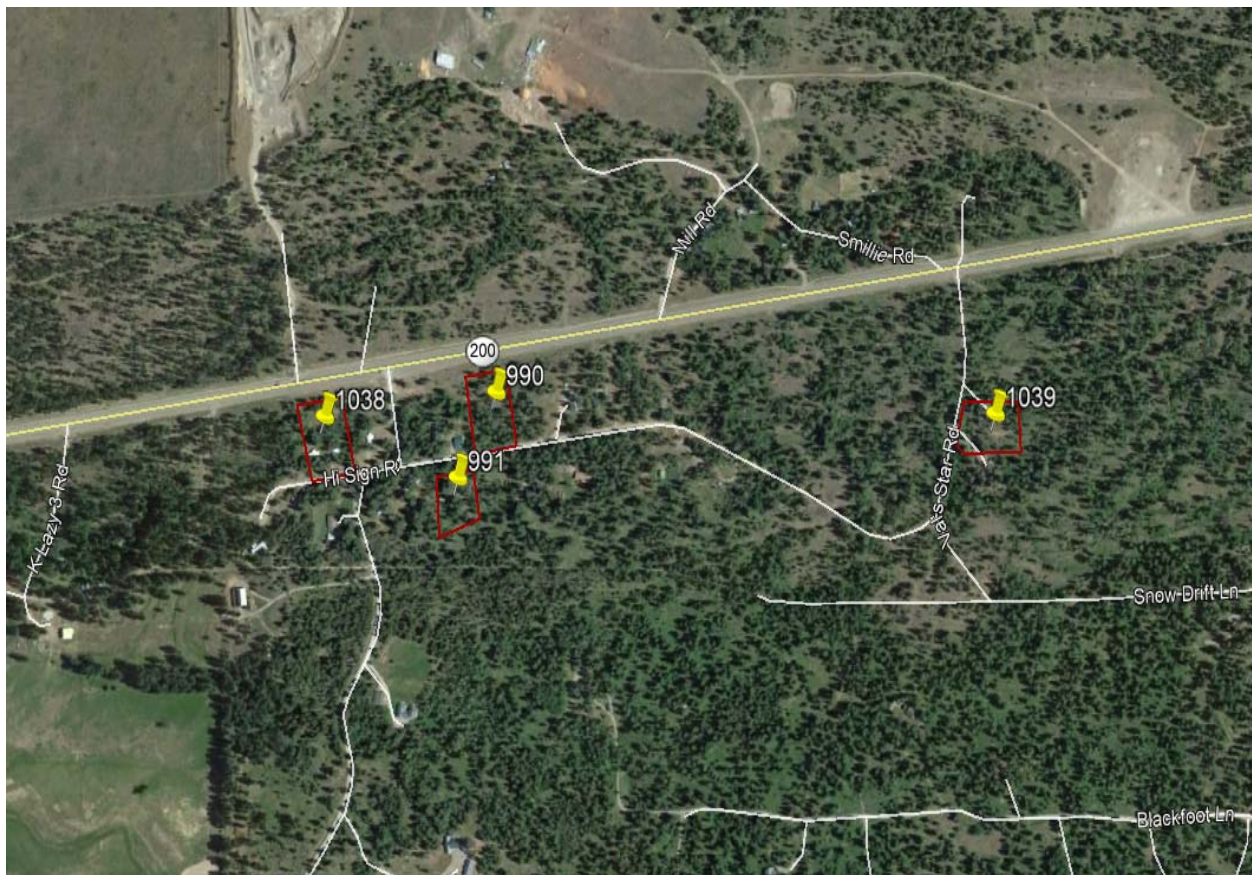


**APPRAISAL REPORT
2019 LINCOLN FLATS APPRAISALS
LINCOLN, LEWIS AND CLARK COUNTY, MT
FOR
THE STATE OF MONTANA,
THE MONTANA BOARD OF
LAND COMMISSIONERS (LAND BOARD)
AND THE DEPARTMENT OF NATURAL
RESOURCES AND CONSERVATION (DNRC)**



PREPARED BY:
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ADDENDA:

Assumptions and Limiting Conditions
DNRC Contract
Taxes
FEMA Flood Maps
Appraiser Qualifications & License

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July 2, 2019

Mr. Michael Atwood, Real Estate Management Chief
Department of Natural Resources and Conservation, Trust Land Management Division
PO Box 201601
1539 11th Ave.
Helena, MT 59620 – 1601

RE: Appraisal report, 2019 Lincoln Flats appraisals

Dear Mr. Atwood:

This letter of transmittal is an introduction to the report that follows which includes the market information as well as the individual valuations of the subject properties. The following report, defined by the Scope of Work, is hereby presented in the requested narrative report format containing **61** pages plus addenda. Under general requirements, the appraisal report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation.

In addition, this report is intended to be in full compliance with all applicable laws & regulations affecting this service & report in which jurisdiction the subject property is located. The report also complies with Attachment B of the contract which is supplemental appraisal instructions; 2019 Lincoln Flats Appraisals. This report also complies with Attachment A, Scope of Work for the Appraisals of Potential Property Sales Through the Cabin/Homesite Sales Program; 2019 Lincoln Flats Appraisals. The Scope of Work is key to understanding this appraisal service and the report option requested. Please read that section carefully as it most clearly defines the service rendered.

Specific reference to the issue of competency is required. I have adequate current, practical experience in the appraisal of single family residential/recreational property. I was involved with two separate appraisals of in excess of 300 properties on Priest Lake for Idaho Department of lands in 2013. I have also been involved in appraisals of properties on Flathead Lake, the Seeley Chain of Lakes as well as commercial appraisals in Lincoln, MT. I also completed the appraisals for the Lincoln Airport expansion. As such, it is my opinion I have both technical as well as geographic competence to provide this sales catalog and the subsequent individual site appraisals.

The subject properties are Lincoln Flats lots, two improved with a single-family residence and two vacant lots. The appraisal for each improved homesite will include a total market value of the property, with the hypothetical condition that land and improvements are fee simple ownership, with one owner. It will also include a separate market value for the state owned (land), under the hypothetical condition of it being vacant raw land exclusive of real property improvements. The third value will be an allocated or separate market value of the nonstate owned improvements, from the total market value derived. The two vacant lots will simple fee simple value of the underlying land only.

DNRC No.	Land Value	Real Property
1038	\$30,000	\$105,000
1039	\$28,000	\$61,600
990	\$30,000	n/a
991	\$28,000	n/a

If there is anything further, please don't hesitate to contact me.

Professionally yours,
HALL - WIDDOSS & COMPANY, PC.

NICHOLAS J. HOGAN, MAI
MT General Certificate No. REA-REG-LIC-370
Expires 3/31/20

SCOPE OF WORK

The Scope of Work was previously defined as the Scope of the Appraisal. Based on requirements of the Uniform Standards of Professional Appraisal Practice (latest edition is USPAP – 2018/2019) 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, this has become the primary element defining the appraisal conducted here. USPAP involves binding requirements and specific guidelines that deal with the procedures to be followed in developing an appraisal, an analysis or opinion and with the reporting or communication of that appraisal opinion defined as Standards 1 & 2. The appraisal service & reporting option must be consistent with the Scope of Work defining the appraisal service and how it is to be communicated. The appraisal has complied with the regulatory requirements of the State of Montana based on compliance with Standards & Ethics defined within USPAP.

The scope of work rule states the appraiser must:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work in the report.

Pursuant to Problem Identification as found in USPAP, the appraisal assignment requires the appraiser to “gather and analyze” information about those assignment elements that are necessary to properly adequately identify the appraisal problem to be solved. These are, at a minimum:

1. Client: The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board), and the Department of Natural Resources and Conservation (DNRC).
2. Intended user: The intended users include the clients as well as the individual owners. The individual owners are Jean Redfearn and Brian J Weiss and Steve O Lantz.
3. Purpose/Intended Use: The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraisal subject properties and is intended for use in the decision-making process concerning the potential sale of said subject properties.

Type of value: *The type of value, as required for the individual appraisals, is market value. Based on the client request the definition of fair market value is found in MCA 70 – 30 – 313.*

70-30-313. Current fair market value. 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.*

4. Effective date of value: The effective date of value is reflective of the inspection of the individual subject properties. Those inspections occurred on April 29, 2019
5. Subject characteristics: Deals with the extent of the subject property such as inspection/property viewing, property rights appraised, etc. The subject properties are four individual cabin sites situated west of Lincoln, MT.
6. Assignment conditions: Refers to hypothetical conditions, assumptions & limiting conditions.

For the reader's edification, I have incorporated definitions for hypothetical conditions and extraordinary assumptions. These definitions are taken from the USPAP 2018-19.

"HYPOTHETICAL CONDITION: *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 the purpose of analysis.*

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."

"EXTRAORDINARY ASSUMPTION: *an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.*

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis."

Extraordinary Assumptions:

- None.

-Hypothetical Conditions

- Per the client instructions, the cabin site (land) is valued under the hypothetical condition that it is vacant raw land, without any site improvements, utilities, or buildings. Two of the individual subject properties have nonstate owned structural and site improvements. Therefore, that portion of the analysis I have made the hypothetical condition that the subject property is vacant raw land, without any site improvements, utilities or buildings.

- Based on scope of work, for purposes of valuation and analysis I have assumed each of the subject properties has physical and legal access.
- Based on Attachment A subject properties are to be appraised with the hypothetical condition that the leases/licenses associated with the underlying land did not exist.
- The following hypothetical condition is associated with only cabin site 1039. Cabin Site 1039 was under renovation at the time of the inspection. The client requested an as is date of value as of the date of inspection. To complete that valuation, I analyzed the subject property on the basis of a fully completed structure, then deducted the estimated finished costs. Therefore, the at completion value of all real and personal property shown uses the hypothetical condition the subject property, cabin site 1039, was fully completed as of the date of inspection.

-Jurisdictional Exceptions:

- None.

The use of extraordinary assumptions and hypothetical conditions within the report should be viewed within the context that their use might affected the assignment results.

8. **Prior Services** Pursuant to USPAP, it is required to identify to the reader of the report whether the appraiser(s) have rendered an appraisal service on the subject property(ies) within the last three years of the date of the current assignment. I have not appraised any the subject properties within the last three years.

Rights to be Appraised

The appraiser shall determine the Fee Simple market value for the land as though vacant and unimproved, based on the highest and best use, and subject to any outstanding rights and reservations of record.

In terms of the appraisal service requested, the properties to be appraised are defined as single family residential/recreational tracts pursuant to the hypothetical condition noted above reflecting vacant & unimproved land tracts as well as the total fee simple value and the value of the lessee owned improvements. The property type suggests that only the sales comparison approach is relevant and peer review would expect to see.

Even though the individual sites are leased, the valuation of the land, as though vacant & unimproved, would not typically incorporate an income capitalization approach for valuation purposes. Small tracts of land are most often purchased for a single family residential/recreational use, independent of a motivation for lease income.

Relevant to the preceding paragraph, factual market data gathered or researched for this appraisal includes land sales and improved sales where an allocation of the improvement contribution is reasonably defined through seller or buyer identification or through comparison of vacant site sales and/or through a replacement cost new less depreciation (RCNLD) analysis of the sale.

It is recognized that Montana is a non-disclosure State and verification of sales is commonly handled through real estate agent confirmation as well as buyer and/or seller verification. There are times when the confirming party does not wish to be identified or where the price is not to be divulged. All of these elements are considered appropriate and common under peer review. I have relied upon the NW Montana MLS service to assist in the appraisal research for the Lincoln, Montana area.

Report Option - Standard Rule 2-2: The 2018/2019 USPAP edition has provided “In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.” Standards Rule 2-2 states “Each written real property appraisal report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Appraisal Report.” Under Comments, “When the intended users include parties other than the client, an Appraisal Report must be provided. When the intended users do not include parties other than the client, a Restricted Appraisal Report may be provided.”

“An appraiser must use care when characterizing the type of report and level of information communicated upon completion of an assignment. An appraiser may use any other label in addition to, but not in place of, the label set forth in this Standard for the type of report provided.” It is my opinion this allows an appraiser to include the descriptive phrase of Summary Appraisal Report, Narrative Appraisal Report or Self-Contained Appraisal Report. These terms clearly form around the core description which is “Appraisal Report”. For this appraisal, the reporting option is an **Appraisal Report**. The client requested an Appraisal Report in Summary Report Format.

It is acknowledged that I lack special expertise or knowledge with respect to the detection and measurement of hazardous substances. For this appraisal, I have not been provided either a Phase I or Phase II environmental audit relating to this topic for any of the lessee personal property improvements. I have assumed there to be no environmental concerns relating to the individual sites and this is a typical assumption & limiting condition. For “popcorn” ceilings, it is assumed this is an asbestos containing material. I have assumed there is a marginal health hazard when left “in-situ” but removal can be an expensive process. This type of ceiling is viewed by the market as a negative feature and will be discussed and adjusted for where appropriate.

The following identifies the individuals, companies and governmental agencies that have been contacted during this investigation. It should be noted that this is not considered to be an all-inclusive list although it does identify the primary contacts made.

Lewis and Clark County Appraiser/Assessor
Lewis and Clark County Treasurer
Lewis and Clark County Clerk and Recorder
Northwest Montana Realtors MLS
Amy Peterson
Robin Matthews-Barnes
Jennifer Slayden

Lewis and Clark County Planning
Lewis and Clark County Sanitarian
Selkirk Board of Realtors MLS
Kevin Wetherell
Lorin Peterson
Clint Roberts
Scott Kennedy

PURPOSE OF APPRAISAL

The purpose of the appraisal is to provide an opinion of the **Fee Simple market value** of the individual sites as described in the respective appraisal reports. The valuations are to:

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. Allocated separate market value for the non-state-owned improvements, from the total market value derived above in 1.
4. Valuation improvements must account for all forms of obsolescence.

Sale Number 1038 and Sale Number 1039 are both improved properties and will have the complete valuation noted above. Sale Number 990 and Sale Number 991 are both vacant and reflective of an underlying land value only. There are no non-state-owned improvements to these two properties.

The Appraisal Foundation requires an appraiser to conclude the value is “in terms of cash” or “of financing terms equivalent to cash”. I believe that is well beyond the public perception of the definition and what is a practical form of measurement. Some buyers have sufficient capital to pay cash. Other buyers choose to finance part or most of their purchase. Where financing terms did not specifically alter or impact price, I believe the requirement of identifying cash or equivalent is adequate. To clarify, it is my opinion the sales best relate to the term “or financing terms equivalent to cash”. I do not believe there is a market distinction between “in terms of cash or of financing terms equivalent to cash”.

DEFINITIONS (source citation USPAP 2018/2019, Definitions, pages 3-6). There are a few specific definitions that are believed to be critical for proper understanding. As such, this report will provide the USPAP definition for the terms used in this appraisal assignment and report.

APPRAISAL: (noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services. Comment: An appraisal must be numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g. not more than, not less than) to a previous value opinion or numerical benchmark (e.g. assessed value, collateral value).

ASSIGNMENT: a valuation service that is provided by an appraiser as a consequence of an agreement with a client.

ASSIGNMENT CONDITIONS: Assumptions, extraordinary assumptions, hypothetical conditions, laws and regulations, jurisdictional exceptions, and other conditions that affect the scope of work

EXTRAORDINARY ASSUMPTION: See definition included under Scope of Work.

HYPOTHETICAL CONDITION: See definition included under Scope of Work.

CLIENT: the party or parties who engage, by employment or contract an appraiser in a specific assignment. Comment: The client may be an individual, group, or entity, and may engage and communicate with the appraiser directly or through an agent.

CREDIBLE: worthy of belief. Comment: Credible assignment results require support, by relevant evidence and logic, to the degree necessary for the intended use.

INTENDED USER: the client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment.

INTENDED USE: the use(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.

MARKET VALUE: a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. Comment: Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client's intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition to definition but generally fall into three categories. (more of this definition exists but not shown in this appraisal report).

REAL ESTATE: an identified parcel or tract of land, including improvements, if any.

REAL PROPERTY: the interests, benefits, and rights inherent in the ownership of real estate. Comment: In some jurisdictions, the terms real estate and real property have the same legal meaning. The separate definitions recognize the traditional distinction between the two concepts in appraisal theory.

SCOPE OF WORK: See the definition under Scope of Work

VALUE: the monetary relationship between properties and those who buy, sell, or use those properties. Comment: Value expresses an economic concept. As such, it is never a fact but always an opinion of the worth of a property at a given time in accordance with a specific definition of value. In appraisal practice, value must always be qualified - for example, market value, liquidation value, or investment value.

Additional definitions taken from The Dictionary of Real Estate Appraisal, Sixth Edition, are presented below and which have critical relevance to the appraisal of real estate and real property:

fee simple estate. Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat

encumbrance. Any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.

encroachment. 1. Trespassing on the domain of another. 2. Partial or gradual displacement of an existing use by another use, e.g., locating commercial or industrial improvements in a residential district.

easement. The right to use another's land for a stated purpose. See also affirmative easement; conservation easement; easement appurtenant; easement by prescription; easement in gross; historic preservation easement; negative easement.

easement appurtenant. An easement that is attached to, benefits, and passes with the transfer of the dominant estate; runs with the land for the benefit of the dominant estate and continues to burden the servient estate, although such an estate may be transferred to new owners. See Also easement in gross.

EXPOSURE TIME

It is a requirement of the Uniform Standards of Professional Appraisal Practice (USPAP) to incorporate discussion & analysis of **Exposure Time** within a market value analysis of the subject property. As defined, page 4, Exposure Time:

"estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal (Advisory Opinion 35, Reasonable Exposure Time in Real and Personal Property Opinions of Value.). Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

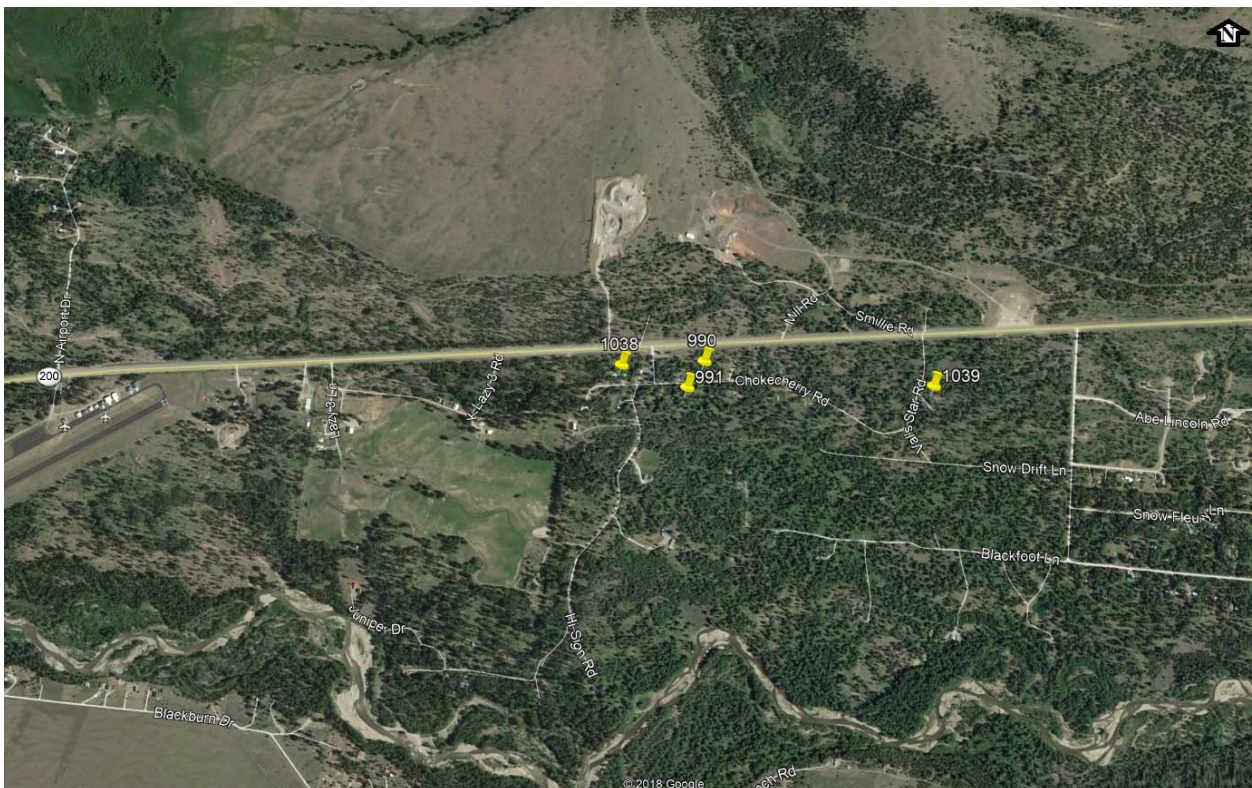
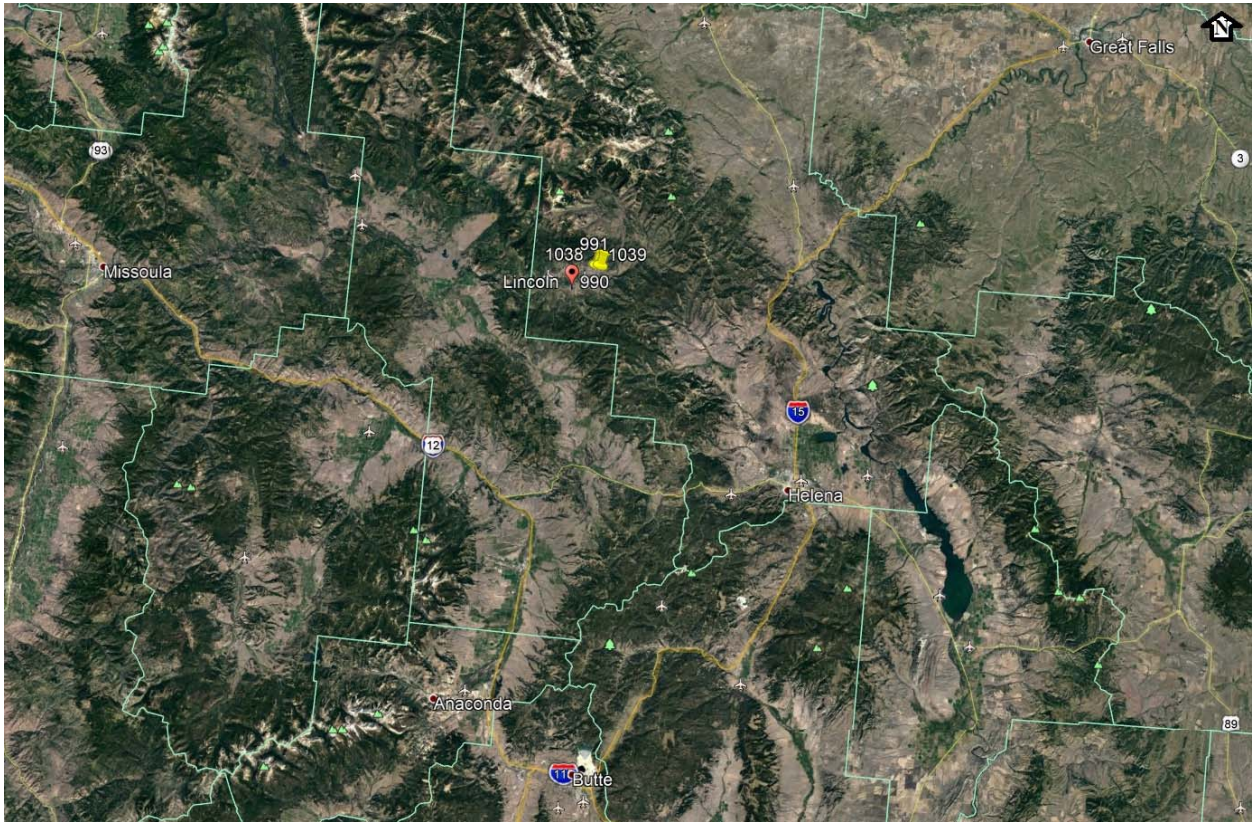
It is often assumed that this is consistent with the concept of **Marketing Period (Time)**. This has been defined within the "**The Dictionary of Real Estate Appraisal, Sixth Edition**", published by The Appraisal Institute as follows:

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and market time.)

The simple issue between these two definitions is one of historical evidence (exposure time is always presumed to precede the effective date of the appraisal) and prospective or future occurrence (marketing time). These may be the same in a stable market or opposite trends in a changing market. The situation could be a relatively weak or soft market noted by historical evidence yet current trends reflect a strong demand and investor expectations for continued strong demand. That could present opposite exposure time and marketing time discussions/conclusions.

The single family residential sales analyzed had a fairly wide range of days on market with two exceeding 365 days. The most part, days on market for the improved properties was lower at less than three months. Days on market for the vacant land sales also varied but most were in the 3 to 6 month range. Overall there is a reasonable expectation that days on market for vacant land would be 3 to 6 months and days on market for an improved single-family residence would also be 3 to 6 months.

GENERAL AREA & NEIGHBORHOOD MAPS



GENERAL AREA & NEIGHBORHOOD DATA & TRENDS

The subject property is located in the Lincoln area of Lewis & Clark County. The site is approximately 73 miles from Missoula, 92 miles from Great Falls and 65 miles from the county seat of Lewis & Clark County, which is Helena. The property is an estimated 12 - 13 miles from the center of the Town of Lincoln which provides basic services, including school K - 12.

Population statistics for Lewis & Clark County, Helena, Great Falls and Missoula are shown below. This is the basic data necessary to understand the demographics of the area but the Lincoln area is most noted for the direct proximity to the Bob Marshall Wilderness Area as well as all the other recreational aspects of this sub-market between these 3 metropolitan areas in Montana.

City/County	2000 Census	2010 Census
Helena	25,780	28,190
Lewis & Clark County	55,716	63,395
Missoula	57,053	66,788
Missoula County	95,802	109,299
Great Falls	56,690	58,505
Cascade County	80,357	81,327

The subject neighborhood is identified as either a physically delineated area or one set aside by a grouping of complimentary land uses. In this situation, the neighborhood boundaries are the Town of Lincoln and all areas within 30 miles of this town. The Rogers Pass area helps establish the northeastern boundary and Flesher Pass the southeastern boundary. The Town of Ovando helps establish the western boundary and the Bob Marshall Wilderness Area establishes the northern boundary.

Land uses found within this area typically represent rural lands with a mix of agricultural, recreational and residential uses. With the exception of the Town of Lincoln where some basic commercial services exist, there are no commercial and industrial uses found in the neighborhood. There is a post and pole facility on MT Highway 200 between Lincoln and the subject but few other such uses.

Lincoln provides for K - 12 school and there are bank services, fuel and grocery sales, restaurants, bars and lodging facilities in Lincoln as well as church services. All other medical, social and shopping is found in the 3 metropolitan areas identified in the general area. Lincoln does have an airport which provides FBO services but no commercial air service.

Traffic connection is primarily Montana Highway 200 which connects Missoula to Great Falls and Montana Highway 279 which connects Helena to Montana Hwy 200. These are paved roadways that are considered well maintained and serviced year-round.

Topography in this area varies tremendously and which is typical of this part of Montana with valley bottoms having river influence and steep, timbered mountainous terrain in most areas within 50 miles of the Town of Lincoln. The Bob Marshall Wilderness Area is a key point to the recreational attraction of the area but the Blackfoot River and its notoriety surrounding the quality of the fishery is also a key attraction.

Market Analysis:

The Appraisal of Real Estate, Thirteenth Edition, published by the Appraisal Institute deals with the term market analysis. The Page 173 shows a definition of this term as **“A process for examining the demand for and supply of a property type and the geographic market area for that property type. This process is sometimes referred to as a *use in search of a site*.”** In addition, there is a *marketability analysis*. This is defined as **“A process that investigates how a particular piece of property will be absorbed, sold, or leased under current or anticipated market conditions; includes a market study or analysis of the general class of property being studied. This process is sometimes referred to as a *site in search of a use*.”** The latter includes market analysis and an opinion of capture (sometimes referred to as fair share). As part of this analysis, the appraiser is required to analyze the two types of real estate markets; capital markets (buyers and sellers) and fundamental markets (user market).

The basics of marketability (measure of market support) tend to rely on an equilibrium between *supply* and *demand*; particularly as these terms apply to economic models. Therefore, if the subject is priced according to its location (land value) and physical attributes (improvements) where it will capture its share (fair share) of the market, there would be market support for the real estate. This is both a consideration of current or existing supply as well as the incorporation of future growth in competition (supply).

There are very clear issues involved in all three valuation approaches that deal with market/marketability analysis. The market analysis presented here is NOT intended to be a fundamental market analysis. Rather, it is a recognition of the appraisal analysis that identifies the subject property as to a particular real estate product (type) and the real estate market in which this property competes (location, MT). The reader is instructed that under a scope of work analysis, it is my opinion that I believe a brief inferred market analysis is adequate to allow for a credible appraisal result.

Demand Analysis:

2018	Original Price	List Price	Sales Price	DOM
Average	\$201,870	\$196,015	\$184,781	216
Median	\$179,900	\$179,900	\$174,936	176
Low	\$29,975	\$29,975	\$29,000	38
High	\$498,000	\$498,000	\$485,000	785
2017				
Average	\$204,843	\$194,019	\$182,622	240
Median	\$193,000	\$169,900	\$162,000	171
Low	\$7,000	\$7,000	\$5,000	42
High	\$498,500	\$494,000	\$475,000	1,123
2016				
Average	\$329,142	\$321,378	\$296,078	234
Median	\$198,000	\$191,000	\$177,000	194
Low	\$80,000	\$80,000	\$57,000	22
High	\$3,500,000	\$3,500,000	\$3,031,000	1,323
2015				
Average	\$208,218	\$198,932	\$183,708	221
Median	\$182,450	\$174,900	\$168,500	161
Low	\$59,000	\$59,000	\$40,000	63
High	\$649,000	\$649,000	\$600,000	872

Average and median prices can be severely impacted by the high and low pricing in the subjects immediate area. Looking at 2018, the low sales price was \$29,000 in the high sales price was \$485,000. The average sales price was \$184,781 in 2018 versus \$182,622 in 2017. It appears the average price was influenced in 2016 by upper end sales, the highest being at \$3,500,000 list price and \$3,031,000 sales price. Overall, it would appear average and median price levels have remained consistent from 2015 through 2018. 2016 is somewhat of an anomaly given the \$3,500,000 sale noted. Days on market are reasonably consistent with average in 2015 at 221 days on market, 2016 at 234 days on market, 2017 at 240 days on market and 2018 at 216 days on market.

Supply:

Listings	Original Price	List Price	Sales Price	DOM
Average	\$814,375	\$788,594	--	360
Median	\$359,000	\$384,000	--	187
Low	\$85,000	\$85,000	--	45
High	\$5,800,000	\$5,800,000	--	995

The current inventory is somewhat limited with only 16 properties currently on the market. Again, the average statistics are slightly skewed given there is one current listing at \$5,800,000, one listing at \$1,500,000 and one listing at \$1,150,000.

Demographics:

As noted above, the community of Lincoln is a very small area with a 2010 census of 1,013 persons. That represents a 7.91% decline from 2000. As of the 2010 census there were roughly 846 housing units within the community of Lincoln. The median income for a household was \$26,688 and the median income for a family was \$32,784. The per capita income was \$14,243. About 17.4% of families and 21.2% of the population live below the poverty line. Included within that is 28.8% of those under 18 and 9.8% of those over the age of 65.

Subject Marketability:

Overall, the marketability of the subject properties would be considered good. There simply are very few listings of either vacant land or single-family residential land in the subject's immediate area.

HIGHEST AND BEST USE

The following definition of Highest and Best Use is taken from The Appraisal Institute, "The Dictionary of Real Estate Appraisal, Sixth Edition."

"1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximal productivity. 2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS 3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)"

Previous definitions taken from the Fifth Edition of the Dictionary of Real Estate Appraisal included the following for **highest and best use of land or a site as though vacant** and the definition of **highest and best use of property as improved**.

AS VACANT:

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."

AS IMPROVED:

"The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."

Implied within this determination of Highest and Best Use is that the result is formed by the appraisers' interpretation of market evidence; e.g. that the use determined from analysis represents an interpretative opinion and not a fact to be found. In appraisal practice, the concept of Highest and Best Use requires the appraiser give consideration to any and all uses to which the property was capable of being adapted.

Consideration must be given these uses, recognizing the limitations imposed first by governmental regulations such as zoning ordinances, building codes and health standards and secondly, by the attitudes of the typical investors in real property of this type in the area encompassing the subject property.

The land value is based on a premise of the Highest and Best Use of the property as though vacant. There are four tests which are considered in developing an opinion as to the Highest and Best Use of the property. These four tests include an examination of uses that are **physically possible, legally permissible, financially feasible and maximally productive.**

There are five general uses which are considered. These include residential, commercial, industrial, agricultural and recreation. Within the Idaho & Montana markets I have found it more prudent to begin the analysis with legally possible since this helps refine the analysis quickly and to the point. Based on the latest USPAP seminar, the highest and best use of the real estate needs to address 4 questions; these are 1.) Physical Use; 2.) Timing of Use; 3.) What is Most Likely Use; and 4.) Who is Most Likely Buyer? For purposes of this appraisal, I believe Physical Use must include both legally permissible and physically possible.

Legally Possible:

The subject property is located within Lewis and Clark County. There is no zoning on the subject property.

Physically Possible:

Each of the properties has physical and legal access. The subject properties all have utilities consisting of electrical power and telephone service. There is no natural gas service in the immediate area. Each of the properties is large enough for an on-site septic and replacement septic system and the lots have access to drilling wells for potable water.

Financial Feasibility:

Each site can be used for either or both recreational utility and/or residential use. The key points to be discussed in each site appraisal will be the suitability and adaptability for on-site sewer, for access and location.

Maximal Productivity:

The maximum productivity of each site will be the ability to incorporate both residential & recreational (to a lesser extent) aspects of land use. Each site supports a single dwelling unit and as a rural location. There are a variety of year-round residences as well as recreational cabin sites in the subjects immediate neighborhood. Each site has power & phone to the lot line, without consideration of how those utilities were brought to the lot line.

The individual appraisals will discuss and detail the maximal productivity of each site based on the physical characteristics of each. In broad categorization, these are all single residential/recreational lots capable of supporting a single dwelling unit with some ancillary buildings such as garage and storage shed. Generally, these are single-family residential sites with some recreational overtones which is more of an impact of the location.

Who is the Most Likely Buyer:

The most likely buyer would be a recreational or possibly full-time user of the property. The subject properties have a close proximity to Lincoln which is a smaller community. For purposes of highest and best use the primary expectation is for an integrated highest and best use between residential (primary) and recreational.

THE APPRAISAL PROCESS

The appraisal process is an orderly procedure wherein the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed and interpreted into an estimate of value requested.

There are three traditional approaches utilized by the appraisal professional which render a preliminary indication of value. They are generally referred to as the Cost Approach, the Income Approach and the Sales Comparison Approach.

The ***Cost Approach*** is an estimation of the value of the land, as if vacant, by market comparisons, and then the depreciated or contributory value of the improvements is added. The ***Income Capitalization Approach*** produces a value indication by capitalizing the net income or earnings power of the property by a rate reflected by market transactions or behaviors. The ***Sales Comparison Approach*** is a technique that produces an indication of value by a direct comparison of similar property types that have recently sold to the subject property; appropriate adjustments made when and where necessary.

The three approaches to value do not necessarily apply to all types of property as the appraiser must decide whether a particular approach is applicable in each instance. The key to this decision is whether or not the approach is practical as a yardstick of market performance or merely a theoretical application.

These observations are particularly pertinent in the appraisal of properties in transition to a higher and better use as well as special use properties where value-in-use is more applicable than market value.

The individual appraisals of the sites are based on the overall value of the property as well as segregated values for the underlying land and nonstate on the structural and site improvements. In this instance the income approach is not something that would allow for a reliable and credible opinion of current market value. In addition, the overall age of the structural improvements as well as the value of the underlying land makes the cost approach unreliable and non-credible.

SALES COMPARISON APPROACH

A definition of this approach taken from the "The Dictionary of Real Estate Appraisal, Sixth Edition" published by The Appraisal Institute has shown the following:

Sales Comparison Approach. *The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.*

Under standard application of this approach, generally the comparable sales are reviewed in terms of physical similarities or dissimilarities, market condition differences, terms of sale, motivation factors involved, etc. When sufficient data is available, the approach takes on added dimension or credence. When there are very few comparable sales with only a relative degree of similarity, the approach is considered to be less applicable and therefore less reliable as an indication of value for the subject property.

As noted in the Fourteenth Edition of "The Appraisal of Real Estate" published by The Appraisal Institute dated 2013, the following is the identified systematic procedure employed within this technique:

- "1. *Research the competitive market for information on properties that are similar to the subject property and that have recently sold, are listed for sale, or are under contract. Information on agreements of sale, options, listings and bona fide offers may be collected. The characteristics of the properties such as property type, date of sale, size, physical condition, location, and land use constraints should be considered. The goal is to find a set of comparable sales or other evidence such as property listings or contracts as similar as possible to the subject property to ensure they reflect the actions of similar buyers. Market analysis and highest and best use analysis set the stage for the selection of appropriate comparable sales.*
- 2 *Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification should elicit additional information about the property such as buyer motivation, economic characteristics (if the property is income-producing), value component allocations, and other significant factors such as information about the market to ensure that comparisons are credible.*
- 3 *Select the most relevant units of comparison used by participants in the market (e.g., price per acre, price per square foot, price per front foot, price per dwelling unit)) and develop a comparative analysis for each unit. The appraiser's goal is to define and identify a unit of comparison that explains market behavior.*
- 4 *Look for differences between the comparable sale properties and the subject property using all appropriate elements of comparison. Then adjust the price of each sale property, reflecting how it differs, to equate it to the subject property or eliminate that property as a comparable. This step typically involves using the most similar sale properties and then adjusting for any remaining differences. If a transaction does not reflect the actions of a buyer who would also be attracted to the subject property, the appraiser should be concerned about comparability.*
- 5 *Reconcile the various value indications produced from the analysis of comparables to a value conclusion. A value opinion can be expressed as a single point estimate, as a range of values, or in terms of a relations (e.g. more or less than a given amount).*

In terms of direct comparison, there are ten basic elements that should be factored into the technique. These consist of:

1. *Real property rights conveyed*
2. *Financing terms (i.e., cash equivalency)*
3. *Conditions of sale (i.e. motivation)*
4. *Expenditures made immediately after purchase*
5. *Market conditions (i.e., time)*
6. *Location*
7. *Physical characteristics (e.g., size, soils, access, construction quality, condition)*
8. *Economic characteristics (e.g., expense ratios, lease provisions, management, tenant mix)*
9. *Use (e.g., zoning, water and riparian rights, environmental, building codes, flood zones)*
10. *Non-realty components of value (e.g., business value, chattel, franchises, trademarks)*

The sales comparison approach is reflective of the basic principles of Anticipation, Balance, Change, Competition, Contribution, Externalities, Opportunity Costs, Substitution, and Supply/Demand. The essence of comparison is direct similarity and that focuses on similarity of highest and best use and then physical characteristics.

Sales Comparison Approach – Land Value:

Categories	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price	4209 Snow Fleury	\$35,000	4038 Snowdrift	\$28,500	4587 Patterson	\$34,000	4035 Abe Lincoln	\$18,000
Property Rights Conveyed	Fee Simple		Fee Simple		Fee Simple	\$0	Fee Simple	\$0
Financing Terms	Cash		Cash		Same	\$0	Same	\$0
Conditions of Sale	Market		Market		Market	\$0	Market	\$0
Expenditures Made Immediate to Sale	None		None		Offsets	\$0	None	\$0
Sale Date	6/19/2017		9/22/2017		12/30/2016	\$0	7/12/2016	\$0
Per Acre		\$71,429		\$13,768		\$12,500		\$6,475
Overall SP		\$35,000		\$28,500		\$34,000		\$18,000
Adjusted for Improvements		\$31,500		\$28,500		\$34,000		\$18,000
Adjustments:								
Location	W of Lincoln		W of Lincoln		W of Lincoln		W of Lincoln	
Size (SF)	21,344		90,169		118,483		121,097	
Size (Ac)	0.49		2.07		2.72		2.78	
Road Access	County/gravel		County/gravel		County/gravel		County/gravel	
Topography	Level		Level		Level		Level	
Utilities	Telephone, electricity, well, septic onsite		Telephone, electricity		Telephone, electricity		Telephone, electricity	
Zoning/Land Use Reg's	None		None		None		None	
Tree Cover	Good		Good		Good		Good	
Corner Lot	No		Yes		No		No	
Improvements	Well, septic	\$3,500	None		None		None	
Common Area Maintenance	None		None		None		None	

Property Rights Conveyed: The sales represent a fee simple conveyance where the transactions do not reflect unusual limitations to the private property rights associated with real estate ownership. The sales typically include utility easements where the easement is along a boundary line. There are no sales where an adjustment for property rights conveyed is necessary.

Financing Terms: The definition of market value requires the conclusion to represent a cash sale price *or its' equivalent*. There are many interpretations of what constitutes a cash sale but emphasis should be on cash equivalency. In simple terms, have financing conditions affected the price paid? If the terms did not influence price, then the sale is regarded as cash equivalent. There are times a seller does not nor would they accept a full cash sale due to tax consequences. As such, the fact the property sold on contract is not a significant element to price paid as long as the terms of the contract sale did not influence the price paid. In full review of the sales, I have found no transaction to require a cash equivalent adjustment. Where terms are questionable, I will discuss the possible affect within that particular analysis.

Conditions of Sale: This relates to the motivational influences of each sale. Specific to discussion are sales that had been influenced by an atypical condition reflected by either the seller or the buyer. Such examples are classified as either a distressed sale where the seller was required to sell because of unusual circumstances.

Most of these examples are lender sales shown as a “short sale” or an “REO” (Real Estate Owned) which is most often where a bank received the property back from the borrower under a deed-in-lieu-of-foreclosure. The bank then puts the property on the market as an REO. There are motivational issues typically influencing the listing price and that results in a lower-than-market sale price. There are no such sales for 2016, 2017, 2018 or 2019 that have been incorporated into this analysis.

Market Conditions (Time of Sale): This measurement reflects the change in price levels over time. A sale/resale of this type of property is the best determination of a time of sale adjustment. This is because there are quality and location issues that cannot be quantified when looking at paired sales. Interviews with broker, agents and other market participants, has brought forth a consensus there has been some market conditions adjustment in this market over the past one to two years. Most local real estate agents and brokers I interviewed indicated the market is steady to slightly improving.

These sales are indications of a rise in general market conditions and not a result of remodels or improvements. Based on Appraisal Institute course teachings, when there is less data available in the market it is appropriate to analyze the single-family residential market for indications of market conditions.

This first tabulation outlines three sale/resales of single family residences in the Lincoln area. The overall range is fairly wide from 0.30% monthly compound and 21.33% monthly compound adjustment.

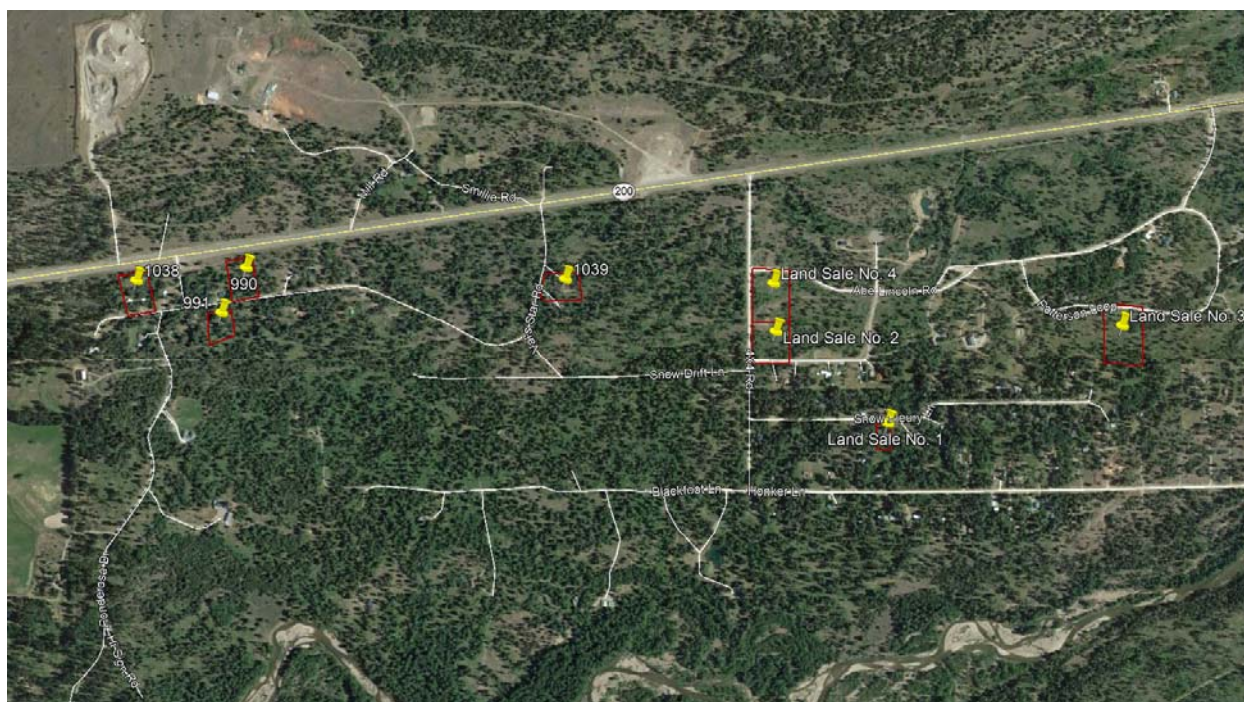
Sale	Date New Price	Sale	Date Old Price	Months	Mo. Compound
5648 7UP	07/19/16	5648 7UP	11/13/14	20	1.33%
	\$124,000		\$95,000		
5724 MT Highway 279	10/20/17	5724 MT Highway 279	08/10/16	14	0.30%
	\$235,000		\$225,000		
1840 Sunrise Lane	06/07/17	1840 Sunrise Lane	11/03/15	19	0.80%
	\$67,500		\$58,000		

The second tabulation outlines pairings of two separate vacant land tracts in the Lincoln, Montana area. 4038 Snowdrift sold in 2017 for a price of \$28,500 after being purchased in September 2015 for \$20,000. That represents a 1.46% monthly compound adjustment over that 24 month timeframe. 6975 Stemple Pass Rd. originally sold in 2014 for \$100,000. That property resold in July 2017 for a price of \$125,000.

Sale	Date New Price	Sale	Date Old Price	Months	Mo. Compound
4038 Snowdrift	09/22/17 \$28,500	4038 Snowdrift	09/08/15 \$20,000	24	1.46%
6975 Stemple Pass	07/28/17 \$125,000	6975 Stemple Pass	05/06/14 \$100,000	39	0.58%

The overall range of indications varies from 0.30% monthly compound adjustment to 1.46% monthly compound adjustment. The arithmetic mean of all five pairings is 0.89% monthly compound adjustment. My final conclusion is a rounded figure at 0.45% monthly compound adjustment. That amount will be applied to both the improved single-family residence sales as well as the vacant land sales.

Location:



Each of the sales are located directly east of the subject properties. All are located on the southerly side of Montana Highway 200 and each have a reasonable proximity to the community of Lincoln. Overall, there is no significant difference in location between the four subject properties and the four land sales.

Road Access:

The road access is reasonably similar between the subject and all sales. To the subject properties have frontage to Montana Highway 200 but physical access from secondary roads on the southerly side of the lot. Overall, the road access is reasonably similar between the subject and sales and no adjustment is required.

Topography fully define site usability. All four subject properties and the four sales are all generally level and at grade with the surrounding properties and roadways. The southerly side of Montana Highway 200 is reasonably level.

Size Adjustment:

The next issue of significance relates to a size adjustment. Theory holds that a smaller parcel should sell for a higher unit price (in this case, a higher front foot value) and conversely a larger tract should sell for a lower unit price. In analyzing the four land sales there appears to be some lot pricing in terms of motivation and overall price. Sale No. 1, Sale No. 2 and Sale No. 3 all sold for a range of \$27,000 to an upper end of \$34,000 after adjusting for on-site improvements. Sale No. 4 appears to be somewhat of an anomaly with a 2016 sales price of \$18,000 which is significantly lower than any of the other three sales. The analysis will be completed on both an overall lot price as well as a price per sq.ft. However, more emphasis is to an overall price so there is less of a necessity to prove a size adjustment based on price per acre or price per sq.ft.

Utilities:

The utilities adjustment is based on the cost to extend utilities or a matched pairs analysis showing a similar site with utilities vs. a site without those utility services. For the most part, the individual sales have similar utilities or availability of utilities. The land valuation is based upon the subject properties having only telephone and electricity to the lot line. Sale No. 1 did have a well and septic valued at \$4,000 and an adjustment was made that line item. No other adjustment for utilities is required.

Sales Comparison Approach - Improved Property:

The MLS data has provided interior photographs of the sales & listings which is invaluable in gaining a proper understanding of both quality features as well as support of the broker confirmations regarding condition of the property.

Improved Sales:

Sale #	Sale #1	Sale #2	Sale #3	Sale #4
Address/Location	4049 Snowdrift	4030 Snow Fleury	4056 Snow Fleury	4288 Snow Fleury
Sale/List Price	\$146,000	\$130,000	\$142,000	\$75,000
Overall Price/SF	\$162.95	\$138.89	\$125.22	\$187.50
Impvt Only \$/SF	\$123.88	\$104.70	\$97.00	\$107.50
Original List Price	\$149,900	\$134,900	\$142,000	\$85,000
DOM	171	45	42	417
Date of Sale	11/9/2017	8/31/2017	3/10/2017	10/2/2015
Concessions	0	0	0	0
Site Size (acres)	1.45	0.97	0.97	0.91
Site Value	\$35,000	\$32,000	\$32,000	\$32,000
Quality	Average	Average	Average	Average
Design	Wood frame	One Story	One Story	Log
Year Built	1957/remodel	1958/remodel	1960	1973
Effective Age	15	15	15	20
Bathrooms	1	1	2	2
Above Grade SF	896	936	1,134	400
Below Grade SF	0	0	0	0
Below Grade Finish	0	0	0	0
Fireplaces	1	1	1	1
Deck/Porch/Patio(s)	110	0	70	154
Garage (SF)	728	576	690	0
Other Living Area	0	0	311	0
Outbuildings	280	358	0	0
Site Utilities	Elec., phone, sewer, water	Elec., phone, sewer, water	Elec., phone, sewer, water	Elec., phone, sewer, water
Specialty Site Impvts	None	None	None	None
Other Item(s)	0	0	0	0

Improved Sale No. 1:



Improved Sale No. 2:



Improved Sale No. 3:



Improved Sale No. 4:



Adjustment Process:

For the adjustment process, the emphasis for quality will be related to replacement cost which acknowledges market participants, as knowledgeable buyers or sellers, would be aware of quality-and-cost correlations. Condition is based on observed condition of the subject property through inspection whereas the sale properties were verified as to condition through broker verification and through review of the interior photographs of the sales that are part of the MLS data. To some extent, the condition of the property is also observed by the personal inspection of the exterior of the sale. This combination of sources is the basis of direct comparison of property condition (sale to subject).

The adjustment process employed for site value differences has been accomplished through my personal analysis of each of the sales which was formed through a land residual analysis as well as a valuation of the underlying site with the site value deducted from sales price to compare to the RCNLD of each sale.

The adjustment employed is the subject site value less the sale site value (conversely, if the sale has a higher site value, a negative adjustment will be shown).

For building size, above grade, an adjustment will be made on the basis of the subject quality rating with differences between the subject quality and the sale quality having already been handled in the quality adjustment. For size, the subject quality will establish the base adjustment using a price per sq.ft. For example, an average quality rating for the subject will result in the use of \$75/SF that is applied to the difference in above grade size. The extraction of this adjustment was accomplished through analysis. The table below is a summary of the adjustment process used for quality differences.

Above Grade SF	
Fair/Rustic	\$50
Average	\$75
Good	\$100
Very Good	\$175
Excellent	\$210

Below grade adjustments were made on the basis of 2 specific line items. One is for the actual size of the basement or lower level, regardless of finish. So, if a property has a 1,000 sq.ft. of basement space, there will be an adjustment for a conventional basement vs. an adjustment for a daylight walk-out lower level. There is a cost differential between those two types of construction so an adjustment should reflect those issues. Since almost all of the lower level adjustments will reflect a daylight walk-out space, the base cost is adjusted at \$35/SF.

The second part of the lower level adjustment is a comparison of finished area which incorporates quality. When a lower level is at an obviously lower quality than its above grade space, the individual appraisal will account for that fact in this process. At the same time, it should be understood that lower level space is less costly than above grade space, even if they are the same quality. The lower level space does not require a roof component and there is often a least one side with no window and/or frame construction and there is generally not a kitchen of the main floor size & quality. Further, the above grade area typically has vaulted ceilings or higher ceilings than the lower level so cost is, again, lower than main floor (above grade) space.

The table below reflects the adjustment numbers used for the various quality levels for lower level space.

Below Grade Finish	
Fair Rustic	\$5.00
Average	\$25.00
Good	\$45.00
Very Good	\$75.00
Excellent	\$125.00

Adjustments for fireplace & wood stove are generally based on RCNLD of this feature. Some fireplace value is simply part of the overall quality of the property but the variation between 1 fireplace and 2 fireplaces is held to be something less than RCNLD. I have adjusted fireplaces at \$5,000 to \$10,000 depending on the quality of the fireplaces. For an average quality cabin, a fireplace will contribute an estimated \$5,000 so the variation between subject and sale is adjusted on that dollar amount. For very good to excellent quality, the adjustment for fireplace is \$10,000. For good quality, the adjustment is \$7,500. For a wood stove, the adjustment is \$2,500 to \$3,500 depending on the quality of the wood stove. Some are parlor stoves with little ornamentation while others have masonry backdrops & hearth so some quality variation should be accommodated.

For Other Living Area, this is typically represented as a detached cabin, bunkhouse, area over a garage, etc. It is not considered part of the main home or cabin. As with the main cabin, quality is a very important variable. For Other Living Area, I will adjust on the basis of quality which is shown in the table below but also recognizes a critical point of what the Other Living Area reflects as to overall qualities and the structure itself.

Other Living Area	
Fair/Rustic	\$25
Average	\$45
Good	\$55
Very Good	\$75
Excellent	\$100

Decks will be adjusted using a factor of \$20/SF with some variation done when the deck/patio area contains plain concrete pad area. Where a patio is rock or brick and of a certain quality, that area will be the same as the open deck adjustment. Where a deck is covered, depending on the quality of that cover, the adjustment will be higher. If it is a covered deck but not a fully enclosed screened in porch, I will use \$30/SF depending on the quality of the deck and the roof structure. For a fully enclosed screened in porch, I will use \$35/SF for Average & Good quality while Very Good and Excellent quality will use \$50/SF.

For garage space, the adjustment will represent the various quality levels. The adjustments reflect an attached garage although I have not been able to extract market evidence that a detached garage has any different contribution, we know a detached garage costs more to build than an attached garage.

Garage	
Fair/Rustic	\$30.00
Average	\$40.00
Good	\$50.00
Very Good	\$60.00
Excellent	\$75.00

DNRC Lot 1038 – Lot 10:



Exterior view of the subject showing the main entrance. (305)



Exterior view showing the rear elevation. (325)



View showing the small storage shed. (329)



Street scene looking in an easterly direction. The subject property is situated to the left of the photograph. (406)



View showing the garage. (802)



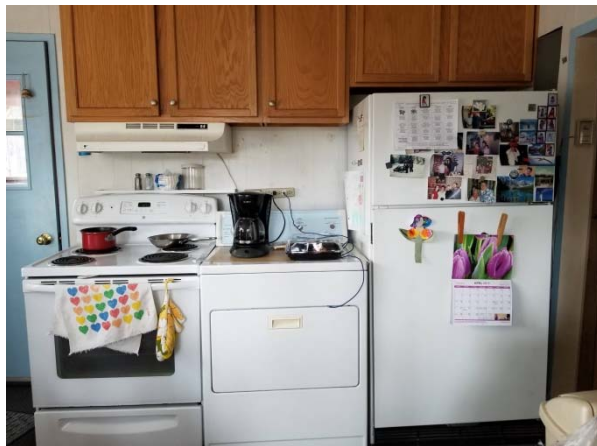
View showing the living room. (448)



View showing the bedroom. (157)



Bathroom view. (202)



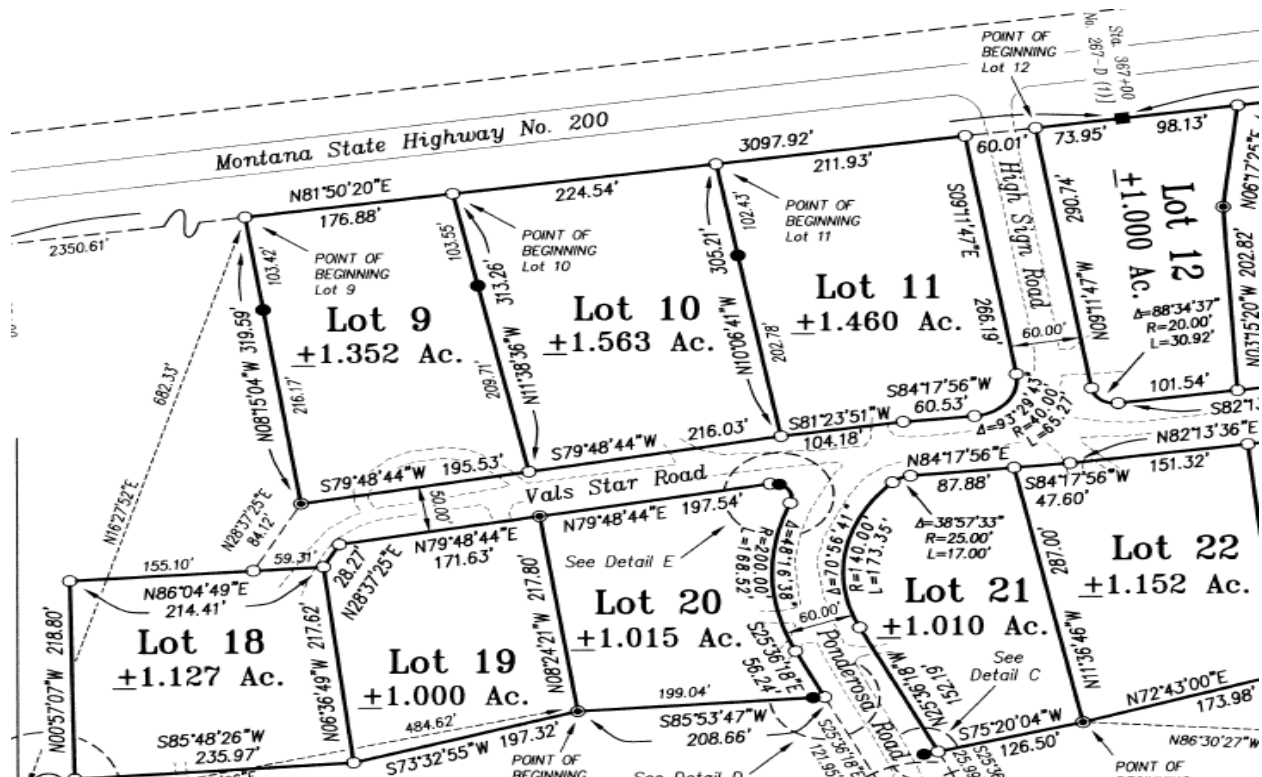
Kitchen view. (524)



Kitchen view. (511)

PROPERTY DESCRIPTION:

Site Description	DNRC 1038		Lot 10 COS 6623
Size	68,084	Sq. Ft.	3138 HI Sign Road, Lincoln, MT
Size (Acres)	1.56	Acres	
Highway Frontage	211.93	Front Ft.	
Primary Frontage	216.03	Front Ft.	
Average Depth of Lot	309.0	Lineal Ft.	
Road Frontage/Access	Dirt road access from Vals Star Road to High Sign Road to Montana 200.		
Tree Cover	Good tree cover with mixture of trees/shrubs.		
Corner Lot	No.		
Common Area	None.		
Topography-General Narrative	Mostly level and at grade.		
Shape	Mostly rectangular shape.		
Vegetative Cover	Tract has moderate timber cover with deciduous understory; mix of conifers and deciduous trees/bushes.		
Utilities	Electrical power and telephone to lot line.		
Street Improvements	Vals Star Road sets the southerly boundary. Gravel/dirt road maintained by homeowners.		
Zoning/Land Use	Unzoned		
Flood Hazard	30049C1503E effective 9/19/12. Zone X, area of minimal flood hazard.		
Improvements	Well, septic.		
Easements/Encroachments	None noted.		



Improvement Description:

General Description					Foundation/Heating, Ventilating, A/C And Other Items						
Units	One	X	Ancillary Residential Units		Issues/Components		Remarks				
# of Stories	One story	X	1.5 Story		2 Story	Settlement	N				
Type	Det	X	Attached			Sump Pump	N				
Quality	Average/Fair					Evidence of Infestation	N				
Design	Wood Frame					Dampness	N				
Year Built	1964					EBB	N				
Condition	Average/Fair							Elec. Wall Htrs	Y		
Effective Age	25							Forced Air Furnace	Y		
Bathrooms	1							Cooling System	N		
Finished Area Above Grade	829							Wall Units	N		
Basement/Lower Level	0							Window Units	N		
Basement Finish	0							Central	N		
Attic	0							Fireplace/Wood Stove	1		
Utilities	Telephone, electric					Specialty Site Impvts.	None				
						Appliances					
Exterior Description					Interior Description						
Foundation	Concrete				Floors	Carpet and Vinyl					
Exterior Walls	Board and Batt				Walls	Drywall/Wood					
Roof Surface	Metal				Trim/Finish	Wood					
Specialty Siding Elements	None				Ceiling Finish	Drywall					
Gutters & Downspouts	Yes				Bath Floor	Vinyl					
Window Type	Wood frame				Bath Wainscot	Fiberglass					
Storm sash included	Yes		No	X	Deck/Porch/Patio(s)				SF		
Screens	Yes	X	No		Garage (SF)		700		SF		
Amenities					Other Living Area		0		SF		
					Outbuildings		131		SF		
Fireplace/Wood Stove	Fireplace	X	Wd Stove		Dock (SF)		0		SF		
Fencing	None				Boathouse (SF)		0		SF		
Other Items	None				Seawall/Retaining Wall		0		LF		
Comments/Remarks:					Comments/Remarks:						
Appliances	Ref	x	Range/Oven	DW	Additional Comments:						
	Microwave		WD	Gar. Disp.							
Room Count - Above Grade	Rooms	3	Bedrooms	1						Bathrooms	1
Lower Level - Room Count	Rooms		Bedrooms							Bathrooms	
Other Living Area	None										

Taxes and Assessments:

Real Estate Taxes			
GEO Code		2018 Taxes	Market Value
Land			
05-2337-16-3-02-15-0000		\$0.00	\$41,070.00
Improvements			
05-2337-16-3-02-15-4002		\$186.15	\$54,210.00

1038 Land Valuation:

Categories	Subject Property	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price	DNRC 1038	4209 Snow Fleury	\$35,000	4038 Snowdrift	\$28,500	4587 Patterson	\$34,000	4035 Abe Lincoln	\$18,000
Price Acre		\$71,429		\$13,768		\$12,500		\$6,475	
Per SF		\$1.64		\$0.32		\$0.29		\$0.15	
Property Rights Conveyed	Fee Simple	Fee Simple	\$0	Fee Simple	0	Fee Simple		Fee Simple	
Financing Terms	Cash Equivalent	Cash	\$0	Cash	0	Cash		Cash	
Conditions of Sale	Market	Market	\$0	Market	0	Market		Market	
Expenditures Made Immediate to Sale	None	None	\$0	None		None	\$0	None	
Sale Date/Market Conditions	4/29/2019	6/19/2017	\$3,690	9/22/2017	\$2,566	12/30/2016	\$4,545	7/12/2016	\$2,928
Time Lapse		22		19		28		34	
Adjusted Sale Price	N/A	No Adjustments	\$38,690	No Adjustments	\$31,066	No Adjustments	\$38,545	No Adjustments	\$20,928
Adjusted Price (\$/Ac)	N/A	No Adjustments	\$78,959	No Adjustments	\$15,008	No Adjustments	\$14,171	No Adjustments	\$7,528
Adjustments:									
Location	W of Lincoln	W of Lincoln		W of Lincoln		W of Lincoln		W of Lincoln	
Size (SF)	68,084	21,344		90,169		118,483		121,097	
Size (Ac)	1.56	0.49		2.07	Similar	2.72	Similar	2.78	Inferior
Road Access	Vals Star Road sets the southerly boundary. Gravel/dirt road maintained by homeowners.	County/gravel		County/gravel		County/gravel		County/gravel	
Topography	Mostly level and at grade.	Level		Level		Level		Level	
Utilities	Electrical power and telephone to lot line.	Telephone, electricity, well, septic onsite		Telephone, electricity		Telephone, electricity		Telephone, electricity	
Zoning/Land Use	Unzoned	None		None		None		None	
Tree Cover	Good tree cover with mixture of trees/shrubs.	Good		Good		Good		Good	
Corner Lot	No.	No		Yes		No		No	
Improvements	None	Well, septic	-\$3,500	None		None		None	
Common Area	Unzoned	None		None		None		None	
Net Adjustments			-\$3,500		\$0		\$0		\$0
Indicated Value			\$35,190		\$31,066		\$38,545		\$20,928
Implied Subject Per Acre			\$22,514		\$19,876		\$24,661		\$13,390
Low	\$20,928								
High	\$38,545								
Average	\$31,432								

	Value Indication	Dollar Per Ac
Mean (Average)	\$31,432	\$20,110
Median	\$33,128	\$21,195
Minimum	\$20,928	\$13,390
Maximum	\$38,545	\$24,661

Category		Overall	Per Acre
Mean		\$31,432	\$20,110
Median		\$33,128	\$21,195
Conclusion			\$19,500

The overall range of adjusted indications ranges from \$20,928 per acre to an upper end of \$38,545 per acre. The arithmetic mean is \$20,110 per acre. The arithmetic mean of all sales is \$31,432. The final conclusion is shown at \$19,500 per acre with an underlying land value of \$30,000.

Value Indication	\$19,500	1.563	\$30,479
Land Value Transferred	\$19,193.86		\$30,000

1038 Improvement Valuation:

Sale #	Subject	Sale #1		Sale #2	
Address/Location	3138 HI Sign Road, Lincoln, MT	4049 Snowdrift	Adjustment	4030 Snow Fleury	Adjustment
Sale/List Price	N/A	\$146,000	\$0	\$130,000	\$0
Overall \$/SF	N/A	\$162.95	\$0	\$138.89	\$0
Impvt Only \$/SF	N/A	\$123.88	\$0	\$104.70	\$0
Original List Price	N/A	\$149,900	\$0	\$134,900	\$0
DOM	N/A	171	\$0	45	\$0
Date of Sale	5/31/2019	11/9/2017	\$158,769	8/31/2017	\$142,838
Concessions	N/A	0	\$0	0	\$0
Site Size	1.56	1.45	In Site Value	0.97	In Site Value
Site Value	\$30,000	\$35,000	-\$5,000	\$32,000	-\$2,000
Quality	Average/Fair	Average	\$0	Average	\$0
Design	Wood Frame	Wood frame	\$0	One Story	\$0
Year Built	1964	1957/remodel	See Eff. Age	1958/remodel	See Eff. Age
Effective Age	25	15	-\$20,182	15	-\$17,818
Bathrooms	1.0	1	\$0	1	\$0
Above Grade SF	829	896	-\$5,025	936	-\$8,025
Below Grade SF	0	0	\$0	0	\$0
Below Grade Finish	0	0	\$0	0	\$0
Fireplaces	1	1	\$0	1	\$0
Deck/Porch/Patio(s)	0	110	-\$2,200	0	\$0
Garage (SF)	700	728	-\$840	576	\$3,720
Other Living Area	0	0	\$0	0	\$0
Outbuildings	131	280	-\$1,490	358	-\$2,270
Dock (SF)	0		\$0		\$0
Boathouse (SF)	0		\$0		\$0
Site Utilities	Elec., phone, sewer, water	Elec., phone, sewer, water	\$0	Elec., phone, sewer, water	-\$2,500
Specialty Site Impvts	None	None	\$0	None	Offsets
Other Items	None	0	\$0	0	-\$2,500
Total Adjustments			-\$34,737		-\$31,393
Adjusted Indication-Overall			\$124,032		\$98,607
Adjusted Indication-Improvements Only			\$94,032		\$68,607

Sale #	Subject	Sale #3		Sale #4	
Address/Location	3138 HI Sign Road, Lincoln, MT	4056 Snow Fleury	Adjustment	4288 Snow Fleury	Adjustment
Sale/List Price	N/A	\$142,000	\$0	\$75,000	\$0
Overall \$/SF	N/A	\$125.22	\$0	\$187.50	\$0
Impvt Only \$/SF	N/A	\$97.00	\$0	\$107.50	\$0
Original List Price	N/A	\$142,000	\$0	\$85,000	\$0
DOM	N/A	42	\$0	417	\$0
Date of Sale	5/31/2019	3/10/2017	\$160,082	10/2/2015	\$0
Concessions	N/A	0	\$0	0	\$0
Site Size	1.563	0.97	In Site Value	0.91	In Site Value
Site Value	\$30,000	\$32,000	-\$2,000	\$32,000	-\$2,000
Quality	Average/Fair	Average		Average	Offsets
Design	Wood Frame	One Story	\$0	Log	\$0
Year Built	1964	1960	See Eff. Age	1973	See Eff. Age
Effective Age	25	15	-\$20,000	20	-\$3,909
Bathrooms	1.0	2	-\$5,000	2	-\$5,000
Above Grade SF	829	1,134	-\$22,875	400	\$32,175
Below Grade SF	0	0	\$0	0	\$0
Below Grade Finish	0	0	\$0	0	\$0
Fireplaces	1	1	\$0	1	\$0
Deck/Porch/Patio(s)	0	70	-\$1,400	154	-\$3,080
Garage (SF)	700	690	\$300	0	\$21,000
Other Living Area	0	311	-\$7,775	0	\$0
Outbuildings	131	0	\$1,310	0	\$1,310
Dock (SF)	0		\$0		\$0
Boathouse (SF)	0		\$0		\$0
Site Utilities	Elec., phone, sewer, water	Elec., phone, sewer, water		Elec., phone, sewer, wate	-\$2,500
Specialty Site Impvts	None	None		None	-\$7,500
Other Items	None	0	Offsets	0	Offsets
Total Adjustments			-\$57,440		\$30,496
Adjusted Indication-Overall			\$84,560		\$105,496
Adjusted Indication-Improvements Only			\$54,560		\$75,496

Sale No.	Adjusted Indication - Overall	Adjusted Indication - Improvements Only	Per SF
Sale #1	\$124,032	\$94,032	\$113.43
Sale #2	\$98,607	\$68,607	\$82.76
Sale #3	\$84,560	\$54,560	\$65.81
Sale #4	\$105,496	\$75,496	\$91.07

	Mean Overall	Mean Impvt Value	Mean \$/SF
Sale Nos. 1 - 3	\$102,400	\$72,400	\$87.33
All Sales	\$103,174	\$73,174	\$88.27

Sale No. 1, Sale No. 2 and Sale No. 3 compare reasonably well in terms of overall quality and condition to the subject property. Those three sales produced an overall range of values from \$85,560 to an upper end of \$124,032. The arithmetic mean of those three sales is \$102,400 and the arithmetic mean of all four sales is \$103,174. The final conclusion is shown at \$105,000.

Reconciliation 1038:

Land Value		\$30,000
Sales Comparison Approach		\$105,000
Final Opinion of Value - Real Property		\$105,000
Final Opinion of Value - Personal Property		\$75,000
Effective Date		5/31/2019

DNRC Lot 1039 – Lot 49:



Exterior view showing the subject single wide mobile home as well as the snow cover. (155)



Additional exterior view showing the deck on the northerly side of the mobile home. (220)



Exterior view of the mobile home. (257)



Exterior view of one storage shed. (147)



Exterior view of storage shed. (145)



Interior view showing the living room area. (059)



Interior view showing the front bedroom. (055)



Interior view showing the living room area. (042)



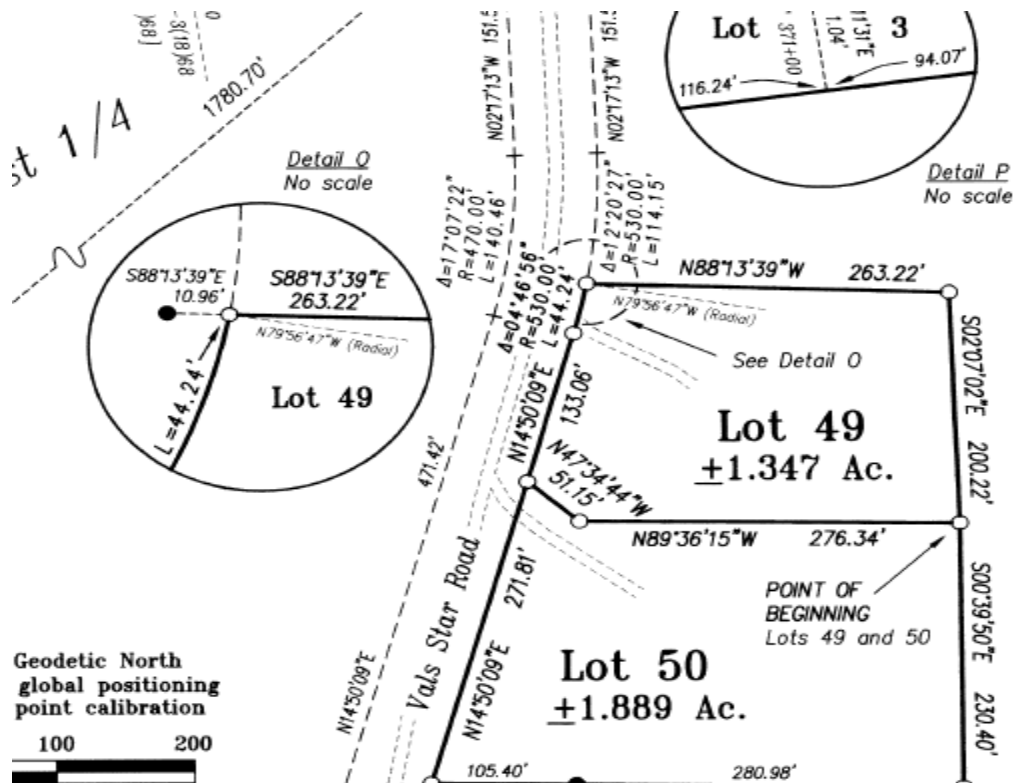
Interior view showing the kitchen area. (036)



Interior view showing the rear bedroom, missing floor. (354)

PROPERTY DESCRIPTION

Site Description	DNRC 1039		Lot 49
Size	58,675	Sq. Ft.	2165 Vals Star Road, Lincoln, MT
Size (Acres)	1.35	Acres	
Highway Frontage	0.00	Front Ft.	
Primary Frontage	177.30	Front Ft.	
Average Depth of Lot	295.4	Lineal Ft.	
Road Frontage/Access	Dirt road access from Vals Star Road to Montana 200.		
Tree Cover	Good tree cover with mixture of trees/shrubs.		
Corner Lot	No.		
Common Area	None.		
Topography-General Narrative	Mostly level and at grade.		
Shape	Mostly rectangular shape.		
Vegetative Cover	Tract has moderate timber cover with deciduous understory; mix of conifers and deciduous trees/bushes.		
Utilities	Electrical power and telephone to lot line.		
Street Improvements	Vals Star Road sets the westerly boundary. Gravel/dirt road maintained by homeowners.		
Zoning/Land Use	Unzoned		
Flood Hazard	30049C1503E effective 9/19/12. Zone X, area of minimal flood hazard.		
Improvements	Assumed none.		
Soil Conditions	Soils were not independently investigated but I have assumed there are no load bearing issues.		
Easements/Encroachments	Ditch along southerly bounday of subject.		



Improvement Description:

General Description					Foundation/Heating, Ventilating, A/C And Other Items						
Units	One	X	Ancillary Residential Units			Issues/Components	Remarks				
# of Stories	One story	X	1.5 Story		2 Story	Settlement	N				
Type	Det	X	Attached			Sump Pump	N				
Quality	Average/Fair					Evidence of Infestation	N				
Design	Mobile Home					Dampness	N				
Year Built	1966					EBB	N				
Condition	Average/Fair					Elec. Wall Htrs	Y				
Effective Age	25					Forced Air Furnace	Y				
Bathrooms	1					Cooling System	N				
Finished Area Above Grade	672					Wall Units	N				
Basement/Lower Level	0					Window Units	N				
Basement Finish	0					Central	N				
Attic	0					Fireplace/Wood Stove	0				
Utilities	Telephone, electric					Specialty Site Impvts.	None				
					Appliances						
Exterior Description					Interior Description						
Foundation	None				Floors	Carpet and Vinyl					
Exterior Walls	Metal				Walls	Drywall/Wood					
Roof Surface	Metal				Trim/Finish	Wood					
Specialty Siding Elements	None				Ceiling Finish	Drywall					
Gutters & Downspouts	Yes				Bath Floor	Vinyl					
Window Type	Wood frame				Bath Wainscot	Fiberglass					
Storm sash included	Yes		No	X	Deck/Porch/Patio(s)		560		SF		
Screens	Yes	X	No		Garage (SF)		0		SF		
Amenities					Other Living Area		0		SF		
					Outbuildings		644		SF		
Fireplace/Wood Stove	Fireplace	X	Wd Stove		Roof Cover		1,232		SF		
Fencing	None				Boathouse (SF)		0		SF		
Other Items	None				Seawall/Retaining Wall		0		LF		
Comments/Remarks:					Comments/Remarks:						
Appliances	Ref	x	Range/Oven	DW	Additional Comments:						
	Microwave		WD	Gar. Disp.							
Room Count - Above Grade	Rooms	3	Bedrooms	2						Bathrooms	1
Lower Level - Room Count	Rooms		Bedrooms							Bathrooms	
Other Living Area	None										

Taxes and Assessments:

Real Estate Taxes			
GEO Code		2018 Taxes	Market Value
Land			
05233716404050000		\$0.00	\$40,659.00
Improvements			
5233716404058000		\$162.47	\$7,900.00

1039 Land Valuation:

Categories	Subject Property	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price	DNRC 1039	4209 Snow Fleury	\$27,000	4038 Snowdrift	\$28,500	4587 Patterson	\$34,000	4035 Abe Lincoln	\$18,000
Price Acre		\$55,102		\$13,768		\$12,500		\$6,475	
Per SF		\$1.26		\$0.32		\$0.29		\$0.15	
Property Rights Conveyed	Fee Simple	Fee Simple	\$0	Fee Simple	0	Fee Simple		Fee Simple	
Financing Terms	Cash Equivalent	Cash	\$0	Cash	0	Cash		Cash	
Conditions of Sale	Market	Market	\$0	Market	0	Market		Market	
Expenditures Made Immediate to Sale	None	None	\$0	None		None	\$0	None	
Sale Date/Market Conditions	4/29/2019	6/19/2017	\$2,846	9/22/2017	\$2,566	12/30/2016	\$4,545	7/12/2016	\$2,928
Time Lapse		22		19		28		34	
Adjusted Sale Price	N/A	No Adjustments	\$29,846	No Adjustments	\$31,066	No Adjustments	\$38,545	No Adjustments	\$20,928
Adjusted Price (\$/Ac)	N/A	No Adjustments	\$60,911	No Adjustments	\$15,008	No Adjustments	\$14,171	No Adjustments	\$7,528
Adjustments:									
Location	W of Lincoln	W of Lincoln		W of Lincoln		W of Lincoln		W of Lincoln	
Size (SF)	58,675	21,344		90,169		118,483		121,097	
Size (Ac)	1.35	0.49	Superior	2.07	Inferior	2.72	Inferior	2.78	Inferior
Road Access	Vals Star Road sets the westerly boundary. Gravel/dirt road maintained by homeowners.	County/gravel		County/gravel		County/gravel		County/gravel	
Topography	Mostly level and at grade.	Level		Level		Level		Level	
Utilities	Electrical power and telephone to lot line.	Telephone, electricity, well, septic onsite		Telephone, electricity		Telephone, electricity		Telephone, electricity	
Zoning/Land Use	Unzoned	None		None		None		None	
Tree Cover	Good tree cover with mixture of trees/shrubs.	Good		Good		Good		Good	
Corner Lot	No.	No		Yes		No		No	
Improvements	Assumed none.	Well, septic	-\$3,500	None		None		None	
Common Area	Unzoned	None		None		None		None	
Net Adjustments			-\$3,500		\$0		\$0		\$0
Indicated Value			\$26,346		\$31,066		\$38,545		\$20,928
Implied Subject Per Acre			\$19,559		\$23,063		\$28,616		\$15,537
Low	\$20,928								
High	\$38,545								
Average	\$29,221								

	Value Indication	Dollar Per Ac
Mean (Average)	\$31,432	\$23,335
Median	\$33,128	\$24,594
Minimum	\$20,928	\$15,537
Maximum	\$38,545	\$28,616

The four sales produced an arithmetic mean of \$23,335 per acre. The range of overall adjusted indications is from a low of \$20,928 to an upper end of \$38,545. The final indication is a rounded conclusion of \$21,000 per acre which produces a conclusion of \$28,000.

Category	Overall	Per Acre
Mean	\$31,432	\$23,335
Median	\$33,128	\$24,594
Conclusion		\$21,000

Value Indication	\$21,000	1.347	\$28,287
Rounded to			\$28,000

1039 Improvement Valuation:

The subject property is a mobile home not considered real estate. The property is not situated on a concrete foundation and is considered personal property. The three sales noted below were all sales of mobile homes in the Lincoln area not on concrete foundations and all considered personal property. Sale No. 1 was required to be moved as of the date of sale and no land was transferred as part of the sale. The other two sales were more similar to the subject property in terms of a mobile home not on a permanent foundation but with the land included within the sale.

Sale #	Subject	Sale #1		Sale #2	
Address/Location	2165 Vals Star Road, Lincoln, MT	330 South 8th # 12	Adjustment	1006 N. Fourth	Adjustment
Sale/List Price	N/A	\$5,000	\$0	\$55,000	\$0
Overall \$/SF	N/A	\$5.95	\$0	\$69.44	\$0
Impvt Only \$/SF	N/A	\$5.95	\$0	\$31.57	\$0
Original List Price	N/A	\$7,000	\$0	\$55,000	\$0
DOM	N/A	238	\$0	66	\$0
Date of Sale	4/29/2019	6/22/2017	\$5,525	4/30/2019	\$54,992
Concessions	N/A	0	\$0	0	\$0
Site Size	1.35	No Land Included	In Site Value	0.27	In Site Value
Site Value	\$28,000	\$0	\$28,000	\$30,000	-\$2,000
Quality	Average/Fair	Average	\$0	Average	\$0
Design	Mobile Home	14 X 60	\$0	12 x 58	\$0
Year Built	1966	1974	See Eff. Age	1969	See Eff. Age
Effective Age	25	20	-\$455	20	-\$2,273
Bathrooms	1.0	1	\$0	1	\$0
Above Grade SF	672	840	-\$8,400	792	-\$6,000
Below Grade SF	0	0	\$0	0	\$0
Below Grade Finish	0	0	\$0	0	\$0
Fireplaces	0	0	\$0	0	\$0
Deck/Porch/Patio(s)	560	25	\$10,700	65	\$9,900
Garage (SF)	0	0	\$0	0	\$0
Other Living Area	0	0	\$0	0	\$0
Outbuildings	644	0	\$6,440	0	\$6,440
Roof Cover	1,232		\$6,160	0	\$6,160
Boathouse (SF)	0		\$0	0	\$0
Site Utilities	Electrical power and telephone to lot line.	Elec., phone, sewer, water	\$0	Elec., phone, sewer, water	-\$2,500
Specialty Site Impvts	None	None	\$0	None	Offsets
Other Items	None	None	\$0	None	-\$2,500
Total Adjustments			\$42,445		\$7,227
Adjusted Indication-Overall			\$47,970		\$62,227
Adjusted Indication-Personal Property Improvements			\$19,970		\$34,227

Sale #	Subject	Sale #3	
Address/Location	2165 Vals Star Road, Lincoln, MT	65 B Street	Adjustment
Sale/List Price	N/A	\$95,000	\$0
Overall \$/SF	N/A	\$78.13	\$0
Impvt Only \$/SF	N/A	\$53.45	\$0
Original List Price	N/A	\$95,000	\$0
DOM	N/A	83	\$0
Date of Sale	4/29/2019	7/27/2017	\$104,428
Concessions	N/A	0	\$0
Site Size	1.347	0.322	In Site Value
Site Value	\$28,000	\$30,000	-\$2,000
Quality	Average/Fair	Average	
Design	Mobile Home	16 x 76	\$0
Year Built	1966	1992	See Eff. Age
Effective Age	25	15	-\$11,818
Bathrooms	1.0	1	\$0
Above Grade SF	672	1,216	-\$27,200
Below Grade SF	0	0	\$0
Below Grade Finish	0	0	\$0
Fireplaces	0	0	\$0
Deck/Porch/Patio(s)	560	200	\$7,200
Garage (SF)	0	168	-\$5,040
Other Living Area	0	0	\$0
Outbuildings	644	0	\$6,440
Roof Cover	1,232		\$6,160
Boathouse (SF)	0		\$0
Site Utilities	Electrical power and telephone to lot line.	Elec., phone, sewer, water	
Specialty Site Impvts	None	None	
Other Items	None	None	Offsets
Total Adjustments			-\$26,258
Adjusted Indication-Overall			\$68,742
Adjusted Indication-Personal Property Improvements			\$40,742

Sale No.	Adjusted Indication - Overall	Adjusted Indication - Improvements Only	Per SF
Sale #1	\$44,970	\$19,970	\$29.72
Sale #2	\$59,227	\$34,227	\$50.93
Sale #3	\$65,742	\$40,742	\$60.63

The three sales produced a range of adjusted indications from a low of \$44,970 to an upper end of \$65,742. The arithmetic mean of all three sales is \$59,646. The final conclusion is shown below at \$61,600.

The subject property had some items that required finish. The rear bedroom and bathroom had some water damage that was being finished at the time of inspection. The total finish costs were estimated at \$5,000.

	Mean Overall	Mean Impvt Value	Mean \$/SF
Sale Nos. 1 - 3	\$59,646	\$31,646	\$47.09
Sale Nos. 1 - 3	Median Overall	Median Impvt Value	Median \$/SF
	\$62,227	\$34,227	\$50.93

Reconciliation 1039:

Land Value		\$28,000
Sales Comparison Approach		\$61,600
Final Opinion of Value - Real Property & Personal Property		\$61,600
Final Opinion of Value - Personal Property At Completion		\$33,600
Less Finish Costs		\$5,000
As Is Value - Personal Property		\$28,600
Effective Date		4/29/2019

DNRC Lot 990 – Lot 14:



View looking in an easterly direction along Montana Highway 200. This photograph was taken from near the north westerly corner of the subject property looking in an easterly direction. (109)



View from near the same location as the previous photograph looking in a southerly direction. (112)



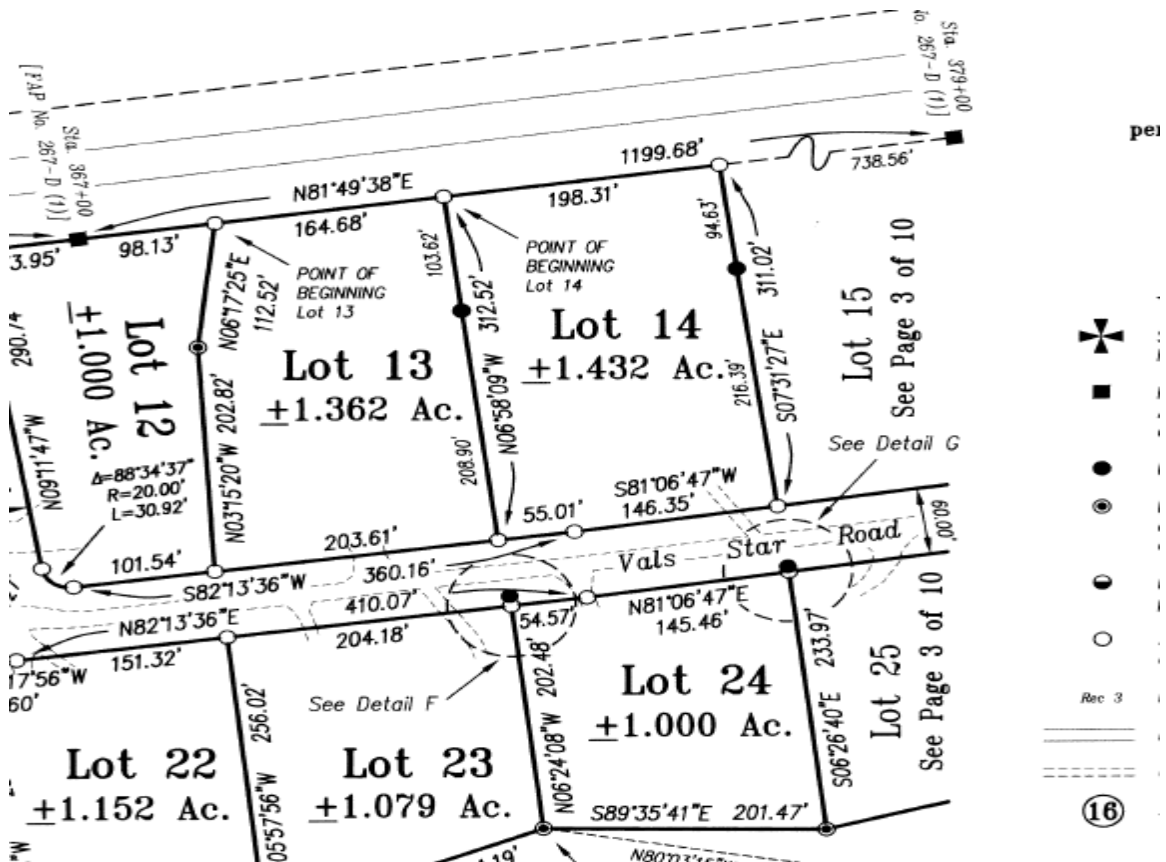
View from along the southerly boundary of the subject property looking in a northerly direction. (408)



View looking in an easterly direction along Vals Star Road, the subject property is situated to the left of the photograph. (409)

PROPERTY DESCRIPTION:

Site Description	DNRC 990		Lot 14
Size	62,378	Sq. Ft.	2165 Vals Star Road, Lincoln, MT Plat shows Vals Star Road. Lewis and Clark County address is Chokecherry.
Size (Acres)	1.43	Acres	
Highway Frontage	198.31	Front Ft.	
Primary Frontage	201.36	Front Ft.	
Average Depth of Lot	295.4	Lineal Ft.	
Road Frontage/Access	Dirt road access from Vals Star Road to Montana 200.		
Tree Cover	Good tree cover with mixture of trees/shrubs.		
Corner Lot	No.		
Common Area	None.		
Topography-General Narrative	Mostly level and at grade.		
Shape	Mostly rectangular shape.		
Vegetative Cover	Tract has moderate timber cover with deciduous understory; mix of conifers and deciduous trees/bushes.		
Utilities	Electrical power and telephone to lot line.		
Street Improvements	Vals Star Road sets the southerly boundary. Gravel/dirt road maintained by homeowners.		
Zoning/Land Use	Unzoned		
Flood Hazard	30049C1503E effective 9/19/12. Zone X, area of minimal flood hazard.		
Improvements	Assumed none.		
Soil Conditions	Soils were not independently investigated but I have assumed there are no load bearing issues.		
Easements/Encroachments	None.		



Taxes and Assessments:

Real Estate Taxes			
GEO Code		2018 Taxes	Market Value
Land			
05233716302070000		\$0.00	\$40,659.00
Improvements			
None		\$0.00	\$0.00

990 Land Valuation:

Categories	Subject Property	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price	DNRC 990	4209 Snow Fleury	\$35,000	4038 Snowdrift	\$28,500	4587 Patterson	\$34,000	4035 Abe Lincoln	\$18,000
Price Acre		\$71,429		\$13,768		\$12,500		\$6,475	
Per SF		\$1.64		\$0.32		\$0.29		\$0.15	
Property Rights Conveyed	Fee Simple	Fee Simple	\$0	Fee Simple	0	Fee Simple		Fee Simple	
Financing Terms	Cash Equivalent	Cash	\$0	Cash	0	Cash		Cash	
Conditions of Sale	Market	Market	\$0	Market	0	Market		Market	
Expenditures Made Immediate to Sale	None	None	\$0	None		None	\$0	None	
Sale Date/Market Conditions	4/29/2019	6/19/2017	\$3,690	9/22/2017	\$2,566	12/30/2016	\$4,545	7/12/2016	\$2,928
Time Lapse		22		19		28		34	
Adjusted Sale Price	N/A	No Adjustments	\$38,690	No Adjustments	\$31,066	No Adjustments	\$38,545	No Adjustments	\$20,928
Adjusted Price (\$/Ac)	N/A	No Adjustments	\$78,959	No Adjustments	\$15,008	No Adjustments	\$14,171	No Adjustments	\$7,528
Adjustments:									
Location	W of Lincoln	W of Lincoln		W of Lincoln		W of Lincoln		W of Lincoln	
Size (SF)	62,378	21,344		90,169		118,483		121,097	
Size (Ac)	1.43	0.49	Superior	2.07	Inferior	2.72	Inferior	2.78	Inferior
Road Access	Vals Star Road sets the southerly boundary. Gravel/dirt road maintained by homeowners.	County/gravel		County/gravel		County/gravel		County/gravel	
Topography	Mostly level and at grade.	Level		Level		Level		Level	
Utilities	Electrical power and telephone to lot line.	Telephone, electricity, well, septic onsite		Telephone, electricity		Telephone, electricity		Telephone, electricity	
Zoning/Land Use	Unzoned	None		None		None		None	
Tree Cover	Good tree cover with mixture of trees/shrubs.	Good		Good		Good		Good	
Corner Lot	No.	No		Yes		No		No	
Improvements	Assumed none.	Well, septic	-\$3,500	None		None		None	
Common Area	Unzoned	None		None		None		None	
Net Adjustments			-\$3,500		\$0		\$0		\$0
Indicated Value			\$35,190		\$31,066		\$38,545		\$20,928
Implied Subject Per Acre			\$24,574		\$21,694		\$26,917		\$14,614
Low	\$20,928								
High	\$38,545								
Average	\$31,432								

	Value Indication	Dollar Per Ac
Mean (Average)	\$31,432	\$21,950
Median	\$33,128	\$23,134
Minimum	\$20,928	\$14,614
Maximum	\$38,545	\$26,917

Category	Overall	Per Acre
Mean	\$31,432	\$21,950
Median	\$33,128	\$23,134
Conclusion		\$21,000

The overall range of indications is shown from a low of \$20,928 to an upper end of \$38,548. The arithmetic mean was \$21,950 per acre. The final conclusion is shown at a value indication of \$21,000 which produces a rounded conclusion of \$30,000.

Value Indication	\$21,000	1.432	\$30,072
Rounded to			\$30,000

DNRC Lot 991 – Lot 23:



View from near the north westerly corner of the subject looking in an easterly direction. The subject property is situated to the right of the photograph. (955)



View from near the north easterly corner of the property looking in a southwesterly direction. (602)

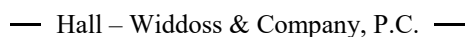


View from the south easterly corner of the subject property looking in a northwesterly direction. (743)



View from near the north westerly corner of the subject property looking in a southerly direction. (950)

Site Description	DNRC 991		Lot 23
Size	47,001	Sq. Ft.	3251 Chokecherry, Lincoln, MT Plat shows Vals Star Road. Lewis and Clark County address is Chokecherry.
Size (Acres)	1.08	Acres	
Highway Frontage	0.00	Front Ft.	
Primary Frontage	204.18	Front Ft.	
Average Depth of Lot	229.3	Lineal Ft.	
Road Frontage/Access	Dirt road access from Vals Star Road to Montana 200.		
Tree Cover	Good tree cover with mixture of trees/shrubs.		
Corner Lot	No.		
Common Area	None.		
Topography-General Narrative	Mostly level and at grade.		
Shape	Mostly rectangular shape.		
Vegetative Cover	Tract has moderate timber cover with deciduous understory; mix of conifers and deciduous trees/bushes.		
Utilities	Electrical power and telephone to lot line.		
Street Improvements	Vals Star Road sets the northerly boundary. Gravel/dirt road maintained by homeowners.		
Zoning/Land Use	Unzoned		
Flood Hazard	30049C1503E effective 9/19/12. Zone X, area of minimal flood hazard.		
Improvements	Assumed none.		
Soil Conditions	Soils were not independently investigated but I have assumed there are no load bearing issues.		
Easements/Encroachments	None.		



Taxes and Assessments:

Real Estate Taxes			
GEO Code		2018 Taxes	Market Value
Land			
05233716302070000		\$0.00	\$40,659.00
Improvements			
None		\$0.00	\$0.00

991 Land Valuation:

Categories	Subject Property	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price	DNRC 991	4209 Snow Fleury	\$35,000	4038 Snowdrift	\$28,500	4587 Patterson	\$34,000	4035 Abe Lincoln	\$18,000
Price Acre		\$71,429		\$13,768		\$12,500		\$6,475	
Per SF		\$1.64		\$0.32		\$0.29		\$0.15	
Property Rights Conveyed	Fee Simple	Fee Simple	\$0	Fee Simple	0	Fee Simple		Fee Simple	
Financing Terms	Cash Equivalent	Cash	\$0	Cash	0	Cash		Cash	
Conditions of Sale	Market	Market	\$0	Market	0	Market		Market	
Expenditures Made Immediate to Sale	None	None	\$0	None		None	\$0	None	
Sale Date/Market Conditions	4/29/2019	6/19/2017	\$3,690	9/22/2017	\$2,566	12/30/2016	\$4,545	7/12/2016	\$2,928
Time Lapse		22		19		28		34	
Adjusted Sale Price	N/A	No Adjustments	\$38,690	No Adjustments	\$31,066	No Adjustments	\$38,545	No Adjustments	\$20,928
Adjusted Price (\$/Ac)	N/A	No Adjustments	\$78,959	No Adjustments	\$15,008	No Adjustments	\$14,171	No Adjustments	\$7,528
Adjustments:									
Location	W of Lincoln	W of Lincoln		W of Lincoln		W of Lincoln		W of Lincoln	
Size (SF)	47,001	21,344		90,169		118,483		121,097	
Size (Ac)	1.08	0.49	Superior	2.07	Inferior	2.72	Inferior	2.78	Inferior
Road Access	Vals Star Road sets the northerly boundary. Gravel/dirt road maintained by homeowners.	County/gravel		County/gravel		County/gravel		County/gravel	
Topography	Mostly level and at grade.	Level		Level		Level		Level	
Utilities	Electrical power and telephone to lot line.	Telephone, electricity, well, septic onsite		Telephone, electricity		Telephone, electricity		Telephone, electricity	
Zoning/Land Use	Unzoned	None		None		None		None	
Tree Cover	Good tree cover with mixture of trees/shrubs.	Good		Good		Good		Good	
Corner Lot	No.	No		Yes		No		No	
Improvements	Assumed none.	Well, septic	-\$3,500	None		None		None	
Common Area	Unzoned	None		None		None		None	
Net Adjustments			-\$3,500		\$0		\$0		\$0
Indicated Value			\$35,190		\$31,066		\$38,545		\$20,928
Implied Subject Per Acre			\$32,613		\$28,791		\$35,723		\$19,396
Low	\$20,928								
High	\$38,545								
Average	\$31,432								

	Value Indication	Dollar Per Ac
Mean (Average)	\$31,432	\$29,131
Median	\$33,128	\$30,702
Minimum	\$20,928	\$19,396
Maximum	\$38,545	\$35,723

Category	Overall	Per Acre
Mean	\$31,432	\$29,131
Median	\$33,128	\$30,702
Conclusion		\$26,000

The overall range of values is shown from a low of \$20,928 to an upper end of \$38,545. The final conclusion is shown at \$26,000 per acre given the smaller site size of 1.079 acres. That produces a final conclusion of \$28,000.

Value Indication	\$26,000	1.079	\$28,054
Rounded to			\$28,000

VALUE ESTIMATE AND CERTIFICATION

The undersigned does hereby certify that (except as otherwise noted in this appraisal report):

1. The statements of fact contained in this report are true and correct.
2. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.
4. I have performed no services as an appraiser, regarding the property that is the subject of this report within a three year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. As of the date of this report, Nicholas J. Hogan, MAI has completed the continuing education program of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. This report is in compliance with applicable regulations governing appraisal services and appraisal reporting requirements for the State of Montana.

DNRC No.	Land Value	Real Property
1038	\$30,000	\$105,000
1039	\$28,000	\$61,600
990	\$30,000	n/a
991	\$28,000	n/a

NICHOLAS J. HOGAN, MAI
MT General Certificate No. REA-REG-LIC-370
Expires 3/31/20