Car Garage - Detached																										
<b>Outbuildings</b>	Shed																										
<b>Miscellaneous</b>	Site includes 183 feet of frontage along the Clearwater River and overlooks a 32 acre common area. Approximately 1/3 of site is within the 100 year flood plain. Home includes vaulted ceilings. There is a jetted tub in the master bathroom.																										
		<b>Report File # 18-024ec</b>																									

## **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 #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	0.700	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	0.700	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000



## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The comparables have shapes suitable for development. The subject lot has a triangular shape which may impact usable area; however, there is a home on the site and there is no market data available suggesting that an adjustment is necessary for shape. For this reason, no adjustment was made in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%



All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 1, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>459</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$22,185	-\$5,265	-\$36,045	-\$42,255
<b>OUTBUILDINGS</b>	<b>Shed, Sauna, &amp; Outhouse</b>	<b>Superior</b>	<b>Superior</b>	<b>Inferior</b>	<b>Superior</b>
		-\$2,000	-\$7,000	\$2,000	-\$7,500
<b>TOTAL ADJUSTMENT</b>		<b>-\$29,185</b>	<b>-\$17,265</b>	<b>-\$41,545</b>	<b>-\$54,755</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-39%</b>	<b>-27%</b>	<b>-37%</b>	<b>-48%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$45,815</b>	<b>\$47,735</b>	<b>\$71,455</b>	<b>\$60,245</b>

## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The improved sales either include 1 or 1.5 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 \$45 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 values of the subject outbuildings were estimated based upon depreciated cost calculated below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Shed	84	Section 17/Page 12	\$12.90	\$1,084
Sauna	36	Section 17/Page 12		\$2,975
Out House	28	Lump Sum Estimate		\$2,000
<b>Total Cost New</b>				\$6,059
<b>Less Depreciation - Age/Life - 10/20 Years = 50%</b>				<b>-\$3,029</b>
<b>Depreciated Cost Estimate</b>				\$3,029
<b>Rounded To</b>				<b>\$3,000</b>



### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$45,815 \$47,735, \$71,455, and \$60,245. Improved Sale 2 is accorded all weight as it is most similar in size to the subject residence. A market value of \$48,000 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	\$ 77,500
Subject Improvements Value	<u>\$ 48,000</u>
<b>Total Value Indication</b>	<b>\$125,500</b>

## LOT 5

### 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 5 , COS #6626, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.236	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.236	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$142,500	\$149,500	\$152,000	\$127,300

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.



Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The water frontage portion of the subject lot floods seasonally; however, the water has not entered the home and the subject lot can accommodate a septic system. This lot was enlarged via Certificate of Survey #6626 for the purpose of accommodation of a septic system.

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

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

*Easements Affecting Value:* The subject site is crossed by two shared driveways that provide access to other properties. These driveway easements affect the usable area of this property. The comparables do not include easements that affect value. There is not sufficient available market data to extract a specific adjustment in this category; however, most market participants would view these easements as negative factors. Downward adjustments of 5% were made to all of the

comparables in this category due to the subject easement. This adjustment percentage is subjective but considered reflective of the actions of market participants regarding the subject easement.

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

#### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A market value of \$148,000 is well supported by this analysis for the subject site as if vacant.

**Site Value as if Vacant**

**\$148,000**

### Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 5, COS #6626, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		\$0	\$0	-\$2,500	\$0
<b>HOUSE SIZE/SF</b>	<b>1,436</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		\$21,780	\$38,700	\$7,920	\$1,710
<b>OUTBUILDINGS</b>	<b>Bunk House, Shed, Pier, &amp; Outhouse</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$8,200	\$3,200	\$12,200	\$2,700
<b>TOTAL ADJUSTMENT</b>		<b>\$29,980</b>	<b>\$41,900</b>	<b>\$17,620</b>	<b>\$4,410</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>40%</b>	<b>64%</b>	<b>16%</b>	<b>4%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$104,980</b>	<b>\$106,900</b>	<b>\$130,620</b>	<b>\$119,410</b>



## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence includes one indoor bathroom. The improved sales either include 1 or 1.5 bathrooms. No adjustments were necessary for Improved Sales 1, 2, or 4. A downward adjustment of \$2,500 was made for the additional half bath in this residence. 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 \$45 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 values 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
Storage Shed	160	Section 17/Page 12	\$12.90	\$2,064
Bunk House	231	Section 12/Page 15	\$76.47	\$17,665
Pier	192	Section 67/Page 6	\$23.95	\$4,598
Out House	25	Lump Sum Estimate		\$2,000
Total Cost New				\$26,327
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$13,163
Depreciated Cost Estimate				\$13,163
Rounded To				\$13,200

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$104,980, \$106,900, \$130,620, and \$119,410. Improved Sale 4 is accorded all weight as it is most similar in size to the subject residence. A market 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	\$148,000
Subject Improvements Value	<u>\$119,000</u>
<b>Total Value Indication</b>	<b>\$267,000</b>

## LOT 6

### 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 6 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.351	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	1.351	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000



## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%



All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

### Improvement Value Estimate

House Sales 1, 2, 3, and 4 are appropriate comparables for the subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 6, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>694</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$11,610	\$5,310	-\$25,470	-\$31,680
<b>OUTBUILDINGS</b>	<b>Shed, 2 Open Storages, Pier, &amp; Outhouse</b>	<b>Inferior</b>	<b>Superior</b>	<b>Inferior</b>	<b>Superior</b>
		\$100	-\$4,900	\$4,100	-\$5,400
<b>TOTAL ADJUSTMENT</b>		<b>-\$16,510</b>	<b>-\$4,590</b>	<b>-\$28,870</b>	<b>-\$42,080</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-22%</b>	<b>-7%</b>	<b>-26%</b>	<b>-37%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$58,490</b>	<b>\$60,410</b>	<b>\$84,130</b>	<b>\$72,920</b>

## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The improved sales either include 1 or 1.5 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 \$45 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 values 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
Storage Shed	34	Section 17/Page 12	\$12.90	\$439
Open Storage	48	Section 17/Page 16	\$12.75	\$612
Open Storage	48	Section 17/Page 16	\$12.75	\$612
Pier	272	Section 67/Page 6	\$23.95	\$6,514
Out House	25	Lump Sum Estimate		\$2,000
<b>Total Cost New</b>				\$10,177
<b>Less Depreciation - Age/Life - 10/20 Years = 50%</b>				<u>-\$5,089</u>
<b>Depreciated Cost Estimate</b>				\$5,089
<b>Rounded To</b>				\$5,100



### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$58,490, \$60,410, \$84,130, and \$72,920. Improved Sale 2 is accorded all weight as it is most similar in size to the subject residence. A market value of \$60,000 is reasonable and well supported for the subject improvements.

### **Total Value Conclusion**

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

Subject Site Value	\$ 77,500
Subject Improvements Value	<u>\$ 60,000</u>
<b>Total Value Indication</b>	<b>\$137,500</b>

## LOT 7

### 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 7 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.315	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	1.315	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.



Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>



### Improvement Value Estimate

House Sales 1, 2, 3, and 4 are appropriate comparables for the subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 7, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>906</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$2,070	\$14,850	-\$15,930	-\$22,140
<b>OUTBUILDINGS</b>	<b>2 Sheds, Pump House, Bunk House, Pier, Boat House, &amp; Outhouse</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$10,100	\$5,100	\$14,100	\$4,600
<b>TOTAL ADJUSTMENT</b>		<b>\$3,030</b>	<b>\$14,950</b>	<b>-\$9,330</b>	<b>-\$22,540</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>4%</b>	<b>23%</b>	<b>-8%</b>	<b>-20%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$78,030</b>	<b>\$79,950</b>	<b>\$103,670</b>	<b>\$92,460</b>

## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The improved sales either include 1 or 1.5 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 \$45 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 values 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
Storage Shed	34	Section 17/Page 12	\$12.90	\$439
Storage Shed	120	Section 17/Page 12	\$12.90	\$1,548
Pump House	30	Section 17/Page 12	\$12.90	\$387
Bunk House	176	Section 12/Page 15	\$76.47	\$13,459
Pier	308	Section 67/Page 6	\$23.95	\$7,377
Boat House	228	Section 17/Page 18	\$21.85	\$4,982
Out House	18	Lump Sum Estimate		\$2,000
Total Cost New				\$30,191
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$15,095
Depreciated Cost Estimate				\$15,095
Rounded To				\$15,100

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$78,030, \$79,950, \$103,670, and \$92,460. Improved Sale 1 is accorded all weight as it is most similar in size to the subject residence. A market value of \$78,000 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	\$ 77,500
Subject Improvements Value	<u>\$ 78,000</u>
<b>Total Value Indication</b>	<b>\$155,500</b>



## LOT 8

### 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 8 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.303	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	1.303	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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



*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 8, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	700 Spruce Dr	656 Juniper Ln
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		\$0	\$0	-\$2,500	\$0
<b>HOUSE SIZE/SF</b>	<b>1,388</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		\$19,620	\$36,540	\$5,760	-\$450
<b>OUTBUILDINGS</b>	<b>Pole Building, Pier, Shed, Gazebo, &amp; Outhouse</b>	<b>Inferior</b>	<b>Superior</b>	<b>Inferior</b>	<b>Superior</b>
		\$2,600	-\$2,400	\$6,600	-\$2,900
<b>TOTAL ADJUSTMENT</b>		<b>\$22,220</b>	<b>\$34,140</b>	<b>\$9,860</b>	<b>-\$3,350</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>30%</b>	<b>53%</b>	<b>9%</b>	<b>-3%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$97,220</b>	<b>\$99,140</b>	<b>\$122,860</b>	<b>\$111,650</b>



## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence includes one bathroom. Improved Sales 1, 2 and 4 include one bathroom and no adjustment was necessary in this category. Improved Sale 3 includes an additional half bath. A downward adjustment of \$2,500 was made to this comparable 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 \$45 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 values 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
Storage Shed	128	Section 17/Page 12	\$12.90	\$1,651
Pole Building	480	Section 17/Page 16	\$8.87	\$4,258
Gazebo	42	Section 12/Page 40	\$44.56	\$1,872
Pier	228	Section 67/Page 6	\$23.95	\$5,461
Out House	20	Lump Sum Estimate		\$2,000
Total Cost New				\$15,241
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$7,620
Depreciated Cost Estimate				\$7,620
Rounded To				\$7,600

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$97,220, \$99,140, \$122,860, and \$111,650. Improved Sale 4 is accorded all weight as it is most similar in size to the subject residence. A market value of \$112,000 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	\$ 77,500
Subject Improvements Value	<u>\$112,000</u>
<b>Total Value Indication</b>	<b>\$189,500</b>

## LOT 9

### 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 9 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.349	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.349	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$142,500	\$149,500	\$152,000	\$127,300



## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

#### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$148,000 is well supported by this analysis for the subject site as if vacant.

#### **Adjustment for Limited Utility Due to High Water Table and Low Elevation**

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is on the following page.



Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$148,000
Less 50% Adjustment for Limited Utility	<u>\$ 74,000</u>
Adjusted Site Value as if Vacant	\$ 74,000
<b>Site Value as if Vacant</b>	<b>\$ 74,000</b>

### Improvement Value Estimate

House Sales 1, 2, 3, and 4 are appropriate comparables for the subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 9, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	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		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>918</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$1,530	\$15,390	-\$15,390	-\$21,600
<b>OUTBUILDINGS</b>	<b>Shed, Bunk House, Storage, Pier, &amp; Outhouse</b>	<b>Superior</b>	<b>Superior</b>	<b>Superior</b>	<b>Superior</b>
		\$15,000	\$10,000	\$19,000	\$9,500
<b>TOTAL ADJUSTMENT</b>		<b>\$8,470</b>	<b>\$20,390</b>	<b>-\$3,890</b>	<b>-\$17,100</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>11%</b>	<b>31%</b>	<b>-3%</b>	<b>-15%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$83,470</b>	<b>\$85,390</b>	<b>\$109,110</b>	<b>\$97,900</b>



## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The comparables include 1 to 1.5 bathrooms. Downward adjustments of \$5,000 per full bath and \$2,500 per half bath were made to the comparables. These adjustment amounts are 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 \$45 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 values 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
Storage Shed	280	Section 17/Page 12	\$12.90	\$3,612
Bunk House	288	Section 12/Page 15	\$76.47	\$22,023
Storage	96	Section 17/Page 12	\$12.90	\$1,238
Pier	468	Section 67/Page 6	\$23.95	\$11,209
Out House	30	Lump Sum Estimate		\$2,000
Total Cost New				\$40,082
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$20,041</u>
Depreciated Cost Estimate				\$20,041
Rounded To				\$20,000

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$83,470, \$85,390, \$109,110, and \$97,900. Improved Sale 1 is accorded all weight as it is most similar in size to the subject residence. A market value of \$83,000 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	\$ 74,000
Subject Improvements Value	<u>\$ 83,000</u>
<b>Total Value Indication</b>	<b>\$157,000</b>

## LOT 10

### 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 10 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	0.851	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	0.851	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000



## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%



All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 10, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	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		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,112</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		\$7,200	\$24,120	-\$6,660	-\$12,870
<b>OUTBUILDINGS</b>	<b>Shed, Bunk House, Storage, Pier, &amp; Outhouse</b>	<b>Superior</b>	<b>Superior</b>	<b>Superior</b>	<b>Superior</b>
		\$15,000	\$10,000	\$19,000	\$9,500
<b>TOTAL ADJUSTMENT</b>		<b>\$17,200</b>	<b>\$29,120</b>	<b>\$4,840</b>	<b>-\$8,370</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>23%</b>	<b>45%</b>	<b>4%</b>	<b>-7%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$92,200</b>	<b>\$94,120</b>	<b>\$117,840</b>	<b>\$106,630</b>

## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The comparables include 1 to 1.5 bathrooms. Downward adjustments of \$5,000 per full bath and \$2,500 per half bath were made to the comparables. These adjustment amounts are 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 \$45 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 values 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
Carport	280	Section 12/Page 35	\$24.40	\$6,832
Bunk House	300	Section 12/Page 15	\$76.47	\$22,941
Pier	552	Section 67/Page 6	\$23.95	\$13,220
Out House	24	Lump Sum Estimate		\$2,000
Total Cost New				\$44,993
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$22,497</u>
Depreciated Cost Estimate				\$22,497
Rounded To				\$22,500



### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$92,200, \$94,120, \$117,840, and \$106,630. Improved Sale 3 is accorded all weight as it is most similar in size to the subject residence. A market value of \$118,000 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	\$ 77,500
Subject Improvements Value	<u>\$118,000</u>
<b>Total Value Indication</b>	<b>\$195,500</b>

## LOT 18

### 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 18 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	3.174	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	3.174	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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



*Size/Acres:* The subject lot is larger than the comparables in acreage. There is no market data suggesting that an adjustment for size is necessary for lots in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

### Improvement Value Estimate

Home Sales 5, 6, and 7 were the most appropriate comparables located for this subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 18, COS #4875, SEELEY LAKE OUTLET EAST				
DESCRIPTION	SUBJECT	SALE 5	SALE 6	SALE 7
IDENTIFICATION		570 Glacier Dr	300 Leota Peak	699 Daisy Ln
LOCATION		Seeley Lake, M T	Seeley Lake, M T	Seeley Lake, M T
SALES PRICE		\$254,500	\$375,000	\$490,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		01/16/18	04/16/18	05/18/18
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$254,500	\$375,000	\$490,000
LESS SITE VALUE		(\$60,000)	(\$60,000)	(\$70,000)
ADJUSTED IMPROVEMENT PRICE		\$194,500	\$315,000	\$420,000
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Very Good</b>	<b>Very Good</b>	<b>Very Good</b>	<b>Very Good</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>4</b>
		-\$10,000	-\$10,000	-\$20,000
<b>HOUSE SIZE/SF</b>	<b>2,183</b>	<b>1,152</b>	<b>1,795</b>	<b>2,885</b>
		\$82,480	\$31,040	-\$56,160
<b>FINISHED BASEMENT/SF</b>	<b>0</b>	<b>768</b>	<b>1,408</b>	<b>2,025</b>
		-\$30,720	-\$56,320	-\$81,000
<b>OUTBUILDINGS</b>	<b>Pier, Open Storage, Shed, &amp; Outhouse</b>	<b>Superior</b>	<b>Superior</b>	<b>Superior</b>
		-\$4,300	-\$3,300	-\$3,300
<b>TOTAL ADJUSTMENT</b>		<b>\$37,460</b>	<b>-\$38,580</b>	<b>-\$160,460</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>19%</b>	<b>-12%</b>	<b>-38%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$231,960</b>	<b>\$276,420</b>	<b>\$259,540</b>

## 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 2018 and no adjustments were necessary in this category.

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

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The comparables include 2 to 4 bathrooms. Downward adjustments of \$5,000 per full bath were made to the comparables. These adjustment amounts are 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 \$80 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.

*Finished Basement Size:* The subject property does not include a finished basement; however, the comparables have finished basements. Downward adjustments of \$40 per square foot are considered reasonable and appropriate for the finished basement areas of the comparables. This equates to half of the adjustment for differences in above grade finished area. Market participants typically pay less for basement square footage than for above grade square footage. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to finished basements.

*Outbuildings/Amenities:* Adjustments were made for any differences between our estimates of contributory values of outbuildings for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated costs calculated on the following page.



Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Shed	80	Section 17/Page 12	\$12.90	\$1,032
Open Storage	54	Section 17/Page 16	\$12.75	\$689
Pier	402	Section 67/Page 6	\$23.95	\$9,628
Out House	36	Lump Sum Estimate		\$2,000
Total Cost New				\$13,348
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$6,674
Depreciated Cost Estimate				\$6,674
Rounded To				\$6,700

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$231,960, \$276,420, and \$259,540. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$256,000 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	\$ 77,500
Subject Improvements Value	<u>\$256,000</u>
<b>Total Value Indication</b>	<b>\$333,500</b>

## 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 #6625, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	3.409	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	3.409	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$142,500	\$149,500	\$152,000	\$127,300

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The water frontage portion of the subject lot floods seasonally; however, the water has not entered the since it is built on piers and the subject lot can accommodate a septic system. This lot was enlarged via Certificate of Survey #6626 for the purpose of accommodation of a septic system.

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

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

*Easements Affecting Value:* The subject site is crossed by a shared driveway that provide access to another property. This driveway easement affects the usable area of this property. The comparables do not include easements that affect value. There is not sufficient available market data to extract a specific adjustment in this category; however, most market participants would view this easement as a negative factor. Downward adjustments of 5% were made to all of the



comparables in this category due to the subject easement. This adjustment percentage is subjective but considered reflective of the actions of market participants regarding the subject easement.

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

*Size/Acres:* The subject lot is larger than the comparables in acreage. There is no market data suggesting that an adjustment for size is necessary for lots in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

#### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A market value of \$148,000 is well supported by this analysis for the subject site as if vacant.

**Site Value as if Vacant**

**\$148,000**

### Improvement Value Estimate

Home Sales 8, 9 and 10 were the most appropriate comparables located for this subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 20, COS #6625, SEELEY LAKE OUTLET EAST				
DESCRIPTION	SUBJECT	SALE 8	SALE 9	SALE 10
IDENTIFICATION		209 Overland Trail	601 Morrell Creek Dr	246 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$185,000	\$250,000	\$285,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		09/25/17	09/28/17	10/26/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$185,000	\$250,000	\$285,000
LESS SITE VALUE		(\$60,000)	(\$60,000)	(\$130,000)
ADJUSTED IMPROVEMENT PRICE		\$125,000	\$190,000	\$155,000
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>
		\$0	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,689</b>	<b>996</b>	<b>1,612</b>	<b>2,038</b>
		\$48,510	\$5,390	-\$24,430
<b>OUTBUILDINGS</b>	<b>Pole Building, Detached Deck, Shed, &amp; Pier</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$200	\$2,200	\$1,700
<b>TOTAL ADJUSTMENT</b>		<b>\$48,710</b>	<b>\$2,590</b>	<b>-\$27,730</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>39%</b>	<b>1%</b>	<b>-18%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$173,710</b>	<b>\$192,590</b>	<b>\$127,270</b>

## 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 and were the most recent located. There is little definitive market data supporting an adjustment in this category. For that reason no adjustment was made.

*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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence includes one bathroom. The comparables include 1 to 2 bathrooms. Downward adjustments of \$5,000 per full bath were made to the comparables. These adjustment amounts are 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 \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar 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 outbuildings were estimated based upon depreciated costs calculated below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shed	240	Section 17/Page 12	\$12.90	\$3,096
Pole Building	945	Section 17/Page 16	\$12.75	\$12,049
Detached Deck	176	Section 12/Page 40	\$18.62	\$3,277
Pier	402	Section 67/Page 6	\$23.95	\$9,628
<b>Total Cost New</b>				\$28,050
<b>Less Depreciation - Age/Life - 10/20 Years = 50%</b>				-\$14,025
<b>Depreciated Cost Estimate</b>				\$14,025
<b>Rounded To</b>				\$14,000

**Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$173,710, \$192,590, and \$127,270. All weight is accorded Home Sale 9 since it was the most similar in size compared to the subject and required the lease adjustment. A market value of \$193,000 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	\$148,000
Subject Improvements Value	<u>\$193,000</u>
<b>Total Value Indication</b>	<b>\$341,000</b>



## LOT 21

### 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 21 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	2.075	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	2.075	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$142,500	\$149,500	\$152,000	\$127,300

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

#### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$148,000 is well supported by this analysis for the subject site as if vacant.

#### **Adjustment for Limited Utility Due to High Water Table and Low Elevation**

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is on the following page.



Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$148,000
Less 50% Adjustment for Limited Utility	<u>\$ 74,000</u>
Adjusted Site Value as if Vacant	\$ 74,000
Rounded To	\$ 74,000
<b>Site Value as if Vacant</b>	<b>\$ 74,000</b>

### Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 21, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	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		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,454</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		\$22,590	\$39,510	\$8,730	\$2,520
<b>OUTBUILDINGS</b>	<b>2 Sheds, Pier, &amp; Outhouse</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$9,100	\$4,100	\$13,100	\$3,600
<b>TOTAL ADJUSTMENT</b>		<b>\$26,690</b>	<b>\$38,610</b>	<b>\$14,330</b>	<b>\$1,120</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>36%</b>	<b>59%</b>	<b>13%</b>	<b>1%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$101,690</b>	<b>\$103,610</b>	<b>\$127,330</b>	<b>\$116,120</b>

## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom with a plumbed toilet. The comparables include 1 to 1.5 bathrooms. Downward adjustments of \$5,000 per full bath and \$2,500 per half bath were made to the comparables. These adjustment amounts are 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 \$45 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 values 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	200	Section 17/Page 12	\$12.90	\$2,580
Shed	192	Section 17/Page 12	\$12.90	\$2,477
Pier	860	Section 67/Page 6	\$23.95	\$20,597
Out House	54	Lump Sum Estimate		\$2,500
Total Cost New				\$28,154
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$14,077
Depreciated Cost Estimate				\$14,077
Rounded To				\$14,100



### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$101,690, \$103,610, \$127,330, and \$116,120. Improved Sale 4 is accorded all weight as it is most similar in size to the subject residence. A market value of \$116,000 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	\$ 74,000
Subject Improvements Value	<u>\$116,000</u>
<b>Total Value Indication</b>	<b>\$190,000</b>

## LOT 23

### 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 23 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.540	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	Yes	No	No	No	No
		-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		0%	0%	0%	0%
SITE SIZE/ACRES	1.540	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$142,500	\$149,500	\$152,000	\$127,300

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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



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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

#### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$148,000 is well supported by this analysis for the subject site as if vacant.

#### **Adjustment for Limited Utility Due to High Water Table and Low Elevation**

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is on the following page.

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$148,000
Less 50% Adjustment for Limited Utility	<u>\$ 74,000</u>
Adjusted Site Value as if Vacant	\$ 74,000
Rounded To	\$ 74,000
<b>Site Value as if Vacant</b>	<b>\$ 74,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 23, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	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		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>819</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$5,985	\$10,935	-\$19,845	-\$26,055
<b>OUTBUILDINGS</b>	<b>Garage, Shed, Shed, &amp; Pier</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$6,600	\$1,600	\$10,600	\$1,100
<b>TOTAL ADJUSTMENT</b>		<b>-\$4,385</b>	<b>\$7,535</b>	<b>-\$16,745</b>	<b>-\$29,955</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-6%</b>	<b>12%</b>	<b>-15%</b>	<b>-26%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$70,615</b>	<b>\$72,535</b>	<b>\$96,255</b>	<b>\$85,045</b>



## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom with a plumbed toilet. The comparables include 1 to 1.5 bathrooms. Downward adjustments of \$5,000 per full bath and \$2,500 per half bath were made to the comparables. These adjustment amounts are 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 \$45 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 values 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
Garage	360	Section 12/Page 35	\$60.50	\$21,780
Shed	102	Section 17/Page 12	\$12.90	\$1,316
Open Shed	102	Section 17/Page 16	\$12.75	\$1,301
Pier	860	Section 67/Page 6	\$23.95	\$20,597
Total Cost New				\$23,213
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$11,607
Depreciated Cost Estimate				\$11,607
Rounded To				\$11,600

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$70,615, \$72,535, \$96,255, and \$85,045. Improved Sale 1 is accorded all weight as it is most similar in size to the subject residence. A market value of \$71,000 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	\$ 74,000
Subject Improvements Value	<u>\$ 71,000</u>
<b>Total Value Indication</b>	<b>\$145,000</b>

## LOT 25

### 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 25 , COS #4875, SEELEY LAKE DEVELOPMENT					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.826	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:					
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level
		0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	County Road	Private 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	1.826	2.661	2.020	1.932	0.446
		0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$150,000	\$156,000	\$160,000	\$134,000

## Discussion of Adjustments

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

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

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

*Financing:* Sales 1, 2, and 4 were cash or cash equivalent; therefore, no adjustments were necessary for these comparables in category. According to the agent for Land Sale 3, this property was owner financed with non-market terms. Also, according to the agent, the property would have sold for approximately \$5,000 less without the non-market financing. For this reason a downward adjustment of \$5,000 was made to this sale.

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

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

*Market Conditions:* The closed comparables sold in 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

*Location/Waterfront Name:* The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 1, 3, and 4 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 1 and 3 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sale 2 is located more than 1 mile south of the Seeley Lake Outlet and has no boat access to Seeley Lake. We have paired this sale with Land Sales 1 and 3. We did not pair this sale with Land Sale 4 since it closed almost 5 years prior to the report effective date. These pairings are below and on the following page.



Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sale 2 as it is along the Clearwater River with no access by boat to Seeley Lake.

*Shape:* The subject and comparables have shapes suitable for development. No adjustment was necessary in this category.

*Topography:* The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. Updated flood mapping of the area is in process but was not complete as of the report effective date. The verifying parties for the comparables reported that septic systems were either in place on the sales or were allowable. The subject lot cannot accommodate a septic system due to the high water table. This issue is addressed in the Reconciliation.

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

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

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

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

*Size/Acres:* The comparables bracket the subject site in acreage. There is no market data suggesting that an adjustment for size is necessary. For this reason, no adjustment was made in this category.

### Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 4 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, and 3. A preliminary value of \$155,000 is well supported by this analysis for the subject site as if vacant.

### Adjustment for Limited Utility Due to High Water Table and Low Elevation

We conducted searches for sales of waterfront sites with similar ground water and elevation issues compared to the subject lot. No truly comparable sales of vacant sites were located. For this reason, it was necessary to utilize comparable sales of waterfront sites that do not include similar development issues.

In order to determine appropriate adjustments for the additional risk associated with the subject lots, we located sales of vacant residential sites along area lakes which have development issues due to flooding, size, or topography. We paired these sales with sales of similar area properties that do not have development issues. The recognized unit of comparison for lakefront home sites is the price per front footage along the lake. This data is below;

Analysis of Lakefront Sales with Utility Limitations								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
861 Angel Point Rd	Lakeside	Flathead Lake	1.04	186.00	2/22/2018	\$375,000	None Known	\$2,016
743 Hughes Bay Rd	Lakeside	Flathead Lake	1.00	600.00	6/28/2018	\$500,000	No Septic Allowed	\$833
							Indicated Adjustment for Limited Utility	-59%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
5400 N Ashley Lake Rd	Kila	Ashley Lake	1.89	145.00	4/2/2018	\$440,000	None Known	\$3,034
4521 Ashley Lake Rd	Kalispell	Ashley Lake	0.23	95.00	7/30/2018	\$169,500	No Septic Allowed	\$1,784
							Indicated Adjustment for Limited Utility	-41%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
128 Bitterroot Cove Ct	Marion	Bitterroot Lake	2.49	115.00	5/7/2015	\$271,500	None Known	\$2,361
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-36%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Utility Limitations	Price/FF
134 Kelly Ct	Marion	Bitterroot Lake	1.24	150.85	8/31/2015	\$330,000	None Known	\$2,188
727 Lodgepole Dr	Marion	Bitterroot Lake	0.28	60.00	3/4/2014	\$90,000	Small Site/1 Br Septic	\$1,500
							Indicated Adjustment for Limited Utility	-31%

All of the paired sales suggest downward adjustments due to utility limitations. A synopsis of the suggested adjustments from the paired sales analyses is below;

Synopsis of Paired Sales Analyses			
Paired Sale #	Suggested Adjustment for Utility Limitations	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-59%	Sales include additional differences in front footage amounts.	Relatively Applicable to Subject Properties
2	-41%	Sales include additional differences of site sizes and front footage amounts.	Relatively Applicable to Subject Properties
3	-36%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties
4	-31%	Sales include additional differences of site sizes and front footage amounts.	2nd Sale Limitations not as Significant as Subject Properties

Most weight is accorded Paired Sales Sets 1 and 2 as they most accurately represent the limitations of the subject site. It is our opinion that a downward adjustment between these suggested adjustment indications is most appropriate for the subject lots. **Downward adjustment of 50% are appropriate for the waterfront sales used as comparables to determine the value of the subject site as if vacant in this report.**

A downward adjustment of 50% is applied to the preliminary value conclusion for the subject site as if vacant. The final value calculations are below;

Preliminary Site Value Indication	\$155,000
Less 50% Adjustment for Limited Utility	<u>\$ 77,500</u>
Adjusted Site Value as if Vacant	\$ 77,500
<b>Site Value as if Vacant</b>	<b>\$ 77,500</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 25, COS #4875, SEELEY LAKE OUTLET EAST					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION		1025 Riverview Dr	260 Timberlane	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		\$225,000	\$135,000	\$148,000	\$140,000
LIST ADJUSTMENT					
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		11/09/17	11/01/17	05/12/17	05/01/17
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$225,000	\$135,000	\$148,000	\$140,000
LESS SITE VALUE		(\$150,000)	(\$70,000)	(\$35,000)	(\$25,000)
ADJUSTED IMPROVEMENT PRICE		\$75,000	\$65,000	\$113,000	\$115,000
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION/SITE</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>	<b>Seeley Lake</b>
		\$0	\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0	\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1.5</b>	<b>1</b>
		-\$5,000	-\$5,000	-\$7,500	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>926</b>	<b>952</b>	<b>576</b>	<b>1,260</b>	<b>1,398</b>
		-\$1,170	\$15,750	-\$15,030	-\$21,240
<b>OUTBUILDINGS</b>	<b>Shed, Wood Shed, &amp; Out House</b>	<b>Superior</b>	<b>Superior</b>	<b>Inferior</b>	<b>Superior</b>
		-\$2,500	-\$7,500	\$1,500	-\$8,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$8,670</b>	<b>\$3,250</b>	<b>-\$21,030</b>	<b>-\$34,240</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-12%</b>	<b>5%</b>	<b>-19%</b>	<b>-30%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$66,330</b>	<b>\$68,250</b>	<b>\$91,970</b>	<b>\$80,760</b>



## 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 and were the most recent located. 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 appraisal work file.

*Quality:* The subject residence and comparables are considered similar in quality and no adjustment was necessary in this category.

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

*Bathrooms:* The subject residence does not include an indoor bathroom. The comparables include 1 to 1.5 bathrooms. Downward adjustments of \$5,000 per full bath and \$2,500 per half bath were made to the comparables. These adjustment amounts are 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 \$45 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 values 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	96	Section 17/Page 12	\$12.90	\$1,238
Wood Shed	132	Section 17/Page 16	\$12.75	\$1,683
Out House	18	Lump Sum Estimate		\$2,000
<b>Total Cost New</b>				\$4,921
<b>Less Depreciation - Age/Life - 10/20 Years = 50%</b>				<u>-\$2,461</u>
<b>Depreciated Cost Estimate</b>				\$2,461
<b>Rounded To</b>				\$2,500

### **Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparables provided adjusted indications of market value for the subject improvements of \$66,330, \$68,250, \$91,970, and \$80,760. Improved Sale 1 is accorded all weight as it is most similar in size to the subject residence. A market value of \$66,000 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	\$ 77,500
Subject Improvements Value	<u>\$ 66,000</u>
<b>Total Value Indication</b>	<b>\$143,500</b>

## 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	\$77,500	\$48,000	\$125,500	7/23/2018
5	\$148,000	\$119,000	\$267,000	7/17/2018
6	\$77,500	\$60,000	\$137,500	7/17/2018
7	\$77,500	\$78,000	\$155,500	7/23/2018
8	\$77,500	\$112,000	\$189,500	7/23/2018
9	\$74,000	\$83,000	\$157,000	7/17/2018
10	\$77,500	\$118,000	\$195,500	7/23/2018
18	\$77,500	\$256,000	\$333,500	7/17/2018
20	\$148,000	\$193,000	\$341,000	7/17/2018
21	\$74,000	\$116,000	\$190,000	7/23/2018
23	\$74,000	\$71,000	\$145,000	7/23/2018
25	\$77,500	\$66,000	\$143,500	7/23/2018

## **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: <b>CERTIFIED GENERAL APPRAISER</b> With endorsements of: <i>REAL ESTATE APPRAISER MENTOR</i>
License #:	<b>REA-RAG-LIC-683</b>	
Status:	<b>Active</b>	
Expiration Date:	<b>03/31/2019</b>	
<b>ELLIOTT M CLARK</b> <b>CLARK REAL ESTATE APPRAISAL</b> <b>704C E 13TH STREET #509</b> <b>WHITEFISH, MT 59937</b>		
		 Montana Department of <b>LABOR &amp; INDUSTRY</b> <small>RENEW OR VERIFY YOUR LICENSE AT: <a href="https://biz.mt.gov/pol/">https://biz.mt.gov/pol/</a></small>

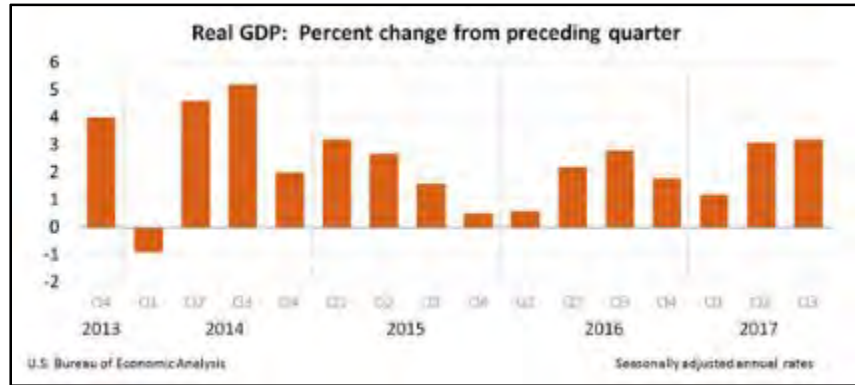
	State of Montana Business Standards Division Board of Real Estate Appraisers	This certificate verifies licensure as: <b>LICENSED APPRAISER</b>
License #:	<b>REA-RAL-LIC-841</b>	
Status:	<b>Active</b>	
Expiration Date:	<b>03/31/2019</b>	
<b>CHRISTOPHER D CLARK</b> <b>CLARK REAL ESTATE APPRAISAL</b> <b>704C E 13TH STREET #509</b> <b>WHITEFISH, MT 59937</b>		
		 Montana Department of <b>LABOR &amp; INDUSTRY</b> <small>RENEW OR VERIFY YOUR LICENSE AT: <a href="https://biz.mt.gov/pol/">https://biz.mt.gov/pol/</a></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 44<sup>th</sup> 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;

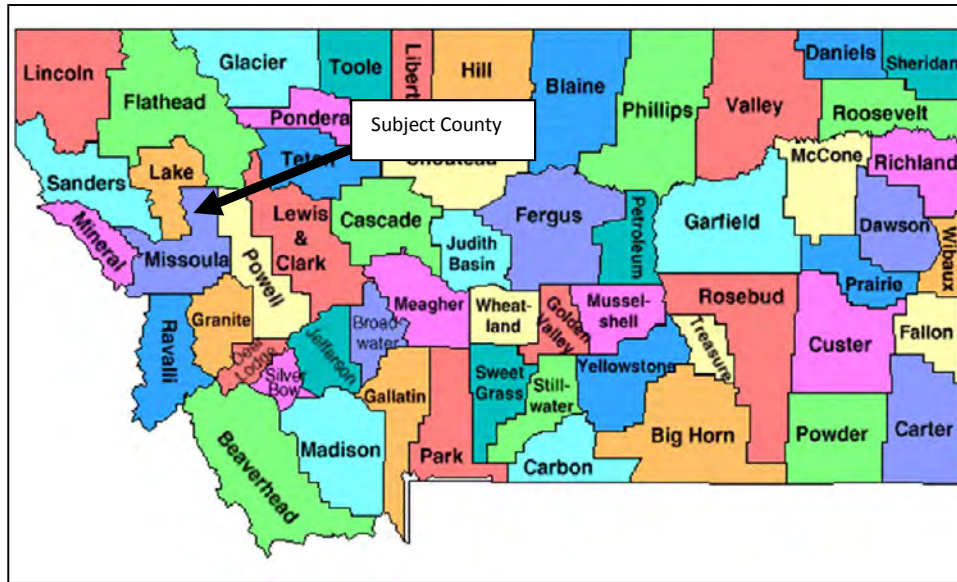
- Trade, Transportation, and Utilities
- Government (Federal, State, & Local)
- Education & Health Services
- Healthcare & Social Assistance
- Leisure & Hospitality

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

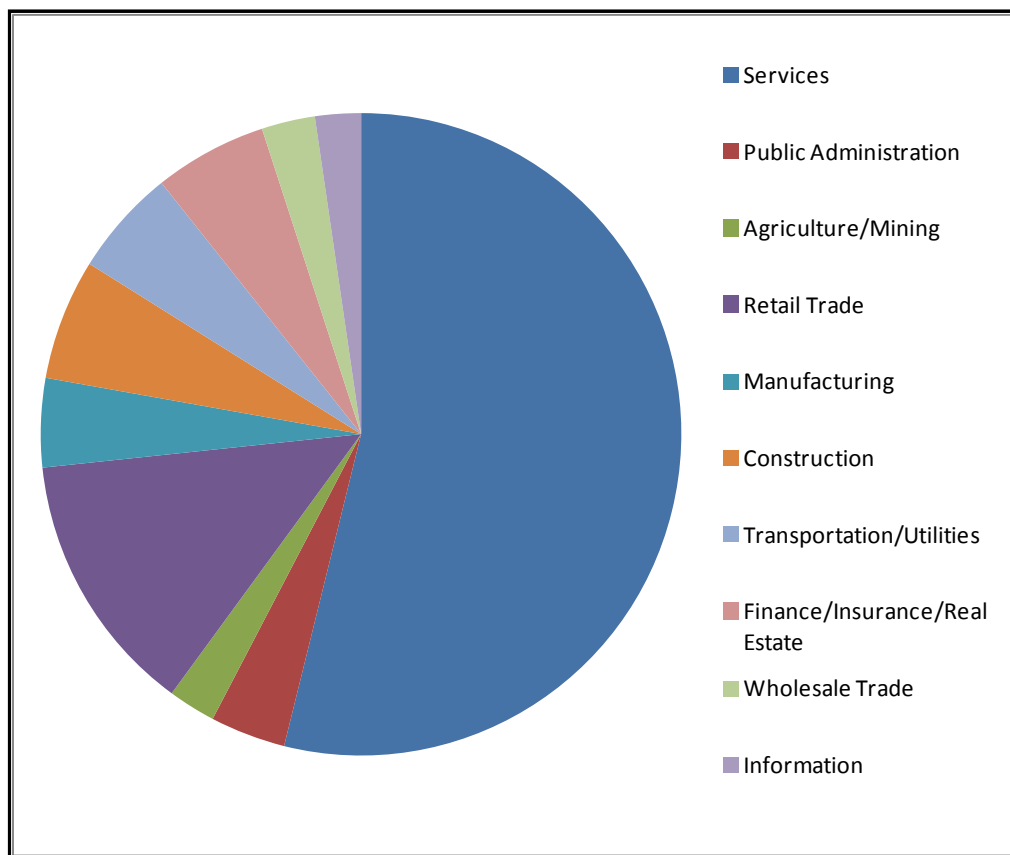
Missoula County is the 2nd most populous county in Montana. The 2015 county population estimate from ESRI based upon US Census Bureau data was 113,665. The population is projected to increase to 118,223 by 2020 or 0.8% per year.

## 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**

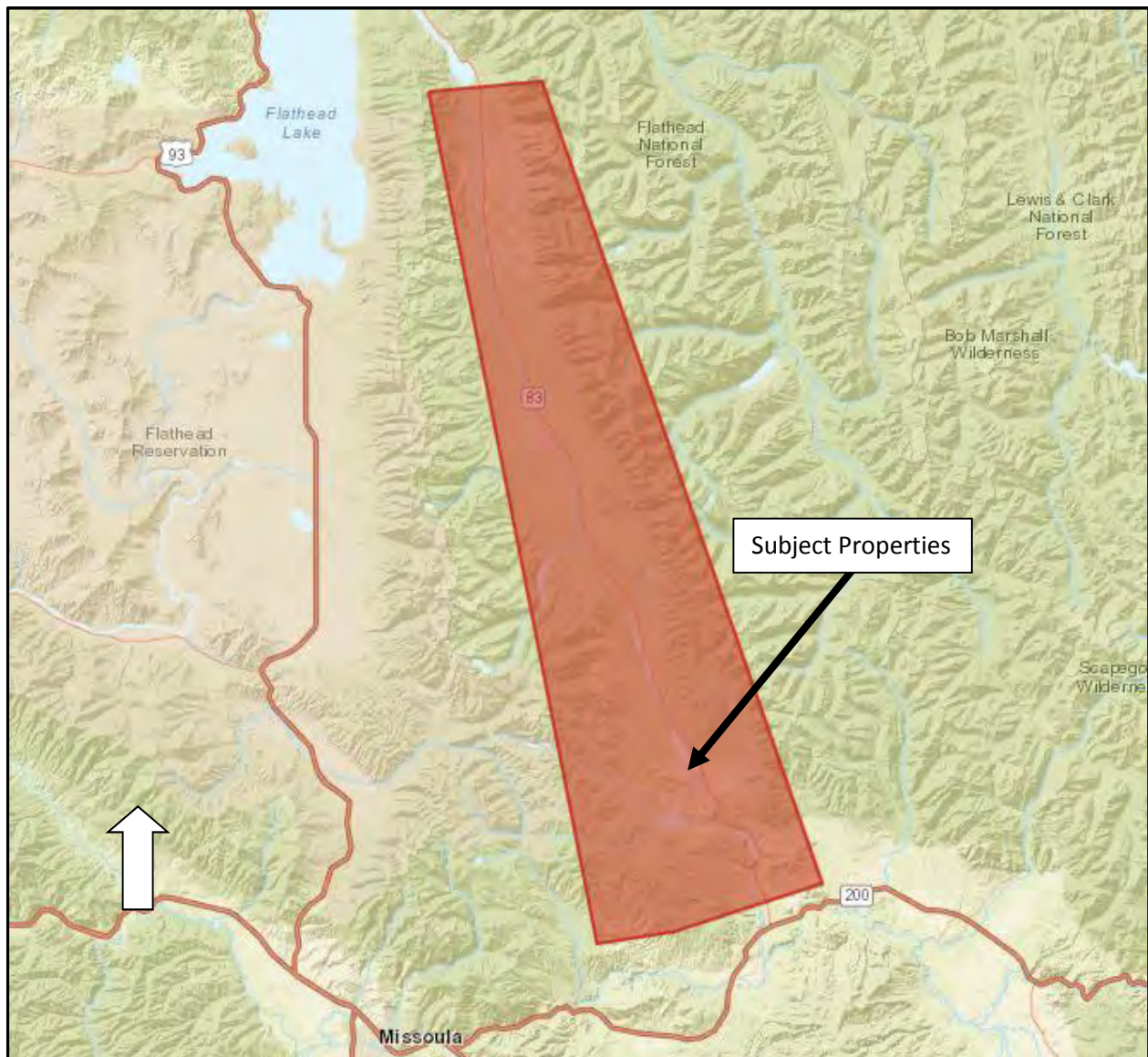
Missoula County is one of the most populous counties in Montana. The population is slated to increase approximately 0.8% per year through 2020. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The county unemployment rate 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 9)

### **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 Outlet East 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 Kirk & Kim Mace, Daniel, Deanna, & Kimberly Schwenk, Gregg E. Sautter, Jacquelyn & Robert Todd White, Inga Ann & Eric Ibey, Virginia McHugh, Michael B. & Jennifer S. Duax, Christopher W. & Christopher W.E. Boland, Glen & Carol Richards, Marvin & Marianne Maki, Carolyn E. Gies, and Gerald & Rae-Jean Johnson. 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. 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 twelve (12) 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 Outlet East 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 Outlet East in Missoula County:**

<b>Sale #</b>	<b>Acres</b>	<b>Legal Description</b>
958	0.7 ±	Lot 1, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
959	1.236 ±	Lot 5, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
960	1.351 ±	Lot 6, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
961	1.315 ±	Lot 7, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
1041	1.303 ±	Lot 8, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
962	1.349 ±	Lot 9, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
963	0.851 ±	Lot 10, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
964	3.174 ±	Lot 18, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
965	3.409 ±	Lot 20, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
966	2.075 ±	Lot 21, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
967	1.54 ±	Lot 23, Seeley Lake Outlet East T16N-R15W, Sec. 4 Missoula County
968	1.826 ±	Lot 25, Seeley Lake Outlet East 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](mailto:kmotichka@mt.gov)

**Lessees:**

<b>Sale 958</b> Kirk & Kim Mace PO Box 1010 Seeley Lake, MT 59868 (406) 210-0183	<b>Sale 959</b> Daniel, Deanna, & Kimberly Schwenk 635 Montana Street East Missoula, MT 59802 (406) 549-3716	<b>Sale 960</b> Gregg E. Sautter 73 6100 Fourth Avenue NE Calgary, Alberta, T2A 5Z8, Canada (403) 249-8282	<b>Sale 961</b> Jacquelyn & Robert Todd White 111 North Weaver Belgrade, MT 59714 (406) 570-1897
<b>Sale 1041</b> Inga Ann Ibey 2401 Boy Scout Road Seeley Lake, MT 59868 (406) 677-2376	<b>Sale 962</b> Virginia McHugh PO Box 926 Seeley Lake, MT 59868 (406) 239-0281	<b>Sale 963</b> Michael B. & Jennifer S. Duax 11375 Mullan Road Missoula, MT 59808 (406) 360-6619	<b>Sale 964</b> Christopher W. & Christopher W.E. Boland 27045 Ninemile Road Huson, MT 59848 (406) 544-9876
<b>Sale 965</b> Glen & Carol Richards 2401 Boy Scout Road Seeley Lake, MT 59868 (406) 677-2376	<b>Sale 966</b> Marvin & Marianne Maki PO Box 926 Seeley Lake, MT 59868 (406) 239-0281	<b>Sale 967</b> Carolyn E. Gies 11375 Mullan Road Missoula, MT 59808 (406) 360-6619	<b>Sale 968</b> Gerald & Rae-Jean Johnson 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 Outlet East**  
T16N-R15W, Sec. 4, Missoula County

