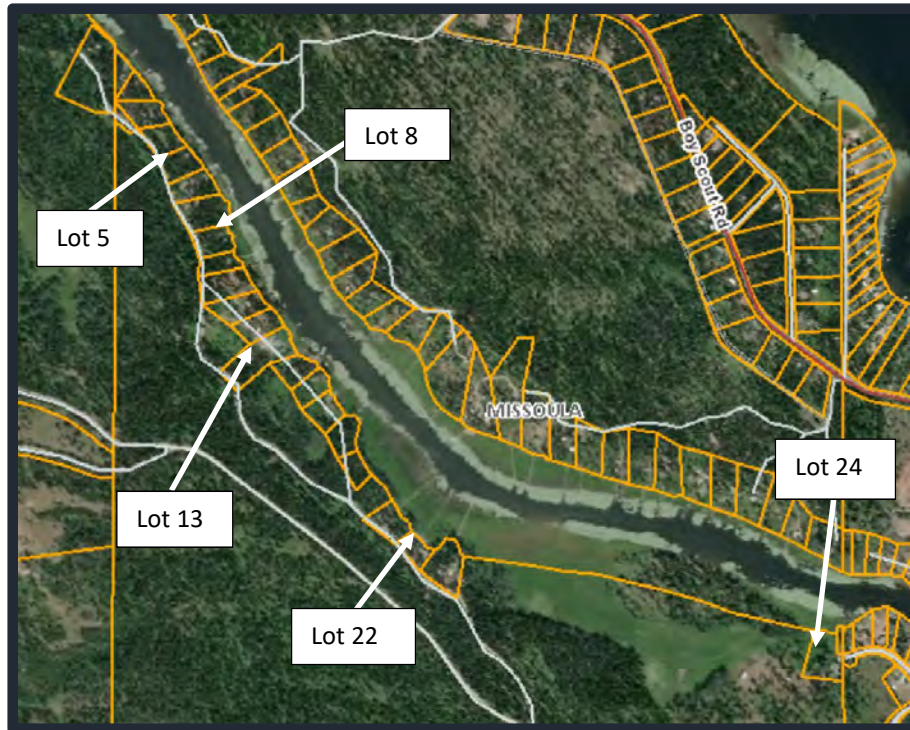


APPRAISAL REPORT OF:

**LOTS 5, 8, 22 & 24 OF COS # 5140 &
LOT 13 OF COS #6624
SEELEY LAKE, MISSOULA COUNTY, MONTANA**



PREPARED FOR:

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

MARKET VALUES AS OF:

May 30, 2019

PREPARED BY:

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



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

LETTER OF TRANSMITTAL

July 19, 2019

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

Re: Lots 5, 8, 22, & 24 of COS #5140 & Lot 13 of COS # 6624, Section 4, Township 16 North,
Range 15 West, Seeley Lake, Missoula County, Montana

Dear Ms. Motichka:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on May 30, 2019. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. This visual inspection, review and analyses were made in order to prepare the attached summary appraisal report.

There are three approaches to value in the appraisal of real property. They are the Cost, Sales Comparison, and Income Approaches. All three approaches and their applicability will be discussed in greater detail in the Scope of the Appraisal and the Appraisal Process sections of this report.

The values of the fee simple interests in the subject sites, the subject improvements, and the sites and improvements considered together are concluded in this report. These value conclusions were made after thorough study of available market data and other data felt to be pertinent to this appraisal. The attached summary appraisal report exhibits the factual data found and reasoning used in forming our opinions of value.

The values are based on the assumptions that all necessary governmental approvals have been obtained and will be maintained, and that the property owners will exhibit sound management and sales practices. The values are based upon the **Hypothetical Conditions** that the subject properties were legal parcels and that the parcels had legal and adequate access (as described in this report) as of the report effective date.

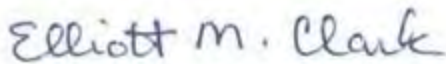
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We were not provided with soil studies for the subject sites. We assume that the soils are capable of supporting construction similar to that in similar area subdivisions without unusual soil preparation. We are also unaware of the presence of any hazardous material, groundwater contamination, or toxic materials that may be on or in the subject sites. Should any of these conditions be present, the values stated in this report could be affected.

We certify that, to the best of our knowledge and belief, the statements and opinions contained in this appraisal report are full true and correct. We certify that we have no interest in the subject properties and that neither the employment to make this appraisal nor the compensation is contingent upon the value estimates of the properties.

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

Respectfully submitted,



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



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

19-024ec

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SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

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

SUBJECT PROPERTY

Property Identifications	Lots 5, 8, 22, & 24 COS #5140 & Lot 13 of COS #6624, Section 4, Township 16 North, Range 15 West, Missoula County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-063-0018.00
Flood Zone	Zones X & AE, FEMA Map Panels 30063C720E & 30063C0740E, Dated 7/6/2015
Zoning	Area Not Zoned

HIGHEST AND BEST USE(S)

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

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

Report Date	July 19, 2019
Inspection Date(s)	May 30, 2019
Effective Date of Value(s)	May 30, 2019
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 127 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 127 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 127 of Report

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

MARKETING & EXPOSURE TIME

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

APPRAISER INFORMATION


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

We certify that, to the best of our knowledge and belief,

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

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



Dated Signed: July 19, 2019
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: July 19, 2019
Christopher D. Clark
MT REA-RAL-LIC-841

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

SCOPE OF THE APPRAISAL

The subject properties are Lots 5, 8, 22, & 24 of COS #5140 and Lot 13 of COS #6624, Seeley Lake Outlet West, Seeley Lake, Missoula County, Montana.

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

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

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on May 30, 2019. We measured the improvements and walked the subject sites.

Scope of Research

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

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

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

Extraordinary Assumption(s)

An **Extraordinary Assumption** is defined in 2018-2019 version of the Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*an assumption, directly related to a specific assignment, as of the effective date of the assignment results which, if found to be false, could alter the appraiser's opinions or conclusions.*”

There are no **Extraordinary Assumptions** associated with this appraisal report.

Hypothetical Conditions

A **Hypothetical Condition** is defined in 2018-2019 version of the Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for purpose of analysis.*”

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

Highest & Best Use

Our opinions of the highest and best uses for the subject properties were developed using the research collected relative to the subject properties, area development trends, and demographics. The information collected is considered comprehensive and provided a credible basis for carefully considered analyses. The appraisal process presented was based upon the highest and best use conclusions for the subject properties.

Appraisal Process

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

All three approaches to value were considered for the valuation of the subject properties as improved. Most market participants interested in purchasing water front homes in the subject market area do not base decisions upon the depreciated cost of the improvements. For this reason, the Cost Approach is not considered applicable and was not developed in this report. The subject properties are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach is developed to determine the value of the subject properties as improved.

Environmental

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

General Data Sources

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

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

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County
5	1003	5140	S4/T16N/R15W	Missoula
8	1005	5140	S4/T16N/R15W	Missoula
13	1006	6624	S4/T16N/R15W	Missoula
22	1007	5140	S4/T16N/R15W	Missoula
24	1008	5140	S4/T16N/R15W	Missoula

INTENDED USE & INTENDED USERS OF THE APPRAISAL

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

Lot #	Sale #	Lessee
5	1003	Mark Latrielle & Timothy Latrielle
8	1005	Marvin Gilbert
13	1006	Thomas & Denise Talarico
22	1007	Dale Spettigue & Joseph Gollette
24	1008	Patrick Hayes

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

PURPOSE OF THE APPRAISAL

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

DATE OF PROPERTY VIEWINGS

May 30, 2019

EFFECTIVE DATE OF MARKET VALUES

May 30, 2019

PROPERTY RIGHTS APPRAISED

The values concluded in this report are for the **fee simple** interests in the subject properties. The fee simple interest is full, complete, and unencumbered ownership subject only to the governmental rights of taxation, police power, eminent domain and escheat. This is the greatest right and title, which an individual can hold in real property.

DEFINITION OF MARKET VALUE

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

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

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

STATEMENT OF OWNERSHIP & USE HISTORY

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

Lot #	Sale #	Lessee	Last Transfer Document
5	1003	Mark Latrielle & Timothy Latrielle	N/A
8	1005	Marvin Gilbert	Quitclaim Deed (Book 790, Page 1,297) Recorded 1/23/2007
13	1006	Thomas & Denise Talarico	Assignment & Quitclaim of Interest in Special Lease of State Lands (Book 747, Page 1,789) Recorded 2/15/2005
22	1007	Dale Spettigue & Joseph Gollette	Bill of Sale (Book 807, Page 476) Recorded 10/12/2007
24	1008	Patrick Hayes	Bill of Sale (Book 997, Page 320) Recorded 5/29/2018

USE/MARKETING HISTORIES

The Montana Department of Natural Resources and Conservation manages hundreds of residential cabin sites which are owned by the State of Montana. The subject lots are in this program. According to the available information, the subject lots have been used for recreational/residential purposes for the three years prior to the report effective date. Houses were constructed on the subject sites. The house construction dates and any recent listing information for the improvements via the area MLS for each property are below;

Lot #	Sale #	Lessee	House Built	Listing History of Improvements via Area MLS
5	1003	Mark Latrielle & Timothy Latrielle	1955	N/A
8	1005	Marvin Gilbert	1970	N/A
13	1006	Thomas & Denise Talarico	2007	N/A
22	1007	Dale Spettigue & Joseph Gollette	2013	Leasehold improvements transferred via MLS for \$280,000 10/12/2007, MLS # 20076433 (House demolished and rebuilt in 2013)
24	1008	Patrick Hayes	1975 (Renovated)	Leasehold improvements transferred via MLS with other leases totaling 71 additional acres for \$265,000 5/29/2018, MLS # 21703504

According to our research, the improvements on the subject lots were not available for sale via the area MLS as of the report effective date.

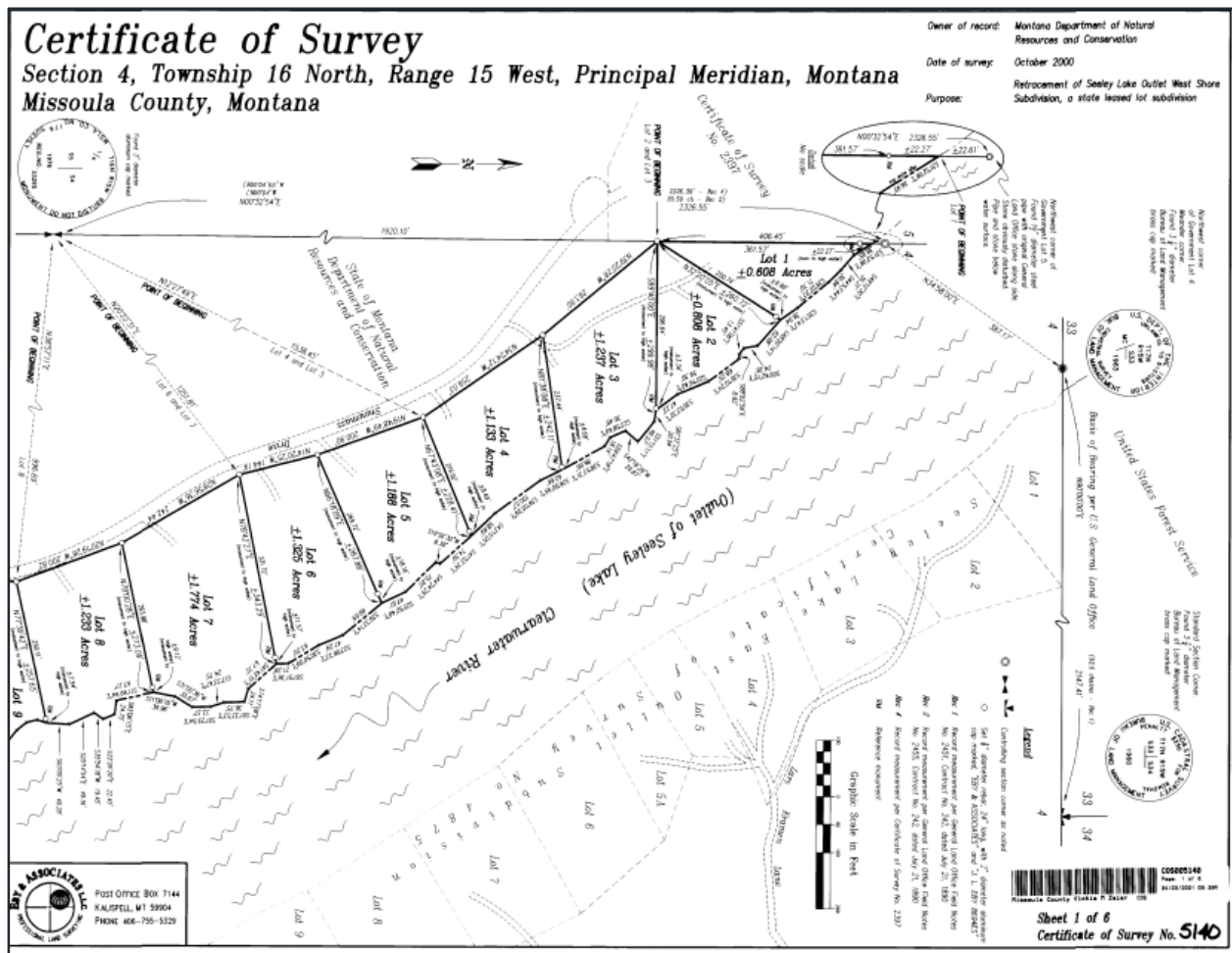
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

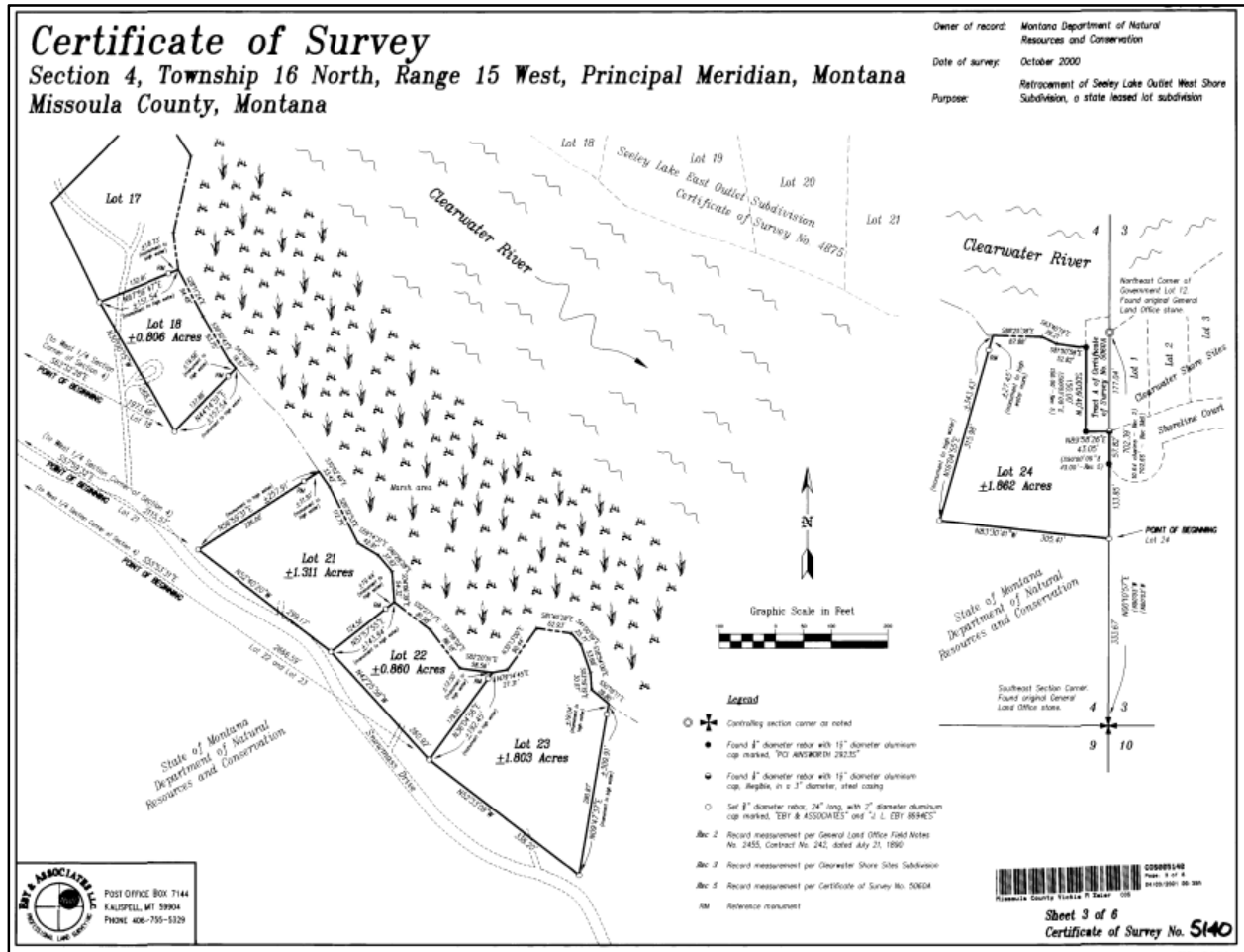
The subject properties are Lots 5, 8, 22, and 24 of Certificate of Survey #5140 and Lot 13 of COS # 6624 in Section 4, Township 16 North, Range 15 West, in Missoula County, Montana. The subject site sizes are below;

Lot #	Sale #	Gross Acres
5	1003	1.188
8	1005	1.233
13	1006	2.532
22	1007	0.860
24	1008	1.862

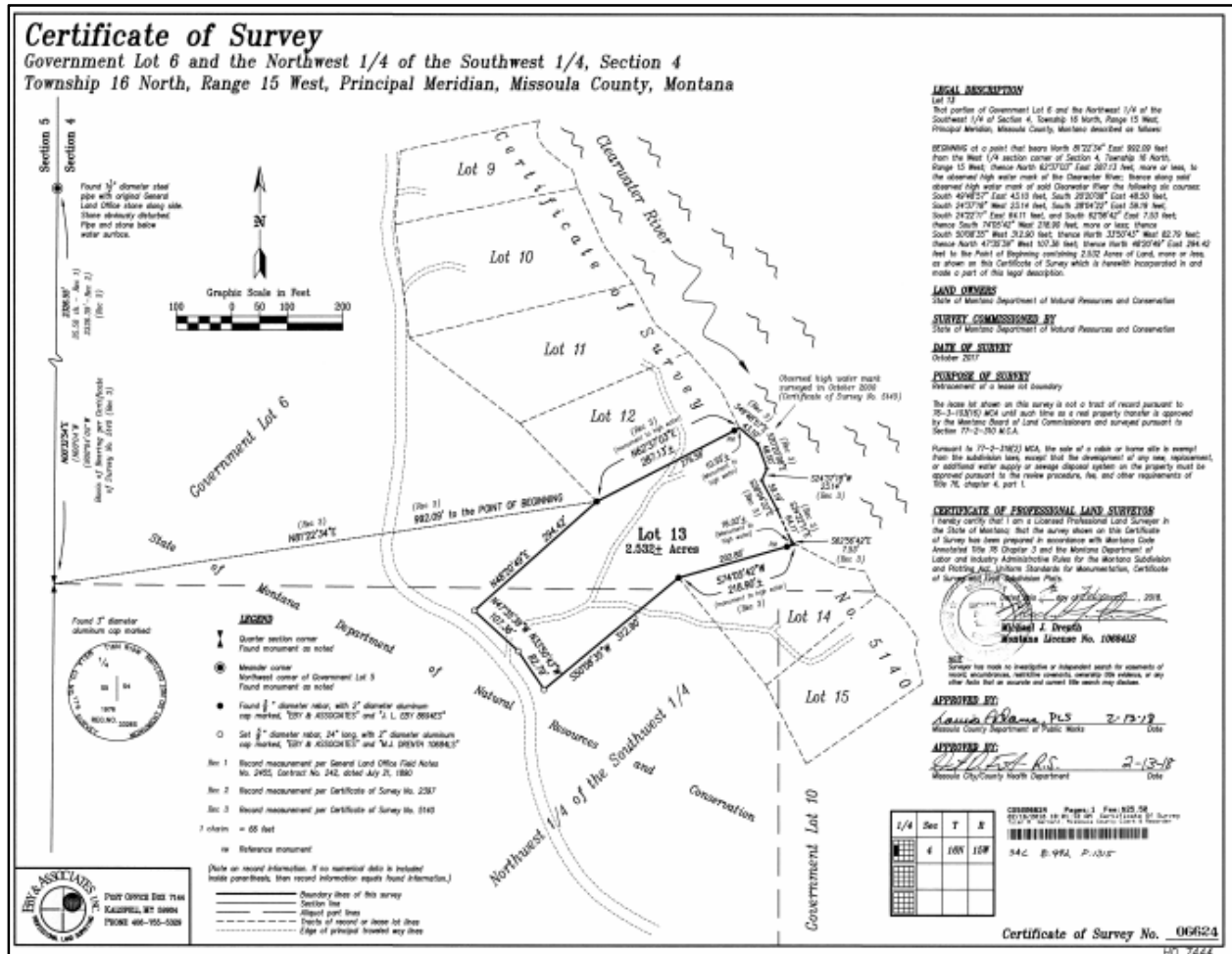
Subject Lots 5 and 8 are on Page 1 of COS#5140 below;



Subject Lots 22 and 24 are on page 3 COS #5140 below;

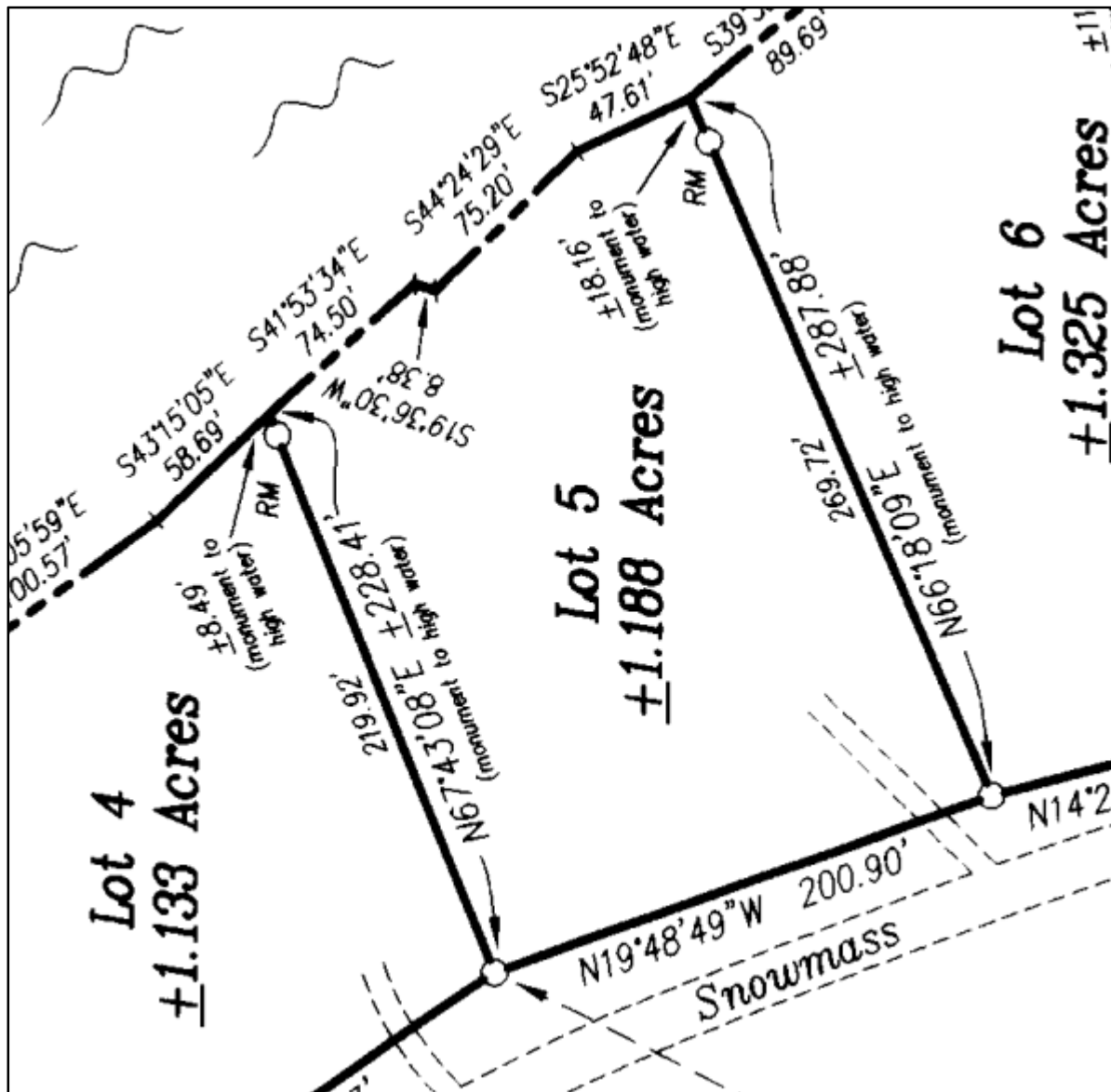


Subject Lot 13 is recorded on COS #6624 below;

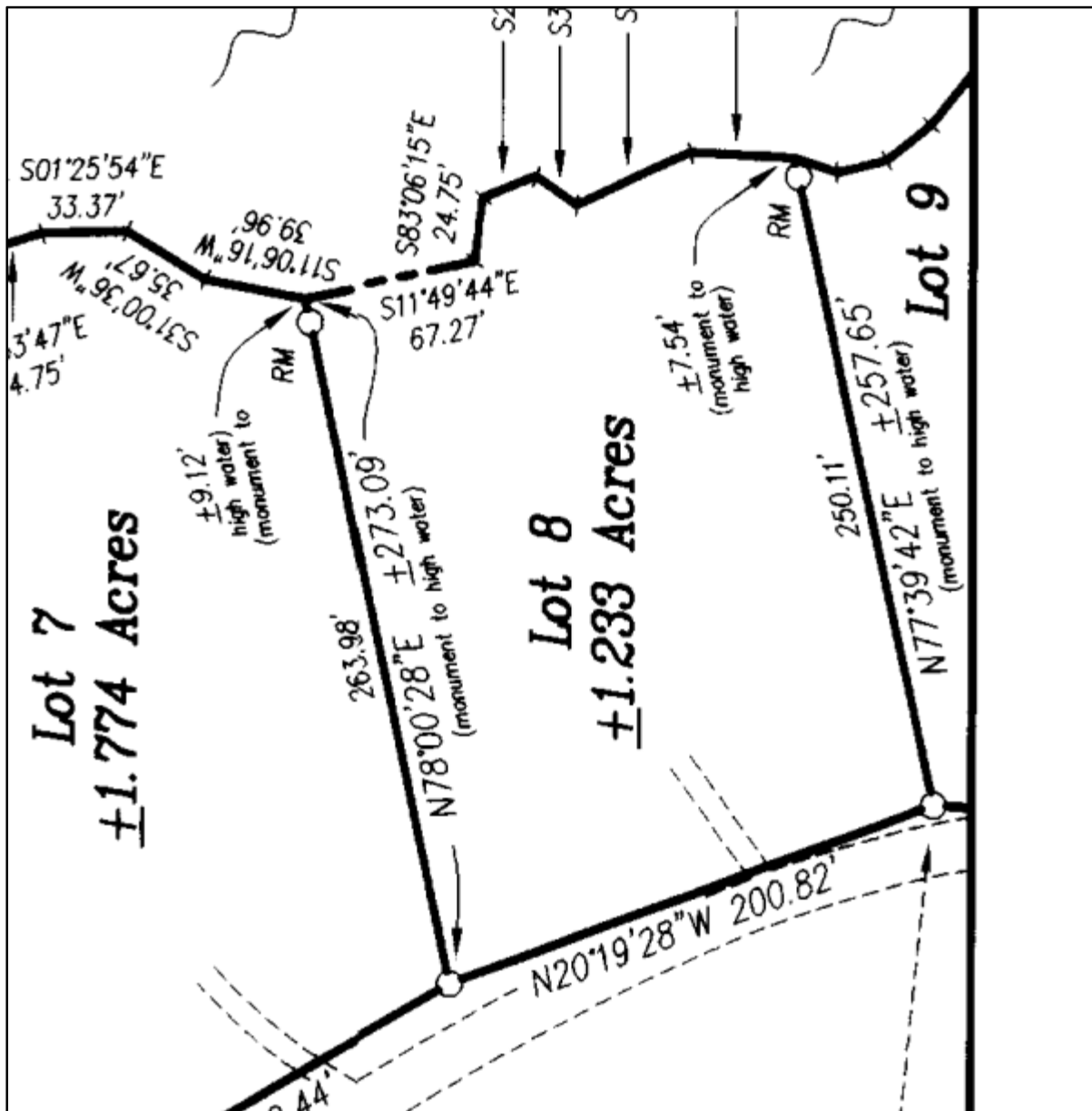


Enlarged views of each site as part of COS #5140 or COS #6624 are included on the following pages.

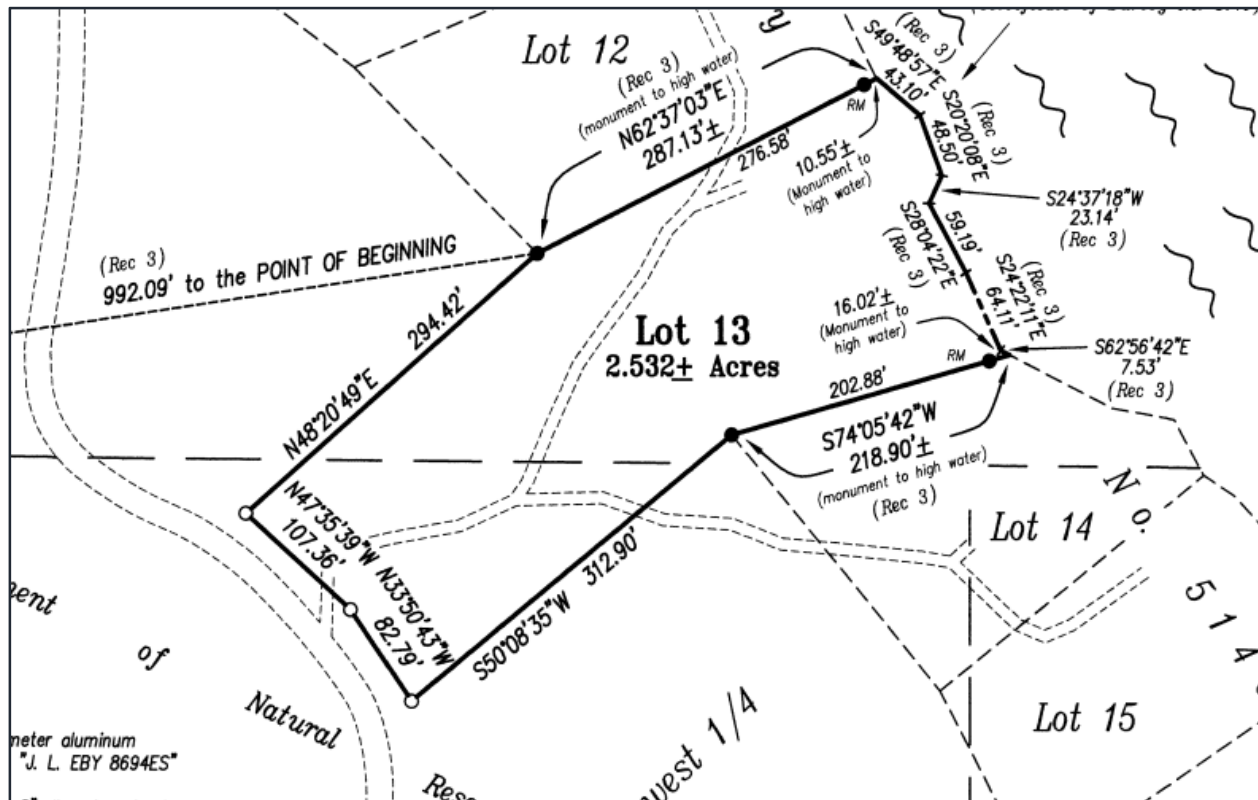
Enlarged View of COS #5140



Enlarged View of COS #5140

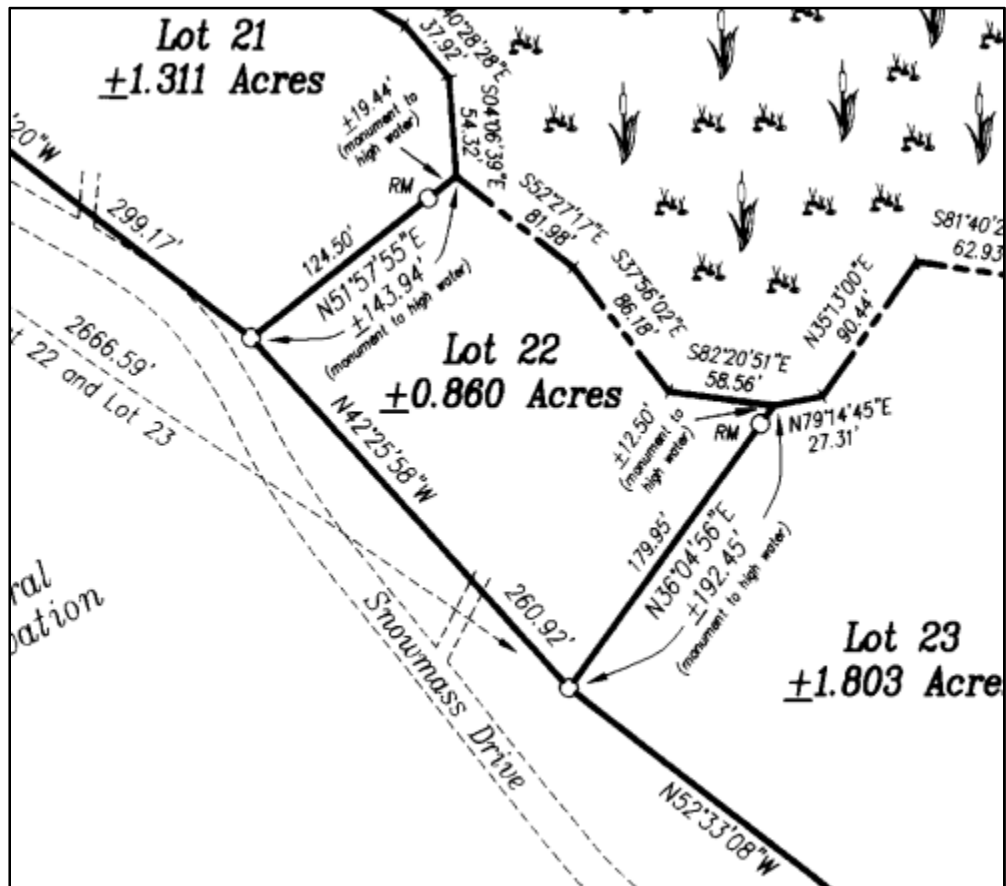


Enlarged View of COS #6624



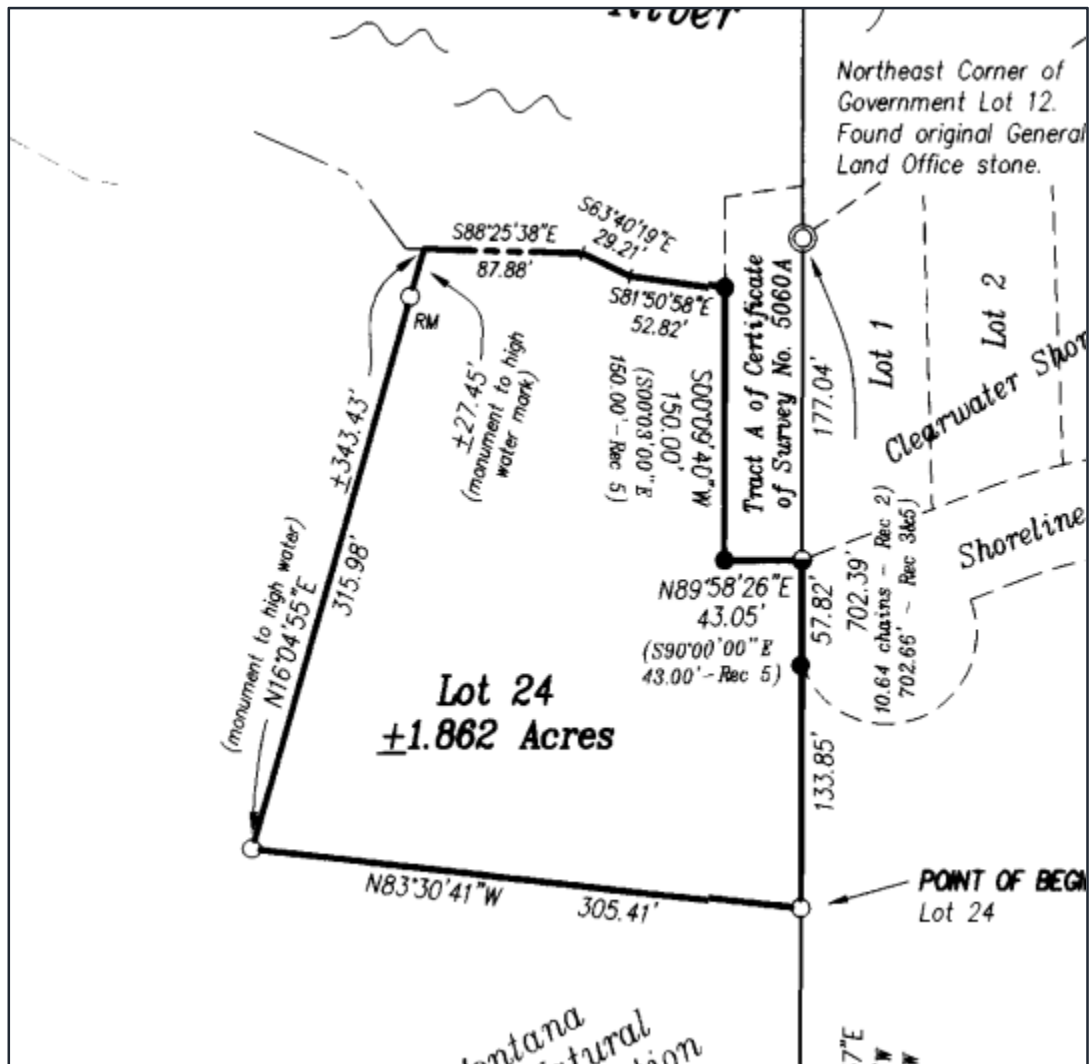
LOT 22

Enlarged View of COS #5140



LOT 24

Enlarged View of COS #5140



ACCESS AND VIEWS

The subject properties have vehicular access from driveways off of Snowmass Drive or Shoreline Court. The subject lots all have frontage along the west side of the Seeley Lake Outlet portion of the Clearwater River. Access and water frontage for each site is described on the table below;

Lot #	Sale #	Lessee	Address	Water Frontage	Access
5	1003	Mark Latrielle & Timothy Latrielle	2140 Snowmass Dr	205.69 Feet of Frontage Along Seeley Lake Outlet	Driveway from Snowmass Drive
8	1005	Marvin Gilbert	2042 Snowmass Dr	205.53 Feet of Frontage Along Seeley Lake Outlet	Driveway from Snowmass Drive
13	1006	Thomas & Denise Talarico	1830 Snowmass Dr	238.04 Feet of Frontage Along Seeley Lake Outlet	Driveway from Snowmass Drive (Driveway Crosses Subject Site and Provides Access to Lots 14 & 15)
22	1007	Dale Spettigue & Joseph Gollette	1446 Snowmass Dr	226.72 Feet of Frontage Along Seeley Lake Outlet	Driveway from Snowmass Drive
24	1008	Patrick Hayes	298 Shoreline Ct	199.91 Feet of Frontage Along Seeley Lake Outlet	Driveway from Shoreline Court

IMPROVEMENTS

Subject Lots all included improvements. The improvements on the subject lots are described on the table below.

Sale #	1003	1005	1006
Lot #	5	8	13
Residence SF	1,216	1,421	1,564
Construction Type	Log Construction	Wood Frame	Log Construction
Foundation	Log Foundation	Crawl Space	Crawl Space
Quality	Average	Average	Very Good
Condition	Average	Average	Good
Year Built	1955	1970	2007
# of Bedrooms	1	1	2
# of Bathrooms	1	1	1
Porches	32 SF Deck & 42 SF Deck	72 SF Deck, 117 SF Covered Porch, & 96 SF Covered Porch	231 SF Covered Porch & 75 SF Deck
Outbuildings	49 SF Pump House, 240 Sf Storage Building with 72 SF Deck, 270 SF Boat House, 18 SF Outhouse, & 120 SF Pier	651 SF Garage, 248 SF Lean-to, & 348 SF Pier	625 SF Guest House with 175 SF Covered Porch, 869 SF Detached Garage with 160 SF Covered Porch, & 140 SF Pier
Well/Septic	Artesian Well/Septic	Artesian Well/Septic	Well/Septic
Landscaping	Lawn	Lawn	Lawn/Gravel/Rock Work

Sale #	1007	1008
Lot #	22	24
Residence SF	1,790	2,160
Construction Type	Wood Frame	Wood Frame
Foundation	Crawl Space	Crawl Space
Quality	Very Good	Good
Condition	Good	Good
Year Built	2013	1975 (Renovated)
# of Bedrooms	2	3
# of Bathrooms	2.5	2
Porches	138 Sf Covered Porch, 296 SF Covered Porch, & 876 SF Deck	216 SF Covered Porch, 128 Sf Deck, 144 SF Covered Porch, & 64 SF Deck
Outbuildings	612 SF Garage with 612 SF Guest Quarters, 120 SF Storage Building, 1,440 SF Pier Walkway, & 288 SF Pierhead	96 SF Storage Building, 96 SF Storage Building, 200 SF Storage Building, 216 SF Storage Building, 420 SF Garage, 328 SF Lean-to, 84 SF Open Storage, 437 SF Open Storage, Outhouse, & 42 SF Deck
Well/Septic	Well/Septic	Well/Septic
Landscaping	Lawn	Lawn

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

We were provided with Land Status Reports by the Montana Department of Natural Resources. These reports detail recorded easements relative to each subject property. The easements (as well as descriptions of access easements not yet recorded) are summarized on the table below;

Lot #	Sale #	Lessee	Access	Easement Affecting Property
5	1003	Mark Latrielle & Timothy Latrielle	Driveway from Snowmass Drive	Various easements for access along Snowmass Drive to privately owned parcels; Rights of Way Deeds to Missoula Electric for a single pole distribution line, an electric power line; and a power distribution line; Right of Way Deed to the US Forest Service for a road; Corrective Deed to US Forest Service for access roads; and Right of Way Deed to Blackfoot Telephone Cooperative for buried telephone cable facilities.
8	1005	Marvin Gilbert	Driveway from Snowmass Drive	Various easements for access along Snowmass Drive to privately owned parcels; Rights of Way Deeds to Missoula Electric for a single pole distribution line, an electric power line; and a power distribution line; Right of Way Deed to the US Forest Service for a road; Corrective Deed to US Forest Service for access roads; and Right of Way Deed to Blackfoot Telephone Cooperative for buried telephone cable facilities.
13	1006	Thomas & Denise Talarico	Driveway from Snowmass Drive (Driveway Crosses Subject Site and Provides Access to Lots 14 & 15)	Various easements for access along Snowmass Drive to privately owned parcels; Rights of Way Deeds to Missoula Electric for a single pole distribution line, an electric power line; and a power distribution line; Right of Way Deed to the US Forest Service for a road; Corrective Deed to US Forest Service for access roads; and Right of Way Deed to Blackfoot Telephone Cooperative for buried telephone cable facilities.
22	1007	Dale Spettigue & Joseph Gollette	Driveway from Snowmass Drive	Various easements for access along Snowmass Drive to privately owned parcels; Rights of Way Deeds to Missoula Electric for a single pole distribution line, an electric power line; and a power distribution line; Right of Way Deed to the US Forest Service for a road; Corrective Deed to US Forest Service for access roads; and Right of Way Deed to Blackfoot Telephone Cooperative for buried telephone cable facilities.
24	1008	Patrick Hayes	Driveway from Shoreline Court	Various easements for access along Snowmass Drive to privately owned parcels; Rights of Way Deeds to Missoula Electric for a single pole distribution line, an electric power line; and a power distribution line; Right of Way Deed to the US Forest Service for a road; Corrective Deed to US Forest Service for access roads; and Right of Way Deed to Blackfoot Telephone Cooperative for buried telephone cable facilities.

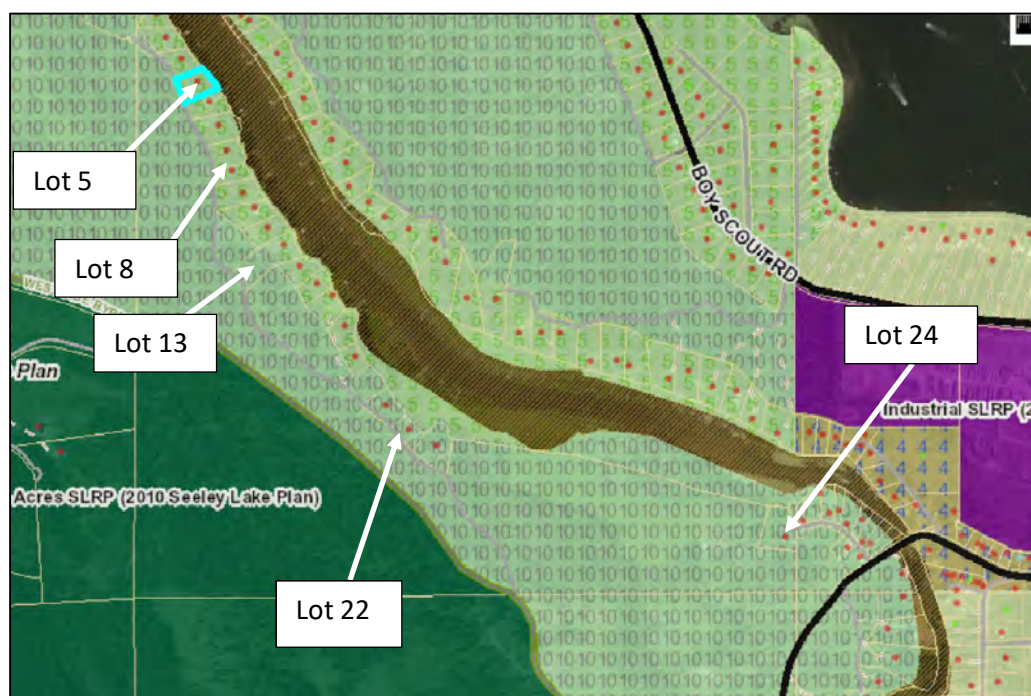
The easements and Rights-of-Way associated with the most of subject properties are typical for similar area properties and are not considered to have an impact on marketability. The shared driveway which crosses Lot 13 is considered to impact the marketability of this property. If additional

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

ZONING

The subject properties are in an area of Missoula County that is not zoned. The subject properties are within the 2010 Seeley Lake Regional Plan area. The plan area is not a regulatory document; however, developers are strongly encouraged to adhere to the development patterns and policies and the land designation map. The subject lots are in an area with a density recommendation of 1 dwelling unit per 5-10 acres.

A map depicting the subject properties and surrounding properties with suggested development densities is below.



ASSESSMENT/REAL PROPERTY TAXES

The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2018 tax bills and taxable market values for the **subject improvements** (as per the Montana Department of Revenue) are included on the table below;

Tax Bills for Improvements					
Sale #	Lot #	Lessees	Assessor # for Improvements	2018 Taxable Market Value	2018 Tax Bill Amount
1003	5	Mark Latrielle & Timothy Latrielle	0001221200	\$76,400	\$732.52
1005	8	Marvin Gilbert	0000717102	\$96,030	\$878.92
936	3	Thomas & Denise Talarico	0001632509	\$282,260	\$2,339.74
1031	14A	Dale Spettigue & Joseph Gollette	0000929709	\$280,200	\$2,337.92
1032	16	Patrick Hayes	0000334753	\$176,710	\$1,457.20

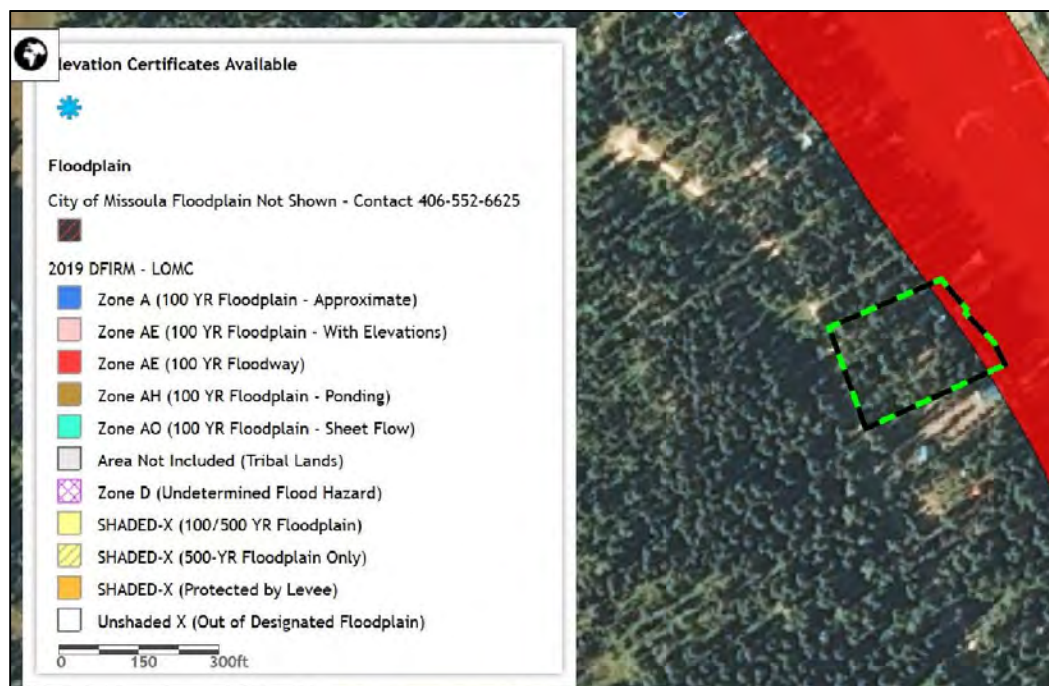
TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Missoula County GIS flood mapping feature, Subject Lots 5, 8, 13, and 22 are in areas of some flood hazard. The Floodplain areas applicable to each subject lot are noted on the table below;

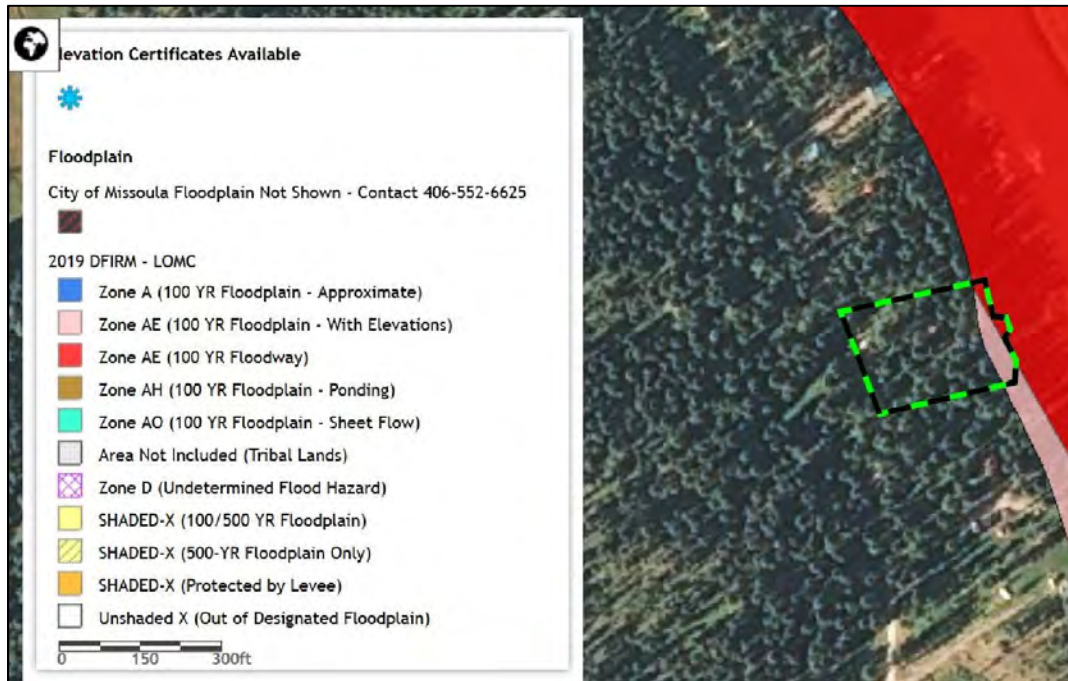
Sale #	Lot #	Lessees	Floodplain Description
1030	5	Mark Latrielle & Timothy Latrielle	Small portion adjacent to river in AE 100 Year Floodway
1005	8	Marvin Gilbert	Small portion adjacent to river in AE 100 Year Floodway & AE 100 Year Flood Zone
1006	13	Thomas & Denise Talarico	Portion adjacent to river in AE 100 Year Floodway, AE 100 Year Flood Zone, & Shaded X 100/500 Year Floodplain
1007	22	Dale Spettigue & Joseph Gollette	All in Shade X 100/500 Year Floodplain
1008	24	Patrick Hayes	None within Floodplain

Floodplain. Exhibits from the Missoula County GIS flood mapping feature for each subject site are below and on the following pages.

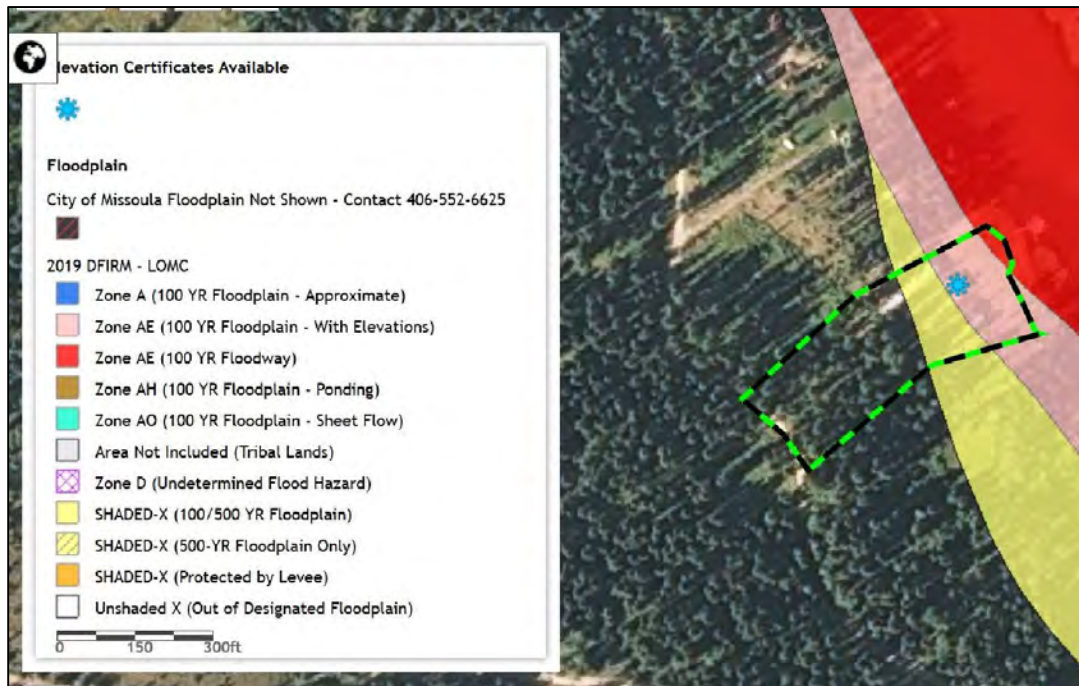
Lot 5



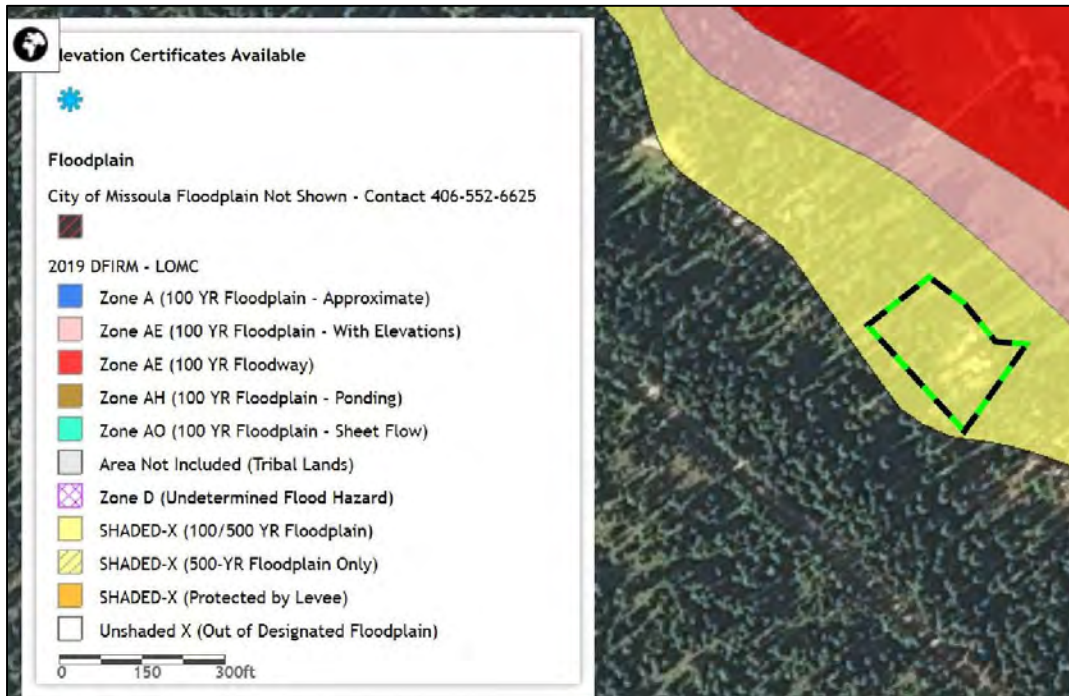
Lot 8



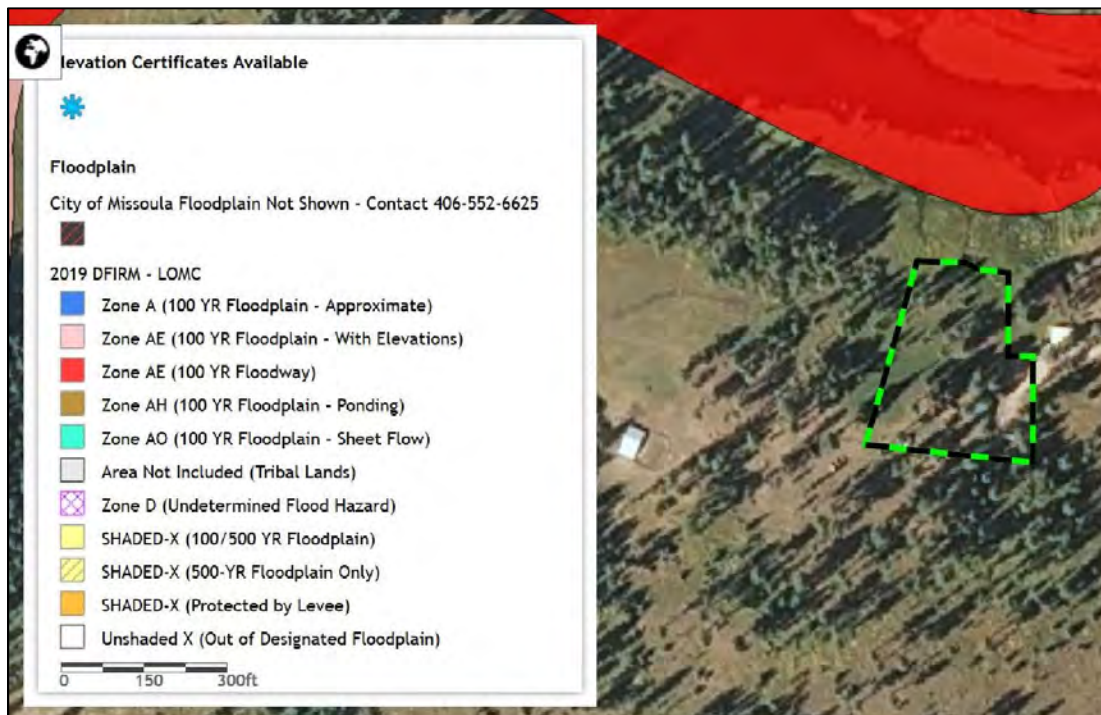
Lot 13



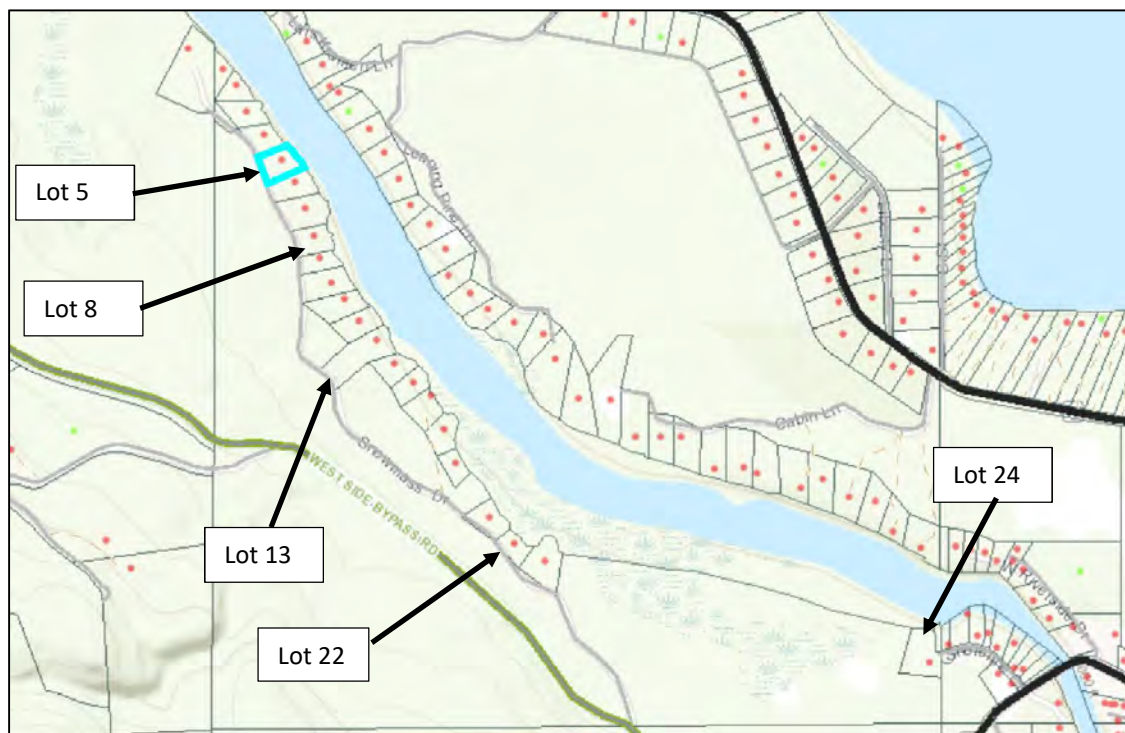
Lot 22



Lot 24



It appears that drainage and storm water runoff are adequate and/or properly designed and engineered for the subject sites. Lessees reported that there was water along the subject sites in the spring from the river cresting; however, no lessees reported water entering the residences.



The subject lots include native vegetation and/or landscaping.

We have not been provided with a soil study for the subject sites. We assume the soil can accommodate the type of construction, which is typically seen in the subject area. We have not been provided with environmental audits for the subject sites and assume there are no toxic or hazardous materials and no groundwater contamination on or in the subject lots. Should any of these conditions be present, the values concluded in this report may be affected.

UTILITIES

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

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
1030	5	Mark Latrielle & Timothy Latrielle	Yes	Well	No	2003 Septic Permit on File with Missoula County
1005	8	Marvin Gilbert	Yes	Well	Yes	2018 Septic Permit on File with Missoula County
1006	13	Thomas & Denise Talarico	Yes	Well	Yes	2008 Septic Permit on File with Missoula County
1007	22	Dale Spettigue & Joseph Gollette	Yes	Well	Yes	2033 Septic Permit on File with Missoula County
1008	24	Patrick Hayes	Yes	Well	No	No Septic Permit on File with Missoula County

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

The subject lots are legally and physically suited for residential improvements.

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 5 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO

File No.:	Parcel No.: Seeley Lake Outlet West Lot 5	
Property Address: 2140 Snowmass Drive		
City: Seeley Lake	County:	State: MT
Owner:		ZipCode: 59868
Client:	Client Address:	
Appraiser Name:	Inspection Date:	

SKETCH

AREA CALCULATIONS SUMMARY				
Code	Description	Facto	Net Size	Perimeter
GBA4	Pump	1.0	48.8	28.0
GBA5	Storage Bldg	1.0	240.0	64.0
GBA6	Boat House	1.0	270.0	78.0
GLA1	First Floor	1.0	890.3	128.0
	Enclosed Por	1.0	325.5	83.0
OTI	Outhouse	1.0	18.0	17.0
	Pier	1.0	120.0	68.0
P/P	Deck	1.0	42.0	26.0
	Deck	1.0	32.0	24.0
	Deck	1.0	72.0	34.0
				106.0
	Net LIVABLE	cnt	2 (rounded	1,216
	Net BUILDIN	cnt	3 (rounded	559

AREA CALCULATIONS BREAKDOWN				
Name	Base x	Height x	Width =	Area
First Floor	0.5 x	20.5 x	0.0 =	0.3
		31.0 x	20.3 =	630.3
		20.5 x	12.7 =	259.7
Enclosed Por		31.0 x	10.5 =	325.5
Pump		7.5 x	6.5 =	48.8
Storage Bldg		20.0 x	12.0 =	240.0
Boat House		30.0 x	9.0 =	270.0
7 total items			(rounded	1,775

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Page 1

LOT 5 - SUBJECT PHOTOGRAPHS



Residence on Lot 5



South Side of Residence



North Side of Residence



East Side of Residence



Dining and Living Area



Kitchen

ADDITIONAL PHOTOGRAPHS



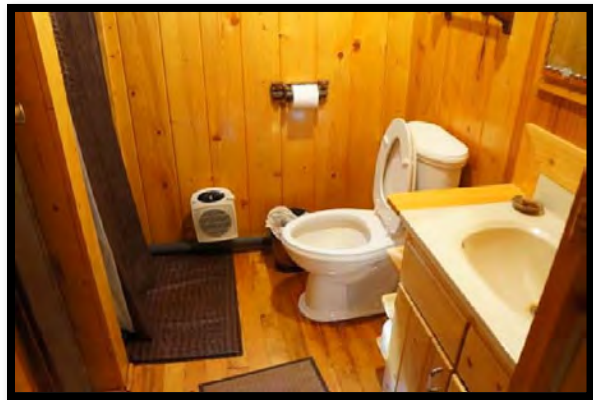
Stone Fireplace



Bedroom



Enclosed Porch



Bathroom



Pump House



Water Pump and Softener Equipment

ADDITIONAL PHOTOGRAPHS



Storage Building



Storage Building Interior



Boat House



Septic System



Southeast Property Boundary Marker Looking East



Southeast Property Boundary Marker Looking North

ADDITIONAL PHOTOGRAPHS



View north along Seeley Lake Outlet



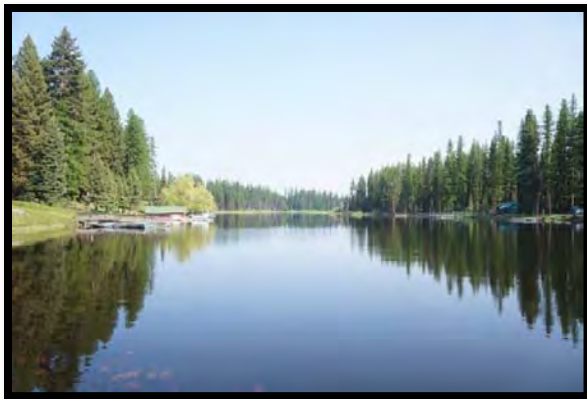
Northeast Property Boundary Marker Looking East



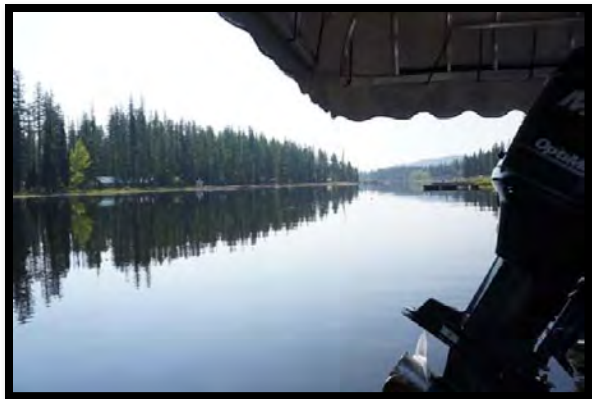
Northeast Property Boundary Marker Looking South



Residence from Water Frontage



Seeley Lake Outlet Looking North



Seeley Lake Outlet Looking South

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking East



Northeast Property Boundary Marker Looking South



Southwest Property Boundary



Southwest Property Boundary Marker Looking East



Lot 5 Interior Looking Northeast



Driveway to Lot 5

ADDITIONAL PHOTOGRAPHS

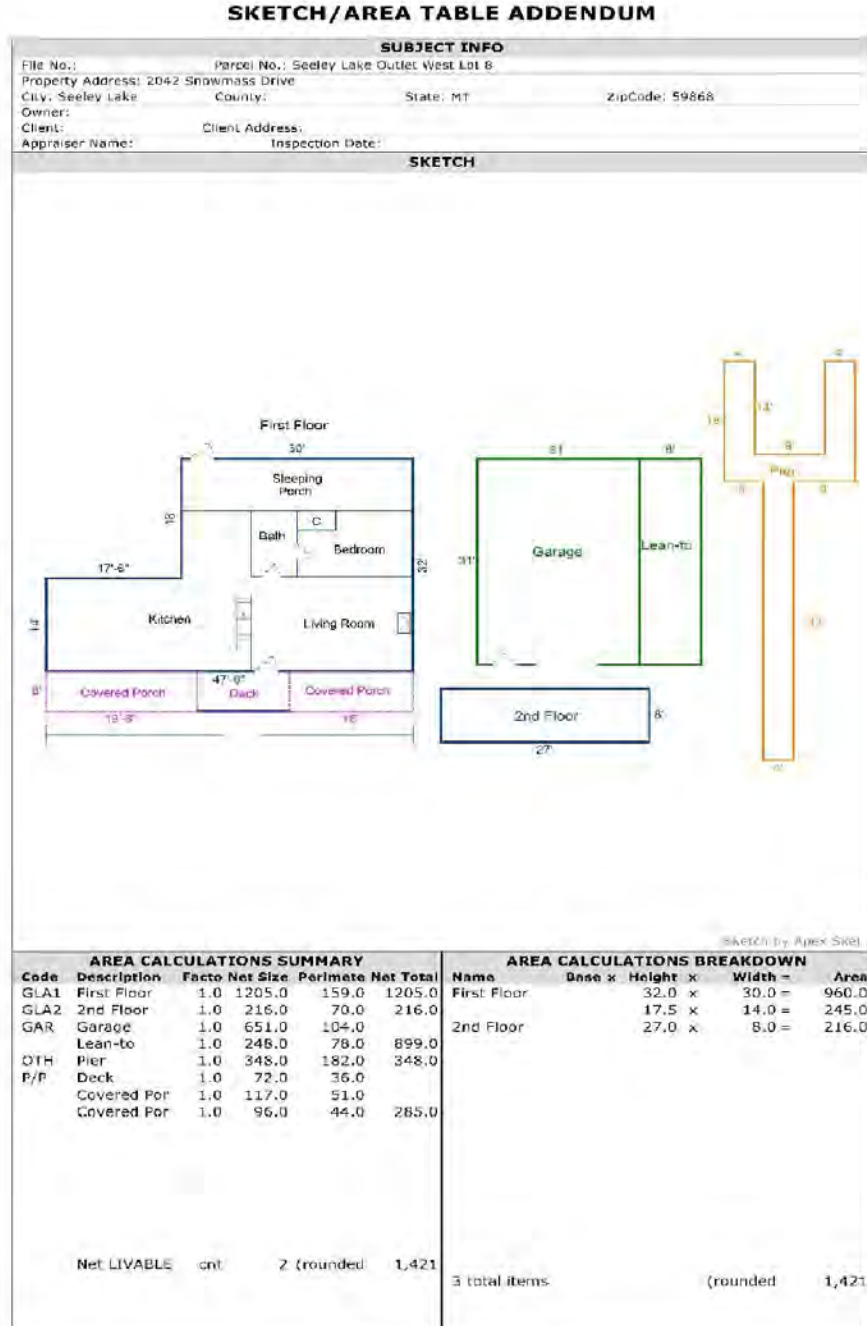


Snowmass Drive Looking North



Snowmass Drive Looking South

LOT 8 - BUILDING SKETCH



LOT 8- SUBJECT PHOTOGRAPHS



Residence on Lot 8



South Side of Residence



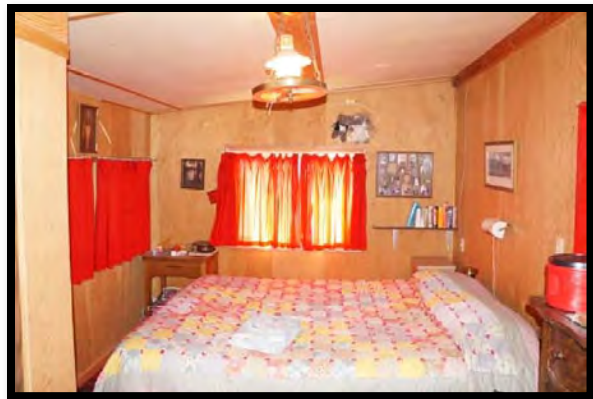
North Side of Residence



East Side of Residence



Living Room



Bedroom

ADDITIONAL PHOTOGRAPHS



Sleeping Porch



Kitchen



Kitchen



Kitchen



Bathroom



2nd Floor

ADDITIONAL PHOTOGRAPHS



Basement



Water Heater and Softener



Garage



Garage Interior



View of Seeley Lake Outlet

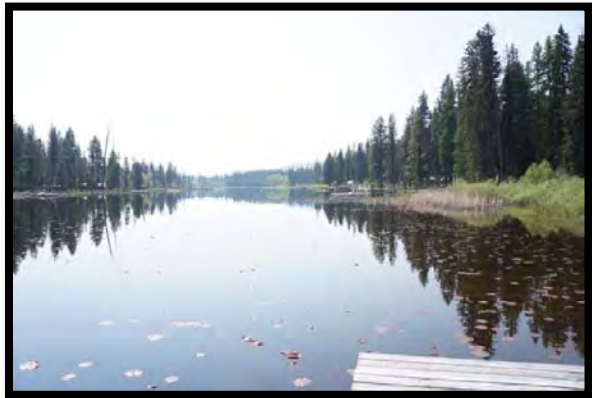


Pier

ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking North



Seeley Lake Outlet Looking South



Lot 8 from Pier



Southeast Property Boundary Marker



View along East Property Boundary Looking North



Northeast Property Boundary Marker

ADDITIONAL PHOTOGRAPHS



View along East Property Boundary Looking South



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Southwest Property Boundary Marker



View East along South Property Boundary



New Septic System

ADDITIONAL PHOTOGRAPHS



Driveway to Lot 8

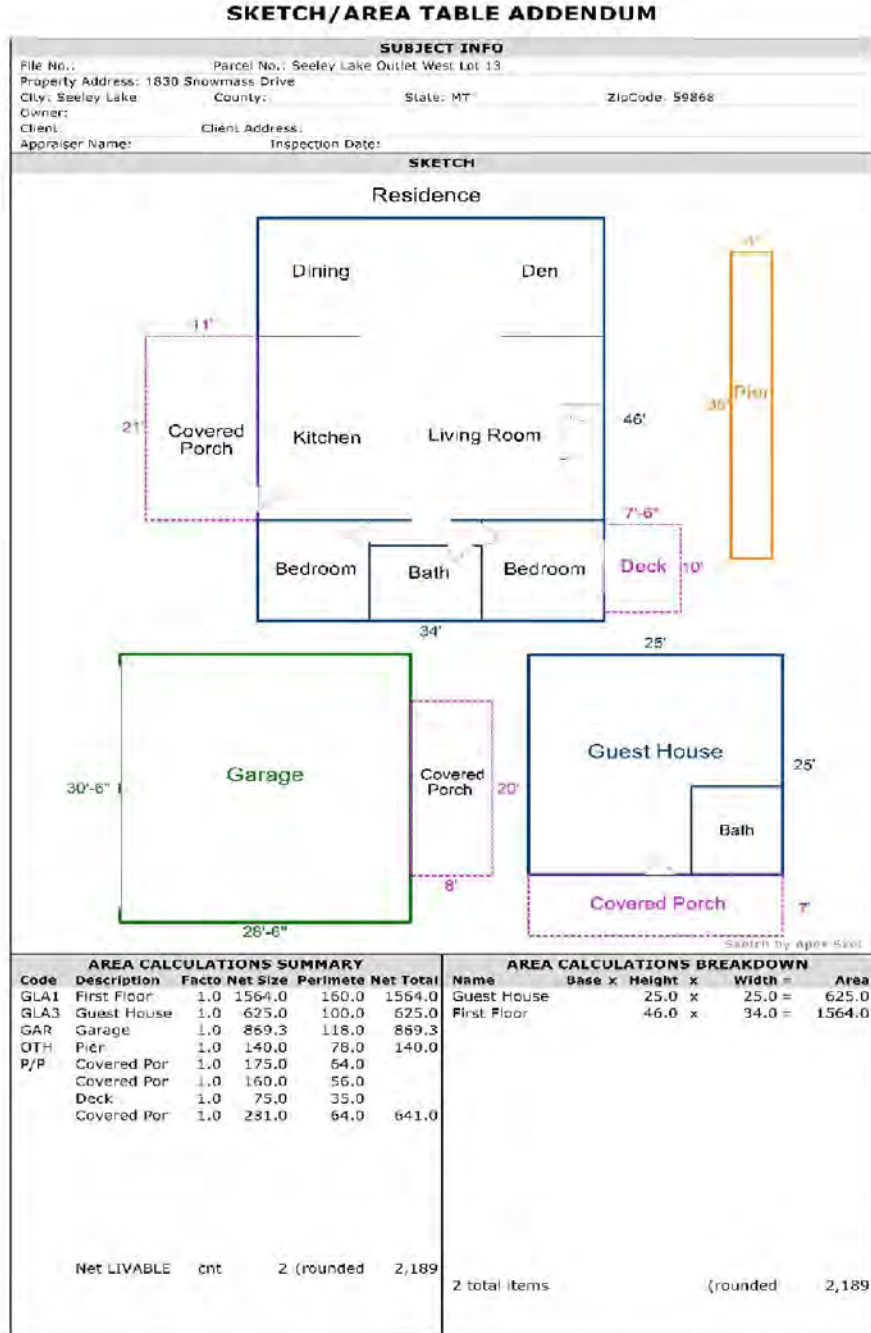


Snowmass Drive Looking South



Snowmass Drive Looking North

LOT 13 - BUILDING SKETCH



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Page 2

LOT 13 - SUBJECT PHOTOGRAPHS



Residence on Lot 13



Main Residence, Guest House & Garage on Lot 13



Improvements on Lot 13 from Driveway



Kitchen in Main Residence



Living Room and Fireplace



Den and Dining Room

ADDITIONAL PHOTOGRAPHS



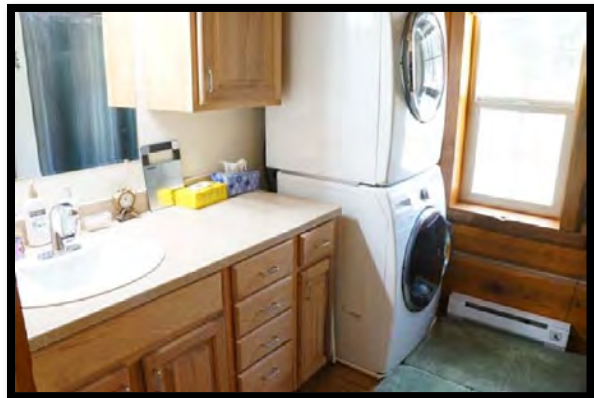
Dining Room



Master Bedroom



Bedroom 2



Bathroom & Laundry



Mechanical Room



Guest House

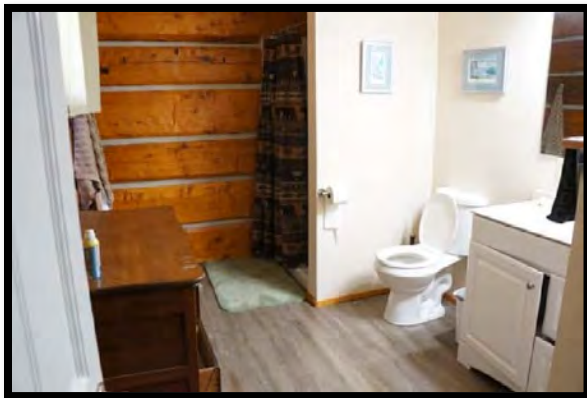
ADDITIONAL PHOTOGRAPHS



Guest House Interior



Guest House Interior



Guest House Bathroom



Garage



Garage Interior



Lot 13 Yard Area along Seeley Lake Outlet

ADDITIONAL PHOTOGRAPHS



Horseshoe and Bocce Court



Lot 13 Interior Looking toward Seeley Lake Outlet



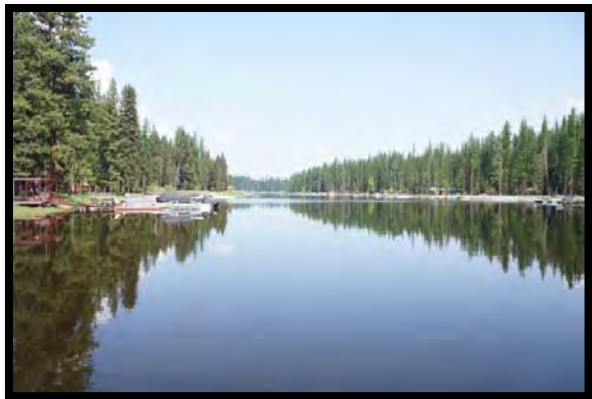
Fire Pit Area



Landscaping around Utilities

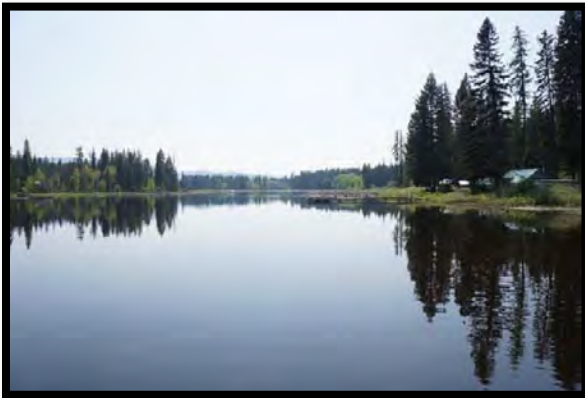


Pier



Seeley Lake Outlet Looking North

ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



Pump House



View along Outlet Frontage Looking South



View along Outlet Frontage Looking North



View West along Approximate South Property Boundary



Lot 13 Interior Looking East

ADDITIONAL PHOTOGRAPHS



Driveway on Lot 13



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Looking North

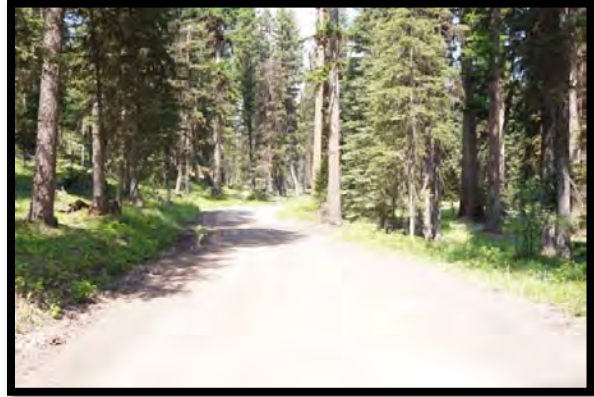


Driveway to Lot 13

ADDITIONAL PHOTOGRAPHS

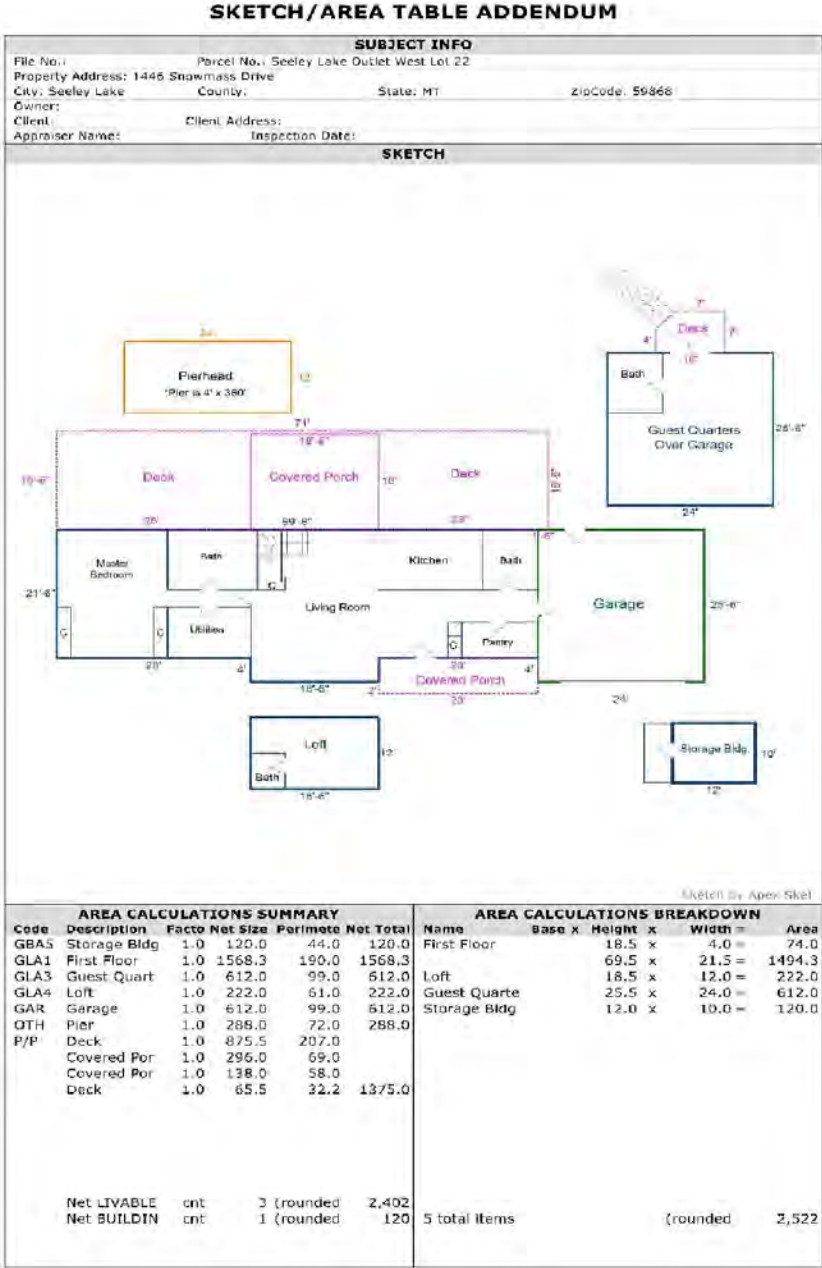


Snowmass Drive Looking South



Snowmass Drive Looking North

LOT 22 - BUILDING SKETCH



LOT 22 - SUBJECT PHOTOGRAPHS



Residence on Lot 22



South Side of Residence (Garage and Guest Quarters)



Lot 22 from Pier



Kitchen



Kitchen

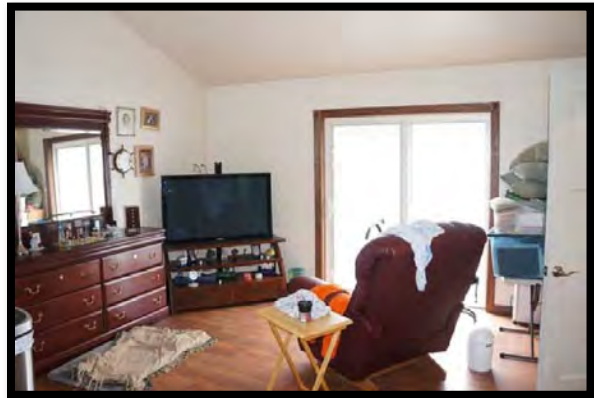


Double Oven in Kitchen

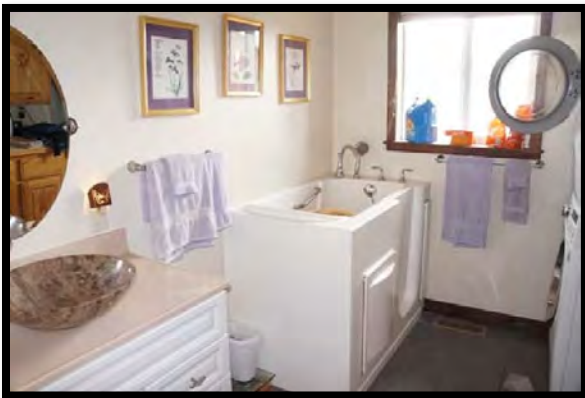
ADDITIONAL PHOTOGRAPHS



Living and Dining Rooms



Master Bedroom



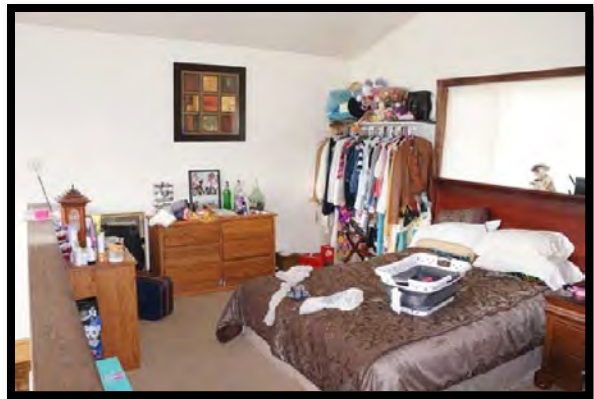
Bathroom & Laundry



Master Bathroom

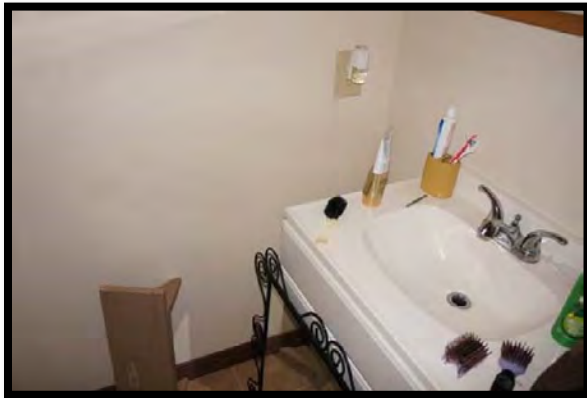


Pantry



Loft Bedroom

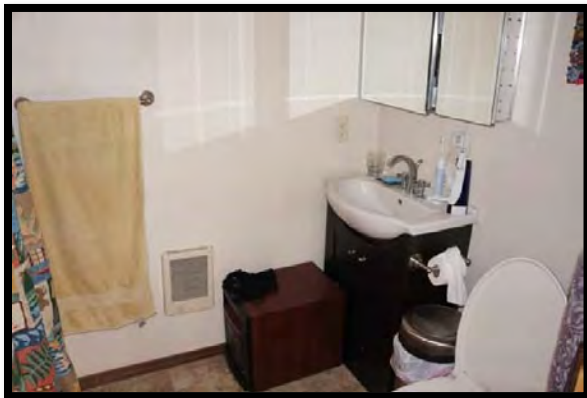
ADDITIONAL PHOTOGRAPHS



Loft Bathroom



Guest Quarters Above Garage



Guest Quarters Bathroom



Garage



View of Seeley Lake Outlet from Deck



Deck and Covered Porch

ADDITIONAL PHOTOGRAPHS



Storage Building



Storage Building Interior



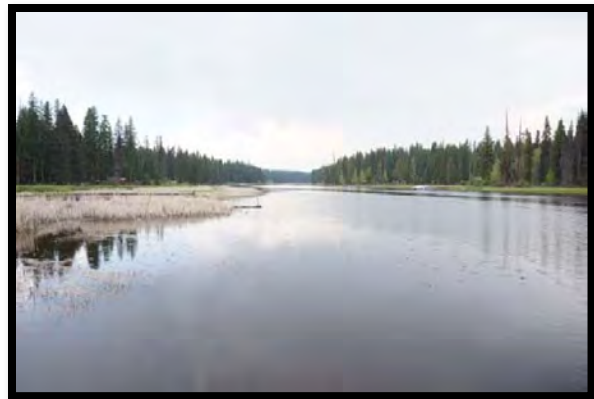
View from Deck



Pier



View of Lot 22 from Pier



Seeley Lake Outlet Looking North

ADDITIONAL PHOTOGRAPHS



Seeley Lake Outlet Looking South



View North along Approximate East Property Boundary



Northeast Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking North



View South along Approximate West Property Boundary

ADDITIONAL PHOTOGRAPHS



View East along Approximate North Property Boundary



Driveway to Lot 22 from Snowmass Drive



Snowmass Drive Looking North



Snowmass Drive Looking South

Lot 24 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO										
File No.:	Parcel No.: Seeley Lake Outlet West Lot 24									
Property Address: 298 Shoreline Court										
City: Seeley Lake	County:	State: MT				Zip Code: 59868				
Owner:										
Client:	Client Address:									
Appraiser Name:	Inspection Date:									
SKETCH										
<p style="text-align: right; font-size: small;">Sketch by Apex Skill</p>										
AREA CALCULATIONS SUMMARY					AREA CALCULATIONS BREAKDOWN					
Code	Description	Factor	Net Size	Perimeter	Net Total	Name	Base x	Height x	Width =	Area
GLA1	First Floor	1.0	1248.0	158.0	1248.0	First Floor	28.0 x		27.0 =	756.0
GLA2	2nd Floor	1.0	912.3	143.0	912.3	2nd Floor	24.0 x		20.5 =	492.0
P/P	Covered Por	1.0	216.0	70.0			24.0 x		20.5 =	492.0
	Deck	1.0	126.0	48.0			20.5 x		20.5 =	420.3
	Covered Por	1.0	144.0	52.0						
	Deck	1.0	63.9	32.0	551.9					
Net LIVABLE cnt 2 (rounded) 2,160					4 total items (rounded) 2,160					

Lot 24 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.: Seeley Lake Outlet West Lot 24			
Property Address:	298 Shoreline Court			
City:	Seeley Lake	County:	State:	MT
Owner:	Zip Code: 59868			
Client:	Client Address:			
Appraiser Name:	Inspection Date:			

SKETCH

Sketch by Apex Skier

AREA CALCULATIONS SUMMARY					AREA CALCULATIONS BREAKDOWN						
Code	Description	Factor	Net Size	Perimeter	Net Total	Name	Base x	Height x	Width =	Area	
GBAS	Storage Bldg	1.0	96.0	40.0	607.5	Storage Bldg	12.0 x	8.0 x	=	96.0	
	Storage Bldg	1.0	96.0	40.0		Storage Bldg	12.0 x	8.0 x	=	96.0	
	Storage Bldg	1.0	199.5	59.0		Storage Bldg	19.0 x	10.5 x	=	199.5	
	Storage Bldg	1.0	216.0	60.0		Storage Bldg	18.0 x	12.0 x	=	216.0	
GAR	Garage	1.0	420.3	82.0	1269.3						
	Lean-to	1.0	328.0	73.0							
	Open Storage	1.0	84.0	38.0							
	Open Storage	1.0	137.0	84.0							
OTH	Outhouse	1.0	16.0	16.0	16.0						
P/P	Deck	1.0	42.0	29.0	42.0						
Net BUILDIN		cnt.	4 (rounded)		608	4 total items			(rounded)	608	

LOT 24 - SUBJECT PHOTOGRAPHS



Residence on Lot 24



South Side of Residence



West Side of Residence



North Side of Residence



East Side of Residence

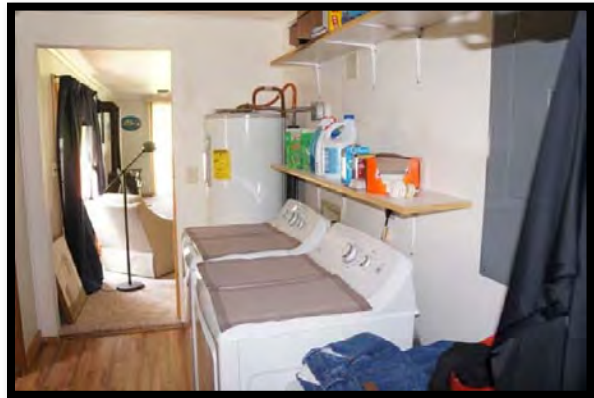


Kitchen

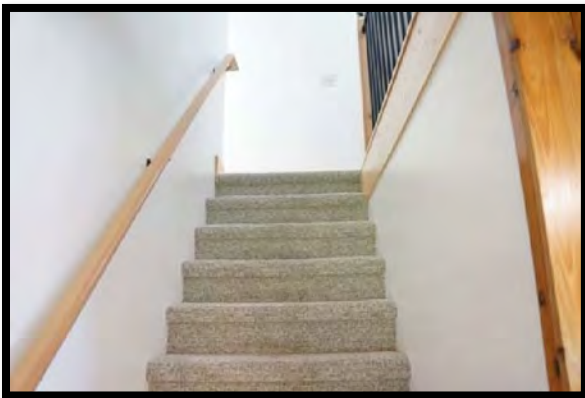
ADDITIONAL PHOTOGRAPHS



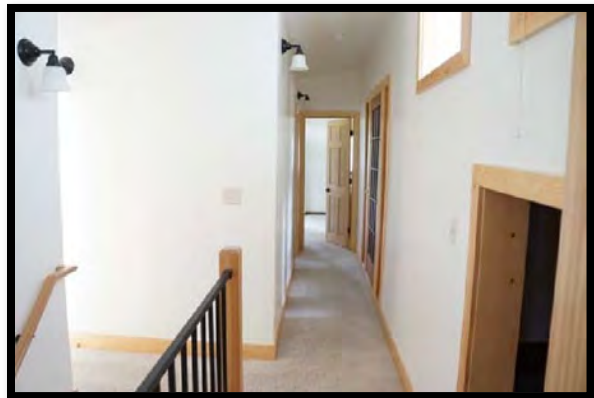
Living Room



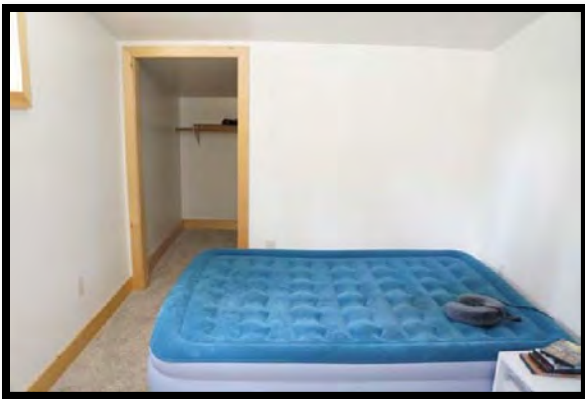
Laundry Room



Stairs to 2nd Floor



2nd Floor Hallway



Bedroom

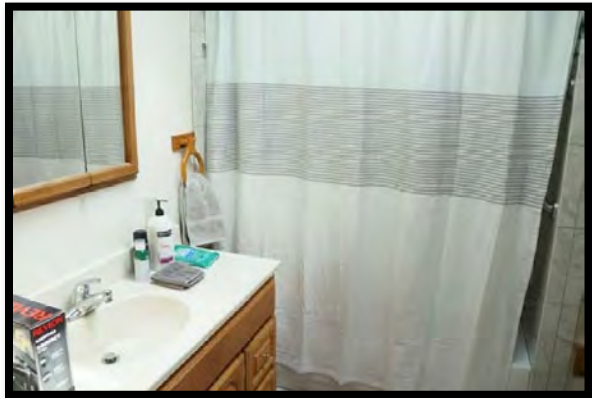


Master Bedroom

ADDITIONAL PHOTOGRAPHS



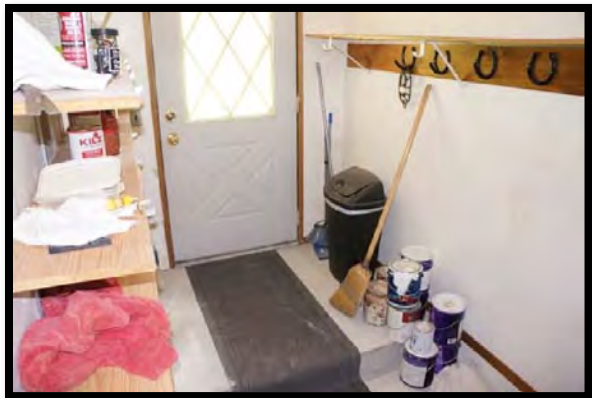
Bedroom



Bathroom



Storage Room



Mud Room



HVAC Equipment



Garage and Lean-to

ADDITIONAL PHOTOGRAPHS



Garage Interior



Storage Building with Open Storage



Storage Buildings



Storage Building Interior



Storage Building Interior



Outhouse

ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking North



Northwest Property Boundary Marker Looking East



Seeley Lake Outlet Looking West



Seeley Lake Outlet Looking East

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking North



View West along Approximate North Property Boundary



View South along Approximate East Property Boundary



Lot 24 Interior Looking South



Southeast Property Boundary Marker Looking North



View West along Approximate South Property Boundary

SUBJECT MARKET ANALYSIS

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

Subject Productivity Analysis

General Property Description

The subject sites range in size from 0.860 up to 2.532 in gross acres. All of the sites include residential improvements. The subject properties all have frontage on a portion of the Clearwater River also known as Seeley Lake Outlet. Seeley Lake is accessible by boat from the subject lots; however, boats must be small enough to fit under the bridge at Boy Scout Road.

Area Land Use Trends

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

Potential Users of Subject Property

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

Demand Analysis

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

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

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

Riverfront Lot* Listings & Sales									
Clearwater River or Seeley Lake Outlet									
Address	Water Frontage Name	Sale Date	List Date	Sales Price	List Price	Improvement Value	Price Less Improvements	Site Acres	Days on Market
Lot 12, River Watch	Clearwater River	ACTIVE	Mar-19	N/A	\$109,900	\$0	\$109,900	2.44	77
138 Little Wheel Ct	Clearwater River	2018		\$213,500		\$65,000	\$148,500	1.38	49
1025 Riverview Dr	Clearwater River	2017		\$225,000		\$75,000	\$150,000	2.66	82
388 Overland Trail	Clearwater River	2016		\$130,000		\$0	\$130,000	2.02	75
973 Riverview Dr	Clearwater River	2015		\$215,000		\$50,000	\$165,000	1.93	82
212 Shoreline Ct	Seeley Lake Outlet	2013		\$210,000		\$76,000	\$134,000	0.45	63
*Sales or Listings with improvements of \$80,000 of contributory value or less utilized in this analysis.									

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

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

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

Sale Date	Sold Price	Waterfront Name	Days on Market
2013	\$210,000	Seeley Lake Outlet	63
2013	\$260,000	Clearwater River	157
Average Days on Market			110
2015	\$310,000	Clearwater River	474
Average Days on Market			474
2016	\$210,000	Clearwater River	106
2016	\$687,000	Clearwater River	69
2016	\$330,000	Clearwater River	42
2016	\$450,000	Clearwater River	497
Average Days on Market			179
2017	\$225,000	Clearwater River	169
Average Days on Market			169
2018	\$213,500	Clearwater River	49
2018	\$254,000	Clearwater River	161
Average Days on Market			105
2019	\$459,900	Clearwater River	688
2019	\$346,900	Clearwater River	392
Average Days on Market			540

This data indicates that there have been from 0 to 4 home sales each year on the Seeley Lake Outlet or Clearwater River from 2013 to 2019 Year-to-Date. Sales prices have fluctuated depending upon the characteristics of the lot and home.

Competitive Supply

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

We located one active listings of a vacant site with frontage along the Clearwater River as of the report effective date. The list price for this property is \$109,900. The active listing is south of Salmon Lake and does not include boat access to either Salmon Lake or Seeley Lake.

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

There were no active listings of homes with frontage along the Seeley Lake Outlet as of the report effective date. There were 4 active listings of homes on site with frontage along the Clearwater River as of the report effective date. These four properties were listed for \$169,000, \$425,000, \$575,000, and \$1,115,000. None are considered similar to the subject properties as improved.

Interaction of Supply and Demand

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

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

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

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

Subject Marketability Conclusion

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

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

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

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

Estimated Marketing and Exposure Times

The most recent sales of sites (or sites within minimal improvements) with frontage along the Seeley Lake Outlet or the Clearwater River were marketed for an average of 70 days. Based upon this data, **marketing times** between 1 to 3 months are considered appropriate for subject properties

as if vacant. If subject properties had sold, as if vacant, on the effective date of this report, at the appraised values concluded, 1 to 3 month **exposure times** would have been reasonable.

The one improved sale with frontage along the Clearwater River that sold via the area MLS during 2017 was marketed for 169 days or approximately 6 months. The two improved sales that closed in 2018 were marketed for an average of 105 days or approximately 3.5 months. **Marketing times** between 3 to 6 months are appropriate for subject properties as improved. If the subject properties had sold, as improved, on the effective date of this report, at the appraised values concluded in this report, 3 to 6 month **exposure times** would have been reasonable.

HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

The subject properties are in an area of Missoula County that is not zoned. The subject properties are within the 2010 Seeley Lake Regional Plan area. The plan area is not a regulatory document; however, developers are strongly encouraged to adhere to the development patterns and policies and the land designation map. The subject lots are in an area with a density recommendation of 1 dwelling unit per 5 acres.

The Certificate of Surveys which include the subject lots were recorded in 2001 or 2018. The original subject lots were created prior to the 2010 Seeley Lake Regional Plan. Additionally, the plan is a regulatory document which recommends uses but does not include requirements. Since there is no zoning in the subject area, there are many legally permissible uses for the subject lots as if vacant.

Physically Possible

There is sufficient space on each subject site for a single family residence and related outbuildings. There is not sufficient space on each site for most other types of uses. Several of the subject lots are partially within flood plain areas that are subject to regulation (AE Floodway and AE Flood Zone). These lots all include sufficient area for septic systems as they all have septic permits. For these reasons, residential improvements are physically possible on all of the subject lots.

Financially Feasible

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

Maximally Productive

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

AS IMPROVED

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

THE APPRAISAL PROCESS

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

APPROACHES IN THE VALUATION OF REAL PROPERTY

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

Cost Approach

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

Sales Comparison Approach

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

Income Capitalization Approach

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

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

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

All three approaches to value were considered for the valuation of subject lots as improved. Most market participants interested in purchasing homes in the subject market area do not base decisions upon the depreciated cost of the improvements. For this reason, the Cost Approach is not considered applicable and was not developed in this report. The residences on the subject lots are not utilized for income generation. For this reason, the Income Approach is not considered applicable and was not developed in this report. The Sales Comparison Approach is developed to determine the values of the subject properties as improved.

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

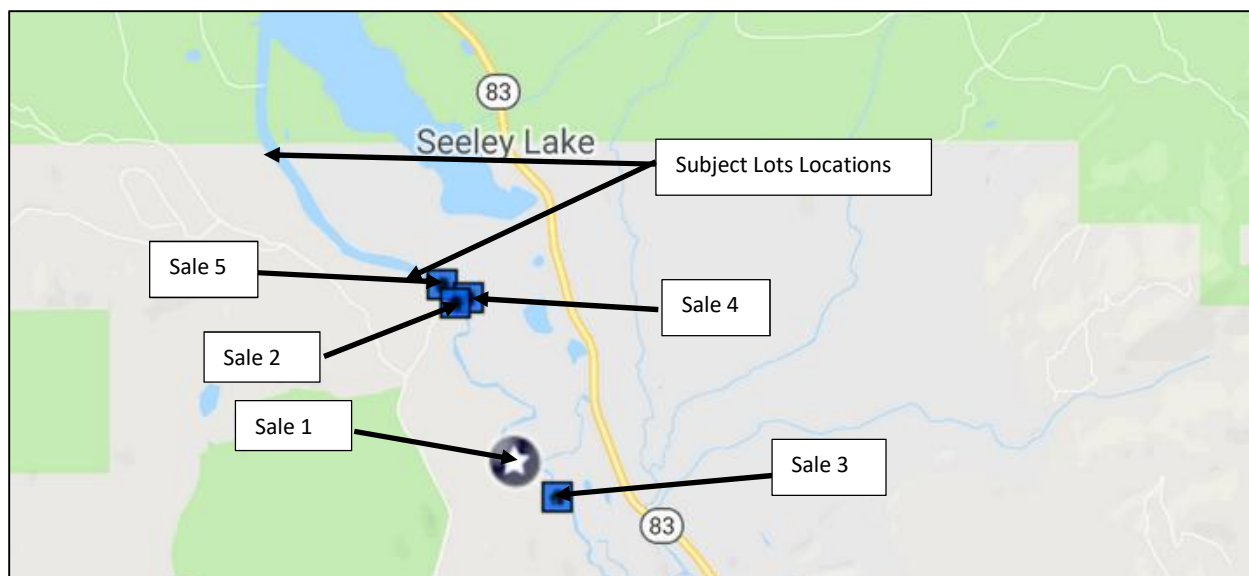
LOT SALES

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

Sale #	Address	City	Water Frontage	Sale Date	Acres	Sales Price	Value of Improvements	Sales Price Less Improvements
1	138 Little Wheel Ct	Seeley Lake	Clearwater River	2018	1.380	\$213,500	\$65,000	\$148,500
2	1025 Riverview Dr	Seeley Lake	Clearwater River	2017	2.661	\$225,000	\$75,000	\$150,000
3	388 Overland Trail	Seeley Lake	Clearwater River	2016	2.020	\$130,000	\$0	\$130,000
4	973 Riverview Dr	Seeley Lake	Clearwater River	2015	1.932	\$215,000	\$50,000	\$165,000
5	212 Shoreline Ct	Seeley Lake	Seeley Lake Outlet	2013	0.466	\$210,000	\$76,000	\$134,000

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


Map of Comparable Lot Sales




LAND SALE 1

COMPARABLE SALE INFORMATION				
	Location		138 Little Wheel Court	
	City/State		Seeley Lake	
	County		Missoula	
	Assessor Number		0005472574	
	Zoning		Unzoned	
	Site Size: Acres		1.380	
	Square Feet		60,113	
	Date of Sale		November 15, 2018	
	Sales Price		\$213,500	
	Less Cost of Improvements*		\$65,000	
	Sales Price Adjusted		\$148,500	
	MLS #		21812251	
ANALYSIS OF SALE				
Price per Acre		\$107,609		
Price per Square Foot			\$2.47	
Price Per Front Foot			\$621	
TRANSFER INFORMATION				
Grantor		Gary W. Parks & Pamela M. Kamera	Grantee	Fred H. Pippin & Tami Pippin
Type of Instrument		Warranty Deed	Document #	201820347
			Marketing Time	49 Days on Market
Financing/Conditions		Conventional/Market	Verified By	Kim Koppen, Selling Agent
Legal Description		Lot 171, Double Arrow Ranch, Phase 1A, Missoula County,	Intended Use/Comments	Purchased for Residential Purposes
Section/Township/Range		S15/T16N/R15W		
PROPERTY DETAILS				
Access		Gravel Subdivision Road	View	River, Mountains
Topography		Level	Lot Dimensions	Various
Flood Plain		According to Flood Map # 30063C0740E, only portions of the property directly adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 560 SF home constructed in 1994. Based a depreciated cost analysis, the improvements on this property contributed approximately \$65,000 to the sale price.
Feet of Water Frontage		239.11	Value of Improvements	\$65,000
Utilities		Electricity, Telephone, Community Water, & Septic System	Miscellaneous	
Report File # 19-024ec				

LAND SALE 2

COMPARABLE SALE INFORMATION				
	Location		1025 Riverview Drive	
	City/State		Seeley Lake	
	County		Missoula	
	Assessor Number		0002281002	
	Zoning		Unzoned	
	Site Size: Acres		2.661	
	Square Feet		115,913	
	Date of Sale		November 9, 2017	
	Sales Price		\$225,000	
	Less Cost of Improvements*		\$75,000	
	Sales Price Adjusted		\$150,000	
	MLS #		21706124	
ANALYSIS OF SALE				
Price per Acre		\$56,370	Price per Square Foot	\$1.29
			Price Per Front Foot	\$368
TRANSFER INFORMATION				
Grantor	Edward H. Townsend Trust & Betty Jo Townsend Trust	Grantee	Kevin F. Breen & Michelle J. Breen	
Type of Instrument	Warranty Deed	Document #	201722789	
		Marketing Time	82 Days on Market	
Financing/Conditions	Conventional/Market	Verified By	Carey Kanavel, Selling Agent	
Legal Description	Parcel 1 of Certificate of Survey #6328, Missoula County, Montana	Intended Use/Comments	Purchased for Residential Purposes	
Section/Township/Range	S3/T16N/R15W			
PROPERTY DETAILS				
Access	Paved County Road	View	River, Mountains	
Topography	Level	Lot Dimensions	Various	
Flood Plain	According to Flood Map # 30063C0740E, only portions of the property directly adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 952 SF residence constructed in 1947. Based upon interior photographs of this residence and examination of sales of similar residences in Seeley Lake, the improvements on this property contribute \$75,000 to the sale price.	
Feet of Water Frontage	407.71	Value of Improvements	\$75,000	
Utilities	Electricity, Telephone, Well, & Septic System	Miscellaneous		
Report File # 18-024ec				

LAND SALE 3

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

LAND SALE 4

COMPARABLE SALE INFORMATION

Location	973 Riverview Drive
City/State	Seeley Lake
County	Missoula
Assessor Number	0000308001
Zoning	Unzoned
Site Size: Acres	1.932
Square Feet	84,158
Date of Sale	June 8, 2015
Sales Price	\$215,000
Less Cost of Improvements*	\$50,000
Sales Price Adjusted	\$165,000
MLS #	20151439

ANALYSIS OF SALE

Price per Acre	\$85,404	Price per Square Foot	\$1.96
		Price Per Front Foot	\$868

TRANSFER INFORMATION


Grantor	Kevin Wetherell	Grantee	Trevor J. Crofutt
Type of Instrument	Notice of Purchaser's Interest	Document #	201509339
		Marketing Time	82 Days on Market
Financing/Conditions	Contract for Deed/Seller Carried Contract	Verified By	Kevin Wetherell, Seller
Legal Description	A Portion of Land in Lot 8	Intended Use/Comments	Purchased for Residential Purposes
Section/Township/Range	S3/T16N/R15W		

PROPERTY DETAILS

Access	Paved County Road	View	River, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to Flood Map # 30063C0740E, only portions of the property directly adjacent to the river are in an area of Elevated Flood Risk.	Improvements	The site is improved with a 1,176 SF manufactured home, a garage, and a shed that are considered to contribute approximately \$50,000 to the sale price. The house is built on a basement that is prone to flooding.
Feet of Water Frontage	190	Value of Improvements	\$50,000
Utilities	Electricity, Telephone, Well, & Septic System	Miscellaneous	*According to the Seller, favorable financing that did not require a down payment likely resulted in a slightly higher sale price than market. A downward adjustment of \$5,000 is reasonable.

Report File # 16-015ec

LAND SALE 5

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

HOME SALES

We conducted a search for sales of homes on sites along the Seeley Lake Outlet or the Clearwater River. Few comparable sales were located. For this reason, it was necessary to utilize sales without water frontage. Since the subject residences vary in quality and condition it was necessary to utilize 8 improved comparable sales. The most applicable and recent comparable sales located are described on the table below;


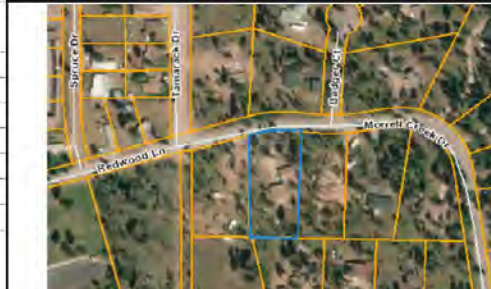
Home Sales							
Sale #	Address	City	Water Frontage	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
1	645 Morrell Cree Dr	Seeley Lake	None	2017	\$166,500	\$40,000	\$126,500
2	120 Overland Trail	Seeley Lake	Clearwater River	2019	\$346,900	\$180,000	\$166,900
3	140 Grandview Ct	Seeley Lake	None	2018	\$265,000	\$40,000	\$225,000
4	209 Overland Dr	Seeley Lake	None	2017	\$185,000	\$60,000	\$125,000
5	1036 Spruce Dr	Seeley Lake	None	2018	\$285,000	\$30,000	\$255,000
6	570 Glacier Dr	Seeley Lake	None	2018	\$254,500	\$60,000	\$194,500
7	300 Loeota Peak	Seeley Lake	None	2018	\$375,000	\$60,000	\$315,000
8	601 Morrell Creek Dr	Seeley Lake	None	2017	\$250,000	\$60,000	\$190,000

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



Map of Comparable Home Sales



HOME SALE 1

COMPARABLE SALE INFORMATION	
	Location 645 Morrell Creek Drive City/State Seeley Lake, MT County Missoula Assessor Number 0001477507 Zoning Unzoned Portion of Missoula Co. Site Size: Acres 1.020 Square Feet 44,431 Date of Sale October 17, 2017 Sales Price \$166,500 Adjustment to Sales Price \$0 Adjusted Sales Price \$166,500 MLS # 21710648
TRANSFER INFORMATION	
Grantor	Leigh Dicks
Recording Data	Warranty Deed #201721353
Financing/Conditions	Cash/Market
Legal Description	Lot 65 of Double Arrow Ranch Phase 2
Section/Township/Range	S2/T16N/R15W
Grantee	Susan D. DeBree
Marketing Time	56 Days on Market
Verified By	Scott Kennedy, Listing Agent
Intended Use	Residential
DESCRIPTION OF IMPROVEMENTS	
Water Frontage	N/A
Access	Morrell Creek Dr., Paved County Rd
House Square Feet	864
Bedroom/Bathrooms	2BR/1BA
Year Built or Renovated	1980
Basement Construction	Crawl Space Log
Quality Condition	Average Average
Water/Sewer Utilities	City Water/Septic Electricity/Telephone
Topography	Level
Garage	2 Car Detached w/studio apartment
Outbuildings Miscellaneous	None
ANALYSIS OF SALE	
Sales Price	\$166,500
Estimated Site Value	\$40,000
Sales Price of Improvements	\$126,500
Improvement Price/SF	\$146
	
Report File # 17-028ec	

HOME SALE 2

COMPARABLE SALE INFORMATION																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 40%;">Location</td><td>120 Overland Trail</td></tr> <tr><td>City/State</td><td>Seeley Lake, MT</td></tr> <tr><td>County</td><td>Missoula</td></tr> <tr><td>Assessor Number</td><td>0005472330</td></tr> <tr><td>Zoning</td><td>Unzoned Portion of Missoula Co.</td></tr> <tr><td>Site Size: Acres</td><td>2.690</td></tr> <tr><td>Square Feet</td><td>117,176</td></tr> <tr><td>Date of Sale</td><td>May 4, 2019</td></tr> <tr><td>Sales Price</td><td>\$346,900</td></tr> <tr><td>Adjustment to Sales Price</td><td>\$0</td></tr> <tr><td>Adjusted Sales Price</td><td>\$346,900</td></tr> <tr><td>MLS #</td><td>21804523</td></tr> </table>		Location	120 Overland Trail	City/State	Seeley Lake, MT	County	Missoula	Assessor Number	0005472330	Zoning	Unzoned Portion of Missoula Co.	Site Size: Acres	2.690	Square Feet	117,176	Date of Sale	May 4, 2019	Sales Price	\$346,900	Adjustment to Sales Price	\$0	Adjusted Sales Price	\$346,900	MLS #	21804523
		Location	120 Overland Trail																								
		City/State	Seeley Lake, MT																								
		County	Missoula																								
		Assessor Number	0005472330																								
		Zoning	Unzoned Portion of Missoula Co.																								
		Site Size: Acres	2.690																								
		Square Feet	117,176																								
		Date of Sale	May 4, 2019																								
		Sales Price	\$346,900																								
Adjustment to Sales Price	\$0																										
Adjusted Sales Price	\$346,900																										
MLS #	21804523																										
TRANSFER INFORMATION																											
Grantor	Estate of Patricia L. Bewick	Grantee	The Daniel J. Wilkerson 2008 Revocable Trust & The Mary Wilkerson 2008 Revocable Trust																								
Recording Data	Warranty Deed #21804523	Marketing Time	392 Days on Market																								
Financing/Conditions	Conventional/Market	Verified By	Kim Koppen, Listing Agent																								
Legal Description	Lots 146 & 147 Double Arrow Ranch, Phase 1A, Missoula County, Montana	Intended Use	Residential/Recreational																								
Section/Township/Range	S157/T16N/R15W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
Water Frontage	N/A	Sales Price	\$346,900																								
Access	Subdivision, Gravel Road	Estimated Site Value	\$180,000																								
House Square Feet	1,408	Sales Price of Improvements	\$166,900																								
Bedroom/Bathrooms	2 BR/1.5 BA	Improvement Price/SF	\$119																								
Year Built or Renovated	1988																										
Basement	875 S F Finished (1 Bath)																										
Construction	Log Frame																										
Quality	Average																										
Condition	Average																										
Water/Sewer	Community Water/Septic																										
Utilities	Electricity/Telephone																										
Topography	Mostly Level (Slopes Down at River)																										
Garage	2 Car Garage-Detached w/Loft																										
Outbuildings	312 SF Carport, 266 SF Open Storage, 128 Sf Shed, & 208 Sf Detached Deck																										
Miscellaneous	Home has 440 SF in Covered Porches & a custom fireplace. Property includes 275.24' of frontage along the Clearwater River. Portions of the property along the river are within the floodway AE zone.																										

Report File # 19-024ec

HOME SALE 3



COMPARABLE SALE INFORMATION			
		Location 140 Grandview Court	
		City/State Seeley Lake, MT	
		County Missoula	
		Assessor Number 0002151400	
		Zoning Unzoned Portion of Missoula Co.	
		Site Size: Acres 1.870	
		Square Feet 81,457	
		Date of Sale November 9, 2018	
		Sales Price \$265,000	
		Adjustment to Sales Price \$0	
		Adjusted Sales Price \$265,000	
		MLS # 21802554	
TRANSFER INFORMATION			
Grantor	Phil Zollo & Constance L. Zollo Ruiz	Grantee	Jackie N. Campbell & Bryce Campbell
Recording Data	Warranty Deed #201821091	Marketing Time	237 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Bruce Wold, Listing Agent
Legal Description	Lot 110 of Drew Creek Addition - Phase VII Double Arrow Ranch, Missoula County, Montana	Intended Use	Residential
Section/Township/Range	S07/T16N/R14W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$265,000
Access	Subdivision, Gravel Road	Estimated Site Value	\$40,000
House Square Feet	1,649	Sales Price of Improvements	\$225,000
Bedroom/Bathrooms	2 BR/1 BA	Improvement Price/SF	\$136
Year Built or Renovated	1980		
Basement	N/A		
Construction	Log Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Well/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2 Car Garage-Detached w/Loft		
Outbuildings	100 SF Shed, 132 Sf Shed, 400 SF Lean-to		
Miscellaneous	482 SF in Covered Porches, 70 SF Enclosed Porch, Interior finishes include log interior walls, vaulted ceilings, and brick fireplace.		

Report File # 19-024ec

HOME SALE 4

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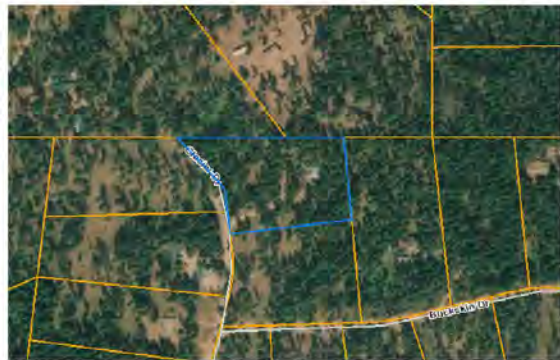
HOME SALE 5

COMPARABLE SALE INFORMATION			
	Location		1036 Spruce Drive
	City/State		Seeley Lake, MT
	County		Missoula
	Assessor Number		0002151400
	Zoning		Unzoned Portion of Missoula Co.
	Site Size: Acres		0.459
	Square Feet		19,994
	Date of Sale		November 30, 2018
	Sales Price		\$285,000
	Adjustment to Sales Price		\$0
	Adjusted Sales Price		\$285,000
	MLS #		21811769
TRANSFER INFORMATION			
Grantor	Karen F. Archibald	Grantee	Lee Patricia Huestis
Recording Data	Warranty Deed #201821091	Marketing Time	79 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Tanya Fyfe, Listing Agent
Legal Description	Lot 13 in Block 2 of Seeley Lake Homesites No. 4, Missoula County, Montana	Intended Use	Residential
Section/Township/Range	S030/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$285,000
Access	Public, Gravel Road	Estimated Site Value	\$30,000
House Square Feet	1,332	Sales Price of Improvements	\$255,000
Bedroom/Bathrooms	3 BR/2.5 BA	Improvement Price/SF	\$191
Year Built or Renovated	2008		
Basement	N/A		
Construction	Log Frame		
Quality	Very Good		
Condition	Good		
Water/Sewer	Well/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2 Car Garage - Detached		
Outbuildings	120 SF Shed		
Miscellaneous	264 SF in Covered Porches, 201 SF Wood Deck, 201 SF Concrete Patio. Interior finishes include tile and carport floor covering, tongue & groove ceilings, high quality wood trim and wood doors. Home includes a water treatment system.		

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HOME SALE 6

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

HOME SALE 7

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

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HOME SALE 8

COMPARABLE SALE INFORMATION



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

TRANSFER INFORMATION

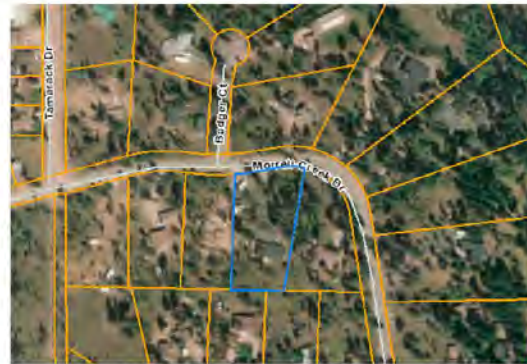
Grantor	Peggy Walker	Grantee	LeeRoy L. Strong & Sherry S. Strong
Recording Data	Warranty Deed #201719940	Marketing Time	224 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Robin Matthews-Barns, Listing Agent
Legal Description	Lot 67 of Double Arrow Ranch Phase II, Missoula, Montana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

DESCRIPTION OF IMPROVEMENTS

ANALYSIS OF SALE

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

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



Report File # 18-024ec

PROPERTY VALUATIONS

LOT 5

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 5 , COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		138 Little Wheel Ct	1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$213,500	\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$65,000	-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		11/15/18	11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.188	1.380	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		20%	0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%	0%
TOPOGRAPHY	Level	Level	Level	Level	Level	Level
		0%	0%	0%	0%	0%
FRONTAGE/ACCESS	Private Road	Private Road	County Road	Private Road	County Road	County Road
		0%	0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No	No
		0%	0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
		0%	0%	0%	0%	0%
SITE SIZE/ACRES	1.188	1.380	2.661	2.020	1.932	0.446
		0%	0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		20%	0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$29,700	\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$178,200	\$150,000	\$156,000	\$160,000	\$134,000

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The closed comparables sold in 2018, 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Waterfront Name: The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 2, 4, and 5 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 2 and 4 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sales 1 and 3 are located more than 1 mile south of the Seeley Lake Outlet and have no boat access to Seeley Lake. We have paired these sales with Land Sales 2 and 4. We did not pair this sale with Land Sale 5 since it closed almost 6 years prior to the report effective date. These pairings are on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		1%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		11%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 3				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 4				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

The four pairings suggest upward adjustments ranging from 1% up to 27%. Most weight is accorded Paired Sales Sets 3 and 4 as these sales are most similar in size. Additionally, the sale at 388 Overland Trail required no additional adjustment for improvements. Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sales 1 and 3 as they are along the Clearwater River with no access by boat to Seeley Lake.

Shape: The comparables have shapes suitable for development and no adjustment was made in this category.

Topography: The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. The subject and comparables are considered similar in this category and no adjustment was necessary.

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

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

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$178,200, \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 5 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, 3, and 4. The average of the value indications from these sales is \$161,050. A market value of \$161,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$161,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 5, COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		645 Morrell Creek Dr	120 Overland Trail	140 Grandview Dr
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$166,500	\$346,900	\$265,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		10/17/17	05/04/19	11/09/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$166,500	\$346,900	\$265,000
LESS SITE VALUE		(\$40,000)	(\$180,000)	(\$40,000)
ADJUSTED IMPROVEMENT PRICE		\$126,500	\$166,900	\$225,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Average	Average	Average
		\$0	\$0	\$0
BATHROOMS	1	1	1.5	1
		\$0	-\$2,500	\$0
HOUSE SIZE/SF	1,216	864	1,408	1,649
		\$23,584	-\$12,864	-\$29,011
FINISHED BASEMENT/sf	0	0	875	0
		\$0	-\$29,750	\$0
OUTBUILDINGS	Pump House, Storage Building, Boat House, Outhouse, & Pier	Superior	Superior	Superior
		-\$6,800	-\$7,300	-\$6,800
TOTAL ADJUSTMENT		\$16,784	-\$22,664	-\$35,811
NET ADJUSTMENT PERCENTAGE		13%	-14%	-16%
ADJUSTED PRICE INDICATION		\$143,284	\$144,236	\$189,189

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017, 2018, and 2019 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

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

Bathrooms: The subject residence includes 1 bathroom. The improved sales either include 1 or 1.5 bathrooms. Downward adjustments of \$2,500 per difference in half bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$67 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sales 1 and 3 do not include finished basements areas. House Sale 2 includes 875 square feet of finished basement area. A downward adjustment of \$34 per square foot is considered reasonable and appropriate for the finished basement area of Improved Sale 2. This equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Pump House	49	Section 17/Page 12	\$12.90	\$632
Storage Shed	240	Section 17/Page 12	\$12.90	\$3,096
Wood Deck	72	Section 17/Page 38	\$25.75	\$1,854
Boat House	270	Section 17/Page 18	\$21.85	\$5,900
Pier	120	Section 67/Page 6	\$23.95	\$2,874
Out House	25	Lump Sum Estimate		\$2,000
Total Cost New				\$16,356
Less Depreciation - Age/Life - 10/20 Years = 50%				-\$8,178
Depreciated Cost Estimate				\$8,178
Rounded To				\$8,200

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$143,287, \$144,236, and \$189,189. Approximately equal weight is accorded the adjusted indications. The average of the indications is \$158,903. A market value of \$159,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$161,000
Subject Improvements Value	<u>\$159,000</u>
Total Value Indication	\$320,000

LOT 8

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 8 , COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		138 Little Wheel Ct	1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$213,500	\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$65,000	-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		11/15/18	11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.233	1.380	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Level	Level	Level	Level	Level	Level
FRONTAGE/ACCESS	Private Road	Private Road	County Road	Private Road	County Road	County Road
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.233	1.380	2.661	2.020	1.932	0.446
TOTAL PERCENTAGE ADJUSTMENT		20%	0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$29,700	\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$178,200	\$150,000	\$156,000	\$160,000	\$134,000

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The closed comparables sold in 2018, 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Waterfront Name: The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 2, 4, and 5 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 2 and 4 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sales 1 and 3 are located more than 1 mile south of the Seeley Lake Outlet and have no boat access to Seeley Lake. We have paired these sales with Land Sales 2 and 4. We did not pair this sale with Land Sale 5 since it closed almost 6 years prior to the report effective date. These pairings are on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		1%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		11%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 3				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 4				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

The four pairings suggest upward adjustments ranging from 1% up to 27%. Most weight is accorded Paired Sales Sets 3 and 4 as these sales are most similar in size. Additionally, the sale at 388 Overland Trail required no additional adjustment for improvements. Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sales 1 and 3 as they are along the Clearwater River with no access by boat to Seeley Lake.

Shape: The comparables have shapes suitable for development and no adjustment was made in this category.

Topography: The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. The subject and comparables are considered similar in this category and no adjustment was necessary.

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

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

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$178,200, \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 5 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, 3, and 4. The average of the value indications from these sales is \$161,050. A market value of \$161,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$161,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 8, COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 2	SALE 3	SALE 4
IDENTIFICATION		120 Overland Trail	140 Grandview Dr	209 Overland Trail
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$346,900	\$265,000	\$185,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/04/19	11/09/18	09/25/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$346,900	\$265,000	\$185,000
LESS SITE VALUE		(\$180,000)	(\$40,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$166,900	\$225,000	\$125,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Good
		\$0	\$0	-\$6,250
CONDITION	Average	Average	Average	Good
		\$0	\$0	-\$6,250
BATHROOMS	1	1.5	1	1
		-\$2,500	\$0	\$0
HOUSE SIZE/SF	1,421	1,408	1,649	996
		\$819	-\$14,364	\$26,775
FINISHED BASEMENT/sf	0	875	0	0
		-\$28,000	\$0	\$0
OUTBUILDINGS	Garage, Lean-to, & Pier	Inferior	Inferior	Inferior
		\$800	\$1,300	\$3,300
TOTAL ADJUSTMENT		-\$881	-\$13,064	\$17,575
NET ADJUSTMENT PERCENTAGE		-1%	-6%	14%
ADJUSTED PRICE INDICATION		\$166,019	\$211,936	\$142,575

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017, 2018, and 2019 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

Quality: The subject residence and Improved Sales 2 and 3 are considered similar in quality and no adjustment was necessary in this category for these sales. Improved Sale 4 is superior in overall quality compared to the subject. Some downward adjustment is considered necessary for this sale in this category. There is little definitive market data available on which to base an adjustment. A downward adjustment of 5% was made to Improved Sale 4 in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Condition: The subject residence and Improved Sales 2 and 3 are considered similar in condition and no adjustment was necessary in this category for these sales. Improved Sale 4 is superior in overall condition compared to the subject. Some downward adjustment is considered necessary for this sale in this category. There is little definitive market data available on which to base an adjustment. A downward adjustment of 5% was made to Improved Sale 4 in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

Bathrooms: The subject residence includes 1 bathroom. The improved sales either include 1 or 1.5 bathrooms. Downward adjustments of \$2,500 per difference in half bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$63 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sales 3 and 4 do not include finished basements areas. House Sale 2 includes 875 square feet of finished basement area. A downward adjustment of \$32 per square foot is considered reasonable and appropriate for the finished

basement area of Improved Sale 2. This equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated cost calculated on the table below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Garage	651	Section 12/Page 35	\$34.25	\$22,297
Lean-To	248	Section 17/Page 12	\$7.95	\$1,972
Pier	348	Section 67/Page 6	\$23.95	<u>\$8,335</u>
Total Cost New				\$32,603
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$16,301</u>
Depreciated Cost Estimate				\$16,301
Rounded To				\$16,300

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$166,019, \$211,936, and \$142,575. Approximately equal weight is accorded the adjusted indications. The average of the indications is \$173,510. A market value of \$174,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$161,000
Subject Improvements Value	<u>\$174,000</u>
Total Value Indication	\$335,000

LOT 13

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 13 , COS #6624, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		138 Little Wheel Ct	1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$213,500	\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$65,000	-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		11/15/18	11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	2.532	1.380	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		20%	0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%	0%
TOPOGRAPHY	Level (Approximately 1/3 of Site Within Flood Zones)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)
		-5%	-5%	-5%	-5%	-5%
FRONTAGE/ACCESS	Private Road	Private Road	County Road	Private Road	County Road	County Road
		0%	0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%	0%
EASEMENTS AFFECTING USE	Yes	No	No	No	No	No
		-5%	-5%	-5%	-5%	-5%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
		0%	0%	0%	0%	0%
SITE SIZE/ACRES	2.532	1.380	2.661	2.020	1.932	0.446
		0%	0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		10%	-10%	10%	-10%	-10%
TOTAL ADJUSTMENT ADJUSTMENT		\$14,850	-\$15,000	\$13,000	-\$16,000	-\$13,400
ADJUSTED PRICE		\$163,350	\$135,000	\$143,000	\$144,000	\$120,600

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The closed comparables sold in 2018, 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Waterfront Name: The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 2, 4, and 5 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 2 and 4 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sales 1 and 3 are located more than 1 mile south of the Seeley Lake Outlet and have no boat access to Seeley Lake. We have paired these sales with Land Sales 2 and 4. We did not pair this sale with Land Sale 5 since it closed almost 6 years prior to the report effective date. These pairings are on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		1%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		11%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 3				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 4				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

The four pairings suggest upward adjustments ranging from 1% up to 27%. Most weight is accorded Paired Sales Sets 3 and 4 as these sales are most similar in size. Additionally, the sale at 388 Overland Trail required no additional adjustment for improvements. Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sales 1 and 3 as they are along the Clearwater River with no access by boat to Seeley Lake.

Shape: The comparables have shapes suitable for development and no adjustment was made in this category.

Topography: The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. Approximately 1/3 of the subject site is within flood plain areas. Additionally, the lessees reported a relatively substantial amount of seasonal flooding. The water frontage portions of comparables are in areas of flood hazard according to the current maps. The subject site is considered inferior compared to the comparables due to the additional percentage of the property within flood zones. There is little market data on which to base an adjustment in this category; however, some degree of downward adjustment is considered necessary. A downward adjustment of 5% was made to all 5 comparables in this category. This adjustment is considered reasonable and representative of the actions of market participants relative to this issue.

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

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

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$163,350, \$135,000, \$143,000, \$144,000, and \$120,600. No weight is accorded Land Sale 5 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, 3, and 4. The average of the value indications from these sales is \$146,338. A market value of \$146,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$146,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 13, COS #6624, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 5	SALE 6	SALE 7
IDENTIFICATION		1036 Spruce Dr	570 Grandview Dr	300 Leota Peak
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$285,000	\$254,500	\$375,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		11/30/18	01/16/18	04/16/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$285,000	\$254,500	\$375,000
LESS SITE VALUE		(\$30,000)	(\$60,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$255,000	\$194,500	\$315,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Very Good	Very Good	Very Good	Very Good
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
BATHROOMS	1	2.5	2	2
		-\$7,500	-\$5,000	-\$5,000
HOUSE SIZE/SF	1,564	1,332	1,152	1,795
		\$20,648	\$36,668	-\$20,559
FINISHED BASEMENT/sf	0	0	768	1,408
		\$0	-\$34,560	-\$63,360
OUTBUILDINGS	Guest House, Garage, & Pier	Inferior	Inferior	Inferior
		\$75,200	\$72,200	\$77,200
TOTAL ADJUSTMENT		\$88,348	\$103,868	\$51,641
NET ADJUSTMENT PERCENTAGE		35%	53%	16%
ADJUSTED PRICE INDICATION		\$343,348	\$298,368	\$366,641

Discussion of Adjustments

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

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

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

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

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

Bathrooms: The subject residence includes 1 bathroom. The improved sales either include 2 or 2.5 bathrooms. Downward adjustments of \$2,500 per half bath and \$5,000 per full bath difference in bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$89 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sale 5 do not include finished basements areas. Improved Sales 6 and 7 include finished basement areas. Downward adjustments of \$45 per square foot are considered reasonable and appropriate for the finished basement area of Improved Sales 6 and 7. This equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated cost calculated on the table below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Guest House	625	Section 12/Page 15	\$106.00	\$66,250
Covered Porch	175	Section 12/Page 38	\$19.45	\$3,404
Garage	869	Section 12/Page 35	\$46.25	\$40,191
Covered Porch	160	Section 12/Page 38	\$19.45	\$3,112
Pier	140	Section 67/Page 6	\$23.95	\$3,353
Total Cost New				\$116,310
Less Depreciation - Age/Life - 5/20 Years = 25%				<u>-\$29,078</u>
Depreciated Cost Estimate				\$87,233
Rounded To				\$87,200

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$343,348, \$298,368, and \$366,641. Approximately equal weight is accorded the adjusted indications. The average of the indications is \$336,119. A market value of \$336,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$146,000
Subject Improvements Value	<u>\$336,000</u>
Total Value Indication	\$482,000

LOT 22

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 22 , COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		138 Little Wheel Ct	1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$213,500	\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$65,000	-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		11/15/18	11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	0.860	1.380	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
		20%	0%	20%	0%	0%
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
		0%	0%	0%	0%	0%
TOPOGRAPHY	Level (100% of Site Within the 100/500 Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)	Level (Small Portion in Flood Zone)
		-5%	-5%	-5%	-5%	-5%
FRONTAGE/ACCESS	Private Road	Private Road	County Road	Private Road	County Road	County Road
		0%	0%	0%	0%	0%
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		0%	0%	0%	0%	0%
EASEMENTS AFFECTING USE	No	No	No	No	No	No
		0%	0%	0%	0%	0%
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
		0%	0%	0%	0%	0%
SITE SIZE/ACRES	0.860	1.380	2.661	2.020	1.932	0.446
		0%	0%	0%	0%	0%
TOTAL PERCENTAGE ADJUSTMENT		15%	-5%	15%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		\$22,275	-\$7,500	\$19,500	-\$8,000	-\$6,700
ADJUSTED PRICE		\$170,775	\$142,500	\$149,500	\$152,000	\$127,300

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The closed comparables sold in 2018, 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Waterfront Name: The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 2, 4, and 5 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 2 and 4 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sales 1 and 3 are located more than 1 mile south of the Seeley Lake Outlet and have no boat access to Seeley Lake. We have paired these sales with Land Sales 2 and 4. We did not pair this sale with Land Sale 5 since it closed almost 6 years prior to the report effective date. These pairings are on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		1%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		11%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 3				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 4				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

The four pairings suggest upward adjustments ranging from 1% up to 27%. Most weight is accorded Paired Sales Sets 3 and 4 as these sales are most similar in size. Additionally, the sale at 388 Overland Trail required no additional adjustment for improvements. Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sales 1 and 3 as they are along the Clearwater River with no access by boat to Seeley Lake.

Shape: The comparables have shapes suitable for development and no adjustment was made in this category.

Topography: The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. All of the subject site is within the 100/500 Year Flood Plain area. This is not currently a regulated flood plain area; however, the location in this area does increase risk associated with this site. The water frontage portions of comparables are in areas of flood hazard according to the current maps. The subject site is considered inferior compared to the comparables due to the location of the entire site within a flood zone. There is little market data on which to base an adjustment in this category; however, some degree of downward adjustment is considered necessary. A downward adjustment of 5% was made to all 5 comparables in this category. This adjustment is considered reasonable and representative of the actions of market participants relative to this issue.

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

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

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$170,775, \$142,500, \$149,500, \$152,000, and \$127,300. No weight is accorded Land Sale 5 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, 3, and 4. The average of the value indications from these sales is \$153,694. A market value of \$154,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$154,000

Improvement Value Estimate

Home Sales 4, 6, and 8 are appropriate comparables for this subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 22, COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 6	SALE 8
IDENTIFICATION		209 Overland Trail	570 Glacier Dr	601 Morrell Creek Dr
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$185,000	\$254,500	\$250,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		09/25/17	01/16/18	09/28/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$185,000	\$254,500	\$250,000
LESS SITE VALUE		(\$60,000)	(\$60,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$125,000	\$194,500	\$190,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Very Good	Good	Very Good	Good
		\$6,250	\$0	\$9,500
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
BATHROOMS	2.5	1	2	2
		\$7,500	\$2,500	\$2,500
HOUSE SIZE/SF	1,790	996	1,152	1,612
		\$54,786	\$44,022	\$12,282
FINISHED BASEMENT/sf	0	0	768	0
		\$0	-\$26,880	\$0
OUTBUILDINGS	Guest House, Garage, & Pier	Inferior	Inferior	Inferior
		\$79,400	\$77,400	\$82,400
TOTAL ADJUSTMENT		\$147,936	\$123,922	\$106,682
NET ADJUSTMENT PERCENTAGE		118%	64%	56%
ADJUSTED PRICE INDICATION		\$272,936	\$318,422	\$296,682

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017 or 2018 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

Quality: The subject residence and Improved Sale 6 are considered similar in quality and no adjustment was necessary in this category for these sales. Improved Sales 4 and 8 are inferior in overall quality compared to the subject. Some upward adjustments are considered necessary for these sales in this category. There is little definitive market data available on which to base an adjustment. Upward adjustments of 5% were made to Improved Sales 4 and 8 in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

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

Bathrooms: The subject residence includes 2.5 bathrooms in the main residence. The improved sales either include 1 or 2 bathrooms. Adjustments of \$5,000 per difference in full bathroom count and \$2,500 per difference in half bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$69 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sales 4 and 8 do not include finished basements areas. Improved Sale 6 includes finished basement. A downward adjustment of \$35 per square foot is considered reasonable and appropriate for the finished basement area of Improved Sale 6. This equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated cost calculated below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Garage	612	Section 12/Page 35	\$46.25	\$28,305
Guest Quarters	612	Section 12/Page 15	\$84.80	\$51,898
Storage Building	120	Section 17/Page 12	\$12.90	\$1,548
Pier Walkway & Pierhead	1,728	Section 67/Page 6	\$23.95	\$41,386
Total Cost New				\$123,136
Less Depreciation - Age/Life - 5/20 Years = 25%				<u>-\$30,784</u>
Depreciated Cost Estimate				\$92,352
Rounded To				\$92,400

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$272,936, \$318,422, and \$296,682. Approximately equal weight is accorded the adjusted indications. The average of the indications is \$296,013. A market value of \$296,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$154,000
Subject Improvements Value	<u>\$296,000</u>
Total Value Indication	\$450,000

LOT 24

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 24 , COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		138 Little Wheel Ct	1025 Riverview Dr	388 Overland Trail	973 Riverview Dr	212 Shoreline Ct
CITY		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$213,500	\$225,000	\$130,000	\$215,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$65,000	-\$75,000	\$0	-\$50,000	-\$76,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Non-Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	-\$5,000	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		11/15/18	11/09/17	06/29/16	06/08/15	09/16/13
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
SITE SIZE/ACRES	1.862	1.380	2.661	2.020	1.932	0.446
ADJUSTED SALES PRICE		\$148,500	\$150,000	\$130,000	\$160,000	\$134,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake Outlet	Clearwater River	Clearwater River	Clearwater River	Clearwater River	Seeley Lake Outlet
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Level	Level	Level	Level	Level	Level
FRONTAGE/ACCESS	Private Road	Private Road	County Road	Private Road	County Road	County Road
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.862	1.380	2.661	2.020	1.932	0.446
TOTAL PERCENTAGE ADJUSTMENT		20%	0%	20%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$29,700	\$0	\$26,000	\$0	\$0
ADJUSTED PRICE		\$178,200	\$150,000	\$156,000	\$160,000	\$134,000

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The closed comparables sold in 2018, 2017, 2016, 2015, and 2013. The sales utilized were the most recent located. There are few or no sales each year of vacant lots with frontage along the Seeley Lake Outlet. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Waterfront Name: The subject property includes frontage along the Seeley Lake Outlet. The comparables include frontage along the Seeley Lake Outlet and the Clearwater River. Land Sales 2, 4, and 5 are located closest to the subject lot and are considered most similar in this category. These sales have some level of boat access to Seeley Lake; however, Land Sales 2 and 4 are across Riverview Drive from the subject portion of Seeley Lake Outlet and boaters must navigate under an additional bridge.

Land Sales 1 and 3 are located more than 1 mile south of the Seeley Lake Outlet and have no boat access to Seeley Lake. We have paired these sales with Land Sales 2 and 4. We did not pair this sale with Land Sale 5 since it closed almost 6 years prior to the report effective date. These pairings are on the following page.

Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 1				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		1%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 2				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
138 Little Wheel Ct	Over 1 Mile South of Outlet	1.380	2018	\$148,500
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		11%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 3				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
1025 Riverview Dr	Across Bridge from Outlet	2.661	2017	\$150,000
		Indicated adjustment for further distance from Seeley Lake Outlet		15%
Paired Sales Analysis - Location Further from Seeley Lake				
Paired Sale Set 4				
Sale Address	River Location	Size/Acres	Sale Date	Adjusted Sales Price*
388 Overland Trail	Over 1 Mile South of Outlet	2.020	2016	\$130,000
973 Riverview Dr	Across Bridge from Outlet	1.932	2015	\$165,000
		Indicated adjustment for further distance from Seeley Lake Outlet		27%

The four pairings suggest upward adjustments ranging from 1% up to 27%. Most weight is accorded Paired Sales Sets 3 and 4 as these sales are most similar in size. Additionally, the sale at 388 Overland Trail required no additional adjustment for improvements. Based upon these comparisons an upward adjustment of 20% is reasonable and appropriate for Land Sales 1 and 3 as they are along the Clearwater River with no access by boat to Seeley Lake.

Shape: The comparables have shapes suitable for development and no adjustment was made in this category.

Topography: The subject lot and comparables include areas suitable for improvements; however, they are in areas with varying degrees of flood hazard. The water frontage portions of the subject and comparables are in areas of flood hazard according to the current maps. The subject and comparables are considered similar in this category and no adjustment was necessary.

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

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

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$178,200, \$150,000, \$156,000, \$160,000, and \$134,000. No weight is accorded Land Sale 5 since this sale closed in 2013. This sale was utilized because it was the most recent sale located on the same side of the bridge along Riverview Drive as the subject site. Equal weight is placed on the indications from Land Sales 1, 2, 3, and 4. The average of the value indications from these sales is \$161,050. A market value of \$161,000 is well supported by this analysis for the subject site as if vacant.

Site Value as if Vacant

\$161,000

Improvement Value Estimate

Home Sales 4, 6, and 8 are appropriate comparables for this subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 24, COS #5140, SEELEY LAKE OUTLET WEST, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 6	SALE 8
IDENTIFICATION		209 Overland Trail	570 Glacier Dr	601 Morrell Creek Dr
LOCATION		Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$185,000	\$254,500	\$250,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		09/25/17	01/16/18	09/28/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$185,000	\$254,500	\$250,000
LESS SITE VALUE		(\$60,000)	(\$60,000)	(\$60,000)
ADJUSTED IMPROVEMENT PRICE		\$125,000	\$194,500	\$190,000
ADJUSTMENT FOR:				
LOCATION/SITE	Seeley Lake	Seeley Lake	Seeley Lake	Seeley Lake
		\$0	\$0	\$0
QUALITY	Good	Good	Very Good	Good
		\$0	-\$9,725	\$0
CONDITION	Good	Good	Good	Good
		\$0	\$0	\$0
BATHROOMS	2	1	2	2
		\$5,000	\$0	\$0
HOUSE SIZE/SF	2,160	996	1,152	1,612
		\$80,316	\$69,552	\$37,812
FINISHED BASEMENT/sf	0	0	768	0
		\$0	-\$26,880	\$0
OUTBUILDINGS	Garage, Multiple Storage Buildings, Deck, & Outhouse	Inferior	Inferior	Inferior
		\$2,600	\$600	\$5,600
TOTAL ADJUSTMENT		\$87,916	\$60,427	\$43,412
NET ADJUSTMENT PERCENTAGE		70%	31%	23%
ADJUSTED PRICE INDICATION		\$212,916	\$254,927	\$233,412

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2017 or 2018 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

Quality: The subject residence and Improved Sales 4 and 8 are considered similar in quality and no adjustment was necessary in this category for these sales. Improved Sale 6 is superior in overall quality compared to the subject. Some downward adjustment is considered necessary for this sale in this category. There is little definitive market data available on which to base an adjustment. A downward adjustment of 5% was made to Improved Sale 6 in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants.

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

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

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$69 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sales 4 and 8 do not include finished basements areas. Improved Sale 6 includes finished basement. A downward adjustment of \$35 per square foot is considered reasonable and appropriate for the finished basement area of Improved Sale 6. This equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

Outbuildings/Amenities: Adjustments were made for any differences between our estimates of contributory values of outbuildings for the comparables compared to the subject property. The contributory values of the subject outbuildings were estimated based upon depreciated cost calculated below;

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Shed	96	Section 17/Page 12	\$12.90	\$1,238
Storage Shed	96	Section 17/Page 12	\$12.90	\$1,238
Storage Shed	200	Section 17/Page 12	\$12.90	\$2,580
Storage Shed	216	Section 17/Page 12	\$12.90	\$2,786
Garage	420	Section 12/Page 35	\$34.25	\$14,385
Lean-to	328	Section 17/Page 12	\$7.95	\$2,608
Open Storage	437	Section 17/Page 12	\$7.95	\$3,474
Deck	42	Section 12/Page 38	\$19.45	\$817
Out House	25	Lump Sum Estimate		<u>\$2,000</u>
Total Cost New				\$31,127
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$15,563</u>
Depreciated Cost Estimate				\$15,563
Rounded To				\$15,600

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$212,916, \$254,927, and \$233,412. Approximately equal weight is accorded the adjusted indications. The average of the indications is \$233,752. A market value of \$234,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$161,000
Subject Improvements Value	<u>\$234,000</u>
Total Value Indication	\$395,000

RECAPITULATION OF VALUE INDICATIONS

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

Lot #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
5	\$161,000	\$159,000	\$320,000	5/30/2019
8	\$161,000	\$174,000	\$335,000	5/30/2019
13	\$146,000	\$336,000	\$482,000	5/30/2019
22	\$154,000	\$296,000	\$450,000	5/30/2019
24	\$161,000	\$234,000	\$395,000	5/30/2019

QUALIFICATIONS OF THE APPRAISERS

ELLIOTT (ELLIE) M. CLARK, MAI

PROFESSIONAL DESIGNATIONS

MAI Designated Member of the Appraisal Institute (2004)

FORMAL EDUCATION

College of Charleston, Charleston, SC
Bachelor of Science – Geology (1985)

REAL ESTATE EDUCATION

Appraisal Institute

1990 - Basic Valuation Procedures
1990 - Real Estate Principles
1992 - Capitalization Theory and Technique
1994 - Advanced Income Capitalization
2001 - Highest and Best Use and Market Analysis
2001 - Advanced Sales Comparison and Cost Approaches
2002 - Standards of Professional Practice, Part A
2002 - Standards of Professional Practice, Part B
2002 - Report Writing and Valuation Analysis
2002 - Advanced Applications
2003 - Comprehensive Exam
2003 - Separating Real & Personal Property from Intangible Business Assets
2004 - Demonstration Appraisal
2006 - 7 Hour National USPAP Update Course
2006 - Business Practices and Ethics
2006 – Uniform Appraisal Standards for Federal Land Acquisitions
2008 - 7 Hour National USPAP Update Course
2010 - 7 Hour National USPAP Update Course
2012 – 7 Hour National USPAP Update Course
2012 – Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets
2012 – Valuation of Conservation Easements
2014 – 7 Hour National USPAP Update Course
2015 – Real Estate Finance Statistics and Valuation Modeling
2016 – 7 Hour National USPAP Update Course
2016 – Eminent Domain & Condemnation
2017 – Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications
2018 – 7 Hour National USPAP Update Course

Institute of Financial Education

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

IAAO

1991 - Standards of Practice and Professional Ethics

Citadel Evening College

1993 - Residential Appraisal Reports Using URAR Form

William H. Sharp & Associates

1995 - The Home Inspection

Trident Technical College

1997 - Uniform Standards of Appraisal

Historic Preservation Consulting

1998 - Appraising Historic Property

The Beckman Company

2004 - The Technical Inspection of Real Estate

WORK EXPERIENCE

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

STATE LICENSES/CERTIFICATIONS

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

APPRAISAL SEMINARS ATTENDED

2000 – JT&T Seminars: Financial Calculator HP-12C
2000 – Appraisal Institute: Highest and Best Use Applications
2004 – Appraisal Institute: Evaluating Commercial Construction
2005 – Appraisal Institute: Scope of Work: Expanding Your Range of Services
2006 – Appraisal Institute: Subdivision Valuation
2006 – Appraisal Institute: Appraising from Blueprints and Specifications
2007 – Appraisal Institute: Analyzing Commercial Lease Clauses
2007 – Appraisal Institute: Condominiums, Co-ops, and PUDs
2008 – Appraisal Institute: Spotlight on USPAP
2008 – Appraisal Institute: Quality Assurance in Residential Appraisals: Risky Appraisals = Risky Loans
2008 – Appraisal Institute: Office Building Valuation: A Contemporary Perspective
2009 – Appraisal Institute: Appraisal Curriculum Overview (2-Day General)
2010 – Appraisal Institute: Hotel Appraising – New Techniques for Today's Uncertain Times
2010 – Appraisal Institute: The Discounted Cash Flow Model: Concepts, Issues & Applications
2011 – Appraisal Institute: Understanding & Using Investor Surveys Effectively
2011 – Appraisal Institute: Advanced Spreadsheet Modeling for Valuation Applications
2012 – Appraisal Institute: Appraising the Appraisal: Appraisal Review-General
2013 – Appraisal Institute: Business Practices and Ethics
2018 – Appraisal Institute: Real Estate Finance, Value, and Investment Performance

PARTIAL LIST OF CLIENTS

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

CHRISTOPHER D. CLARK

FORMAL EDUCATION

Millikin University, Decatur, Illinois
Bachelor of Arts in Political Science

REAL ESTATE EDUCATION

Appraisal Institute

Course 110 – Appraisal Principles, 2005
Course 120 – Appraisal Procedures, 2005
Course 410 – 15- Hour National USPAP Course, 2005
Course 203R – Residential Report Writing & Case Studies, 2006
Course REA070513 – Analyzing Commercial Lease Clauses, 2007
Course 06RE0638 – Condominiums, Co-ops, PUD's, 2007
Course REA071154 – Hypothetical Conditions, Extraordinary Assumptions, 2008
Course 07RE0734 – 7-Hour National USPAP Update, 2008
Course 06RE0641 – Quality Assurance in Residential Appraisals, 2008
Course 06RE1286 – Office Building Valuation: A Contemporary Perspective, 2008
Course 430ADM 0 Appraisal Curriculum Overview – 2009
Course I400 - 7-Hour National USPAP Update – 2010
Course OL-202R - Online Residential Sales Comparison and Income Approach – 2011
Course OL-200R - Online Residential Market Analysis and Highest & Best Use – 2011
Course OL-201R - Online Residential Site Valuation & Cost Approach – 2011
Course I400 – 7-Hour National USPAP Update Course – 2012
Course REA110436 – Appraising the Appraisal: Appraisal Review General – 2012
Course 08REO643 – Business Practices and Ethics -2013
Course I400 – 7-Hour National USPAP Update – 2014
Course REA4380 – Online Introduction to Green Buildings: Principles and Concepts
Course REA120108 – Online Cool Tools: New Technology for Real Estate Appraisers
Course REA6260 – Real Estate Finance Statistics & Valuation Modeling 2015
Course REA-REC-REC-7415 – 2016-2017 7-Hour USPAP Update – 2016
Course REA-CEC-REC-7494 – Eminent Domain and Condemnation - 2016
Course REA-CEC-REC-8806–Uniform Standards for Federal Land Acquisitions – 2017
Course REA-CEC-REC-9788 – 7 Hour National USPAP Update – 2018
Course REA-CEC-REC- Real Estate Finance, Value, & Investment Performance – 2018

WORK EXPERIENCE

2005 - Present	Clark Real Estate Appraisal, Inc. – Real Estate Appraiser
2003 - 2005	IKON Office Solutions – Technology Marketing
2002 - 2003	Relational Technology Services – Technology Marketing
1998 - 2003	IKON Office Solutions – Technology Marketing
1988 – 1998	CMS Automation (Formerly Entré Computer Center)–Tech. Marketing

STATE LICENSES/CERTIFICATIONS

Montana Licensed Appraiser # REA-RAL-LIC-841

APPRAISER'S LICENSES



State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-683

Status: **Active**
Expires: **03/31/2020**

ELLIOTT M CLARK
CLARK REAL ESTATE APPRAISAL
704C E 13TH STREET #509
WHITEFISH, MT 59937

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

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



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



State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAL-LIC-841

Status: **Active**
Expires: **03/31/2020**

CHRISTOPHER D CLARK
CLARK REAL ESTATE APPRAISAL
704C E 13TH STREET #509
WHITEFISH, MT 59937

This certificate verifies licensure as:
LICENSED APPRAISER

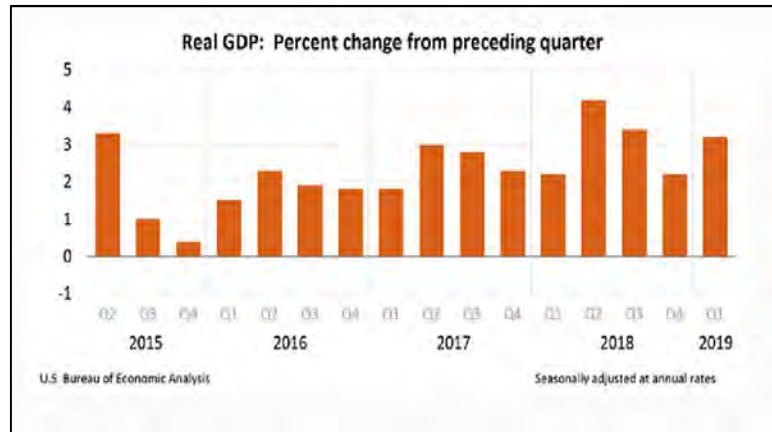


Montana Department of
LABOR & INDUSTRY
RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol>

ADDENDUM

NATIONAL ECONOMIC DATA

Real GDP increased by an annual rate of 3.2% in the first quarter of 2019 after increasing 2.2% in the fourth quarter of 2018 according to the Bureau of Economic Analysis of the US Department of Commerce (BEA). According to the BEA, the increase in real GDP reflected positive contributions from personal consumption expenditures, private inventory investment, exports, state and local government spending, and nonresidential fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased. These contributions were partly offset by a decrease in residential investment.



The acceleration in real GDP growth in the first quarter reflected an upturn in state and local government spending, accelerations in private inventory investment and in exports, and a smaller decrease in residential investment.

STATE ECONOMIC DATA

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

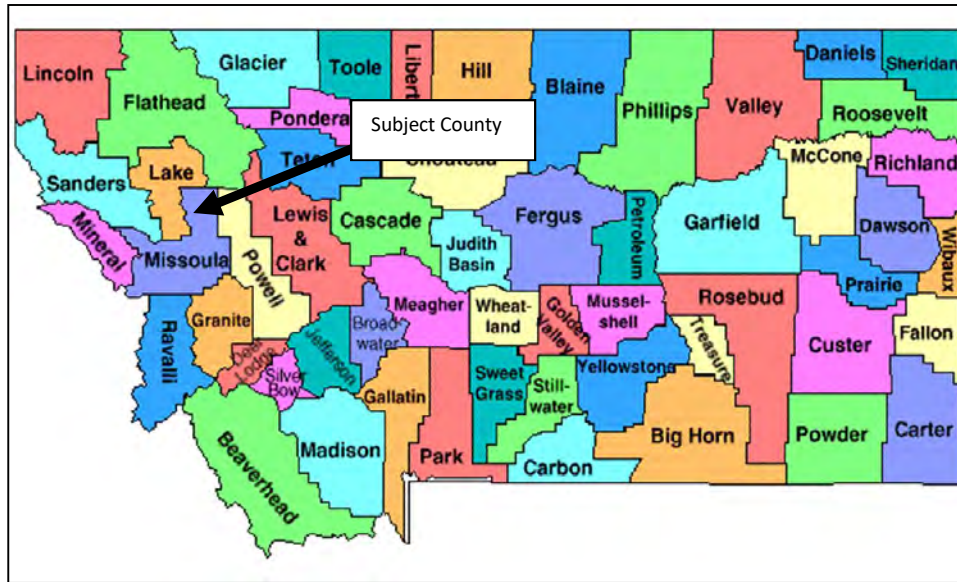
- Trade, Transportation, and Utilities
- Government (Federal, State, & Local)
- Education & Health Services
- Healthcare & Social Assistance
- Leisure & Hospitality

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

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

MISSOULA COUNTY DATA

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



Geographical Information

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

City and Communities

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

Population

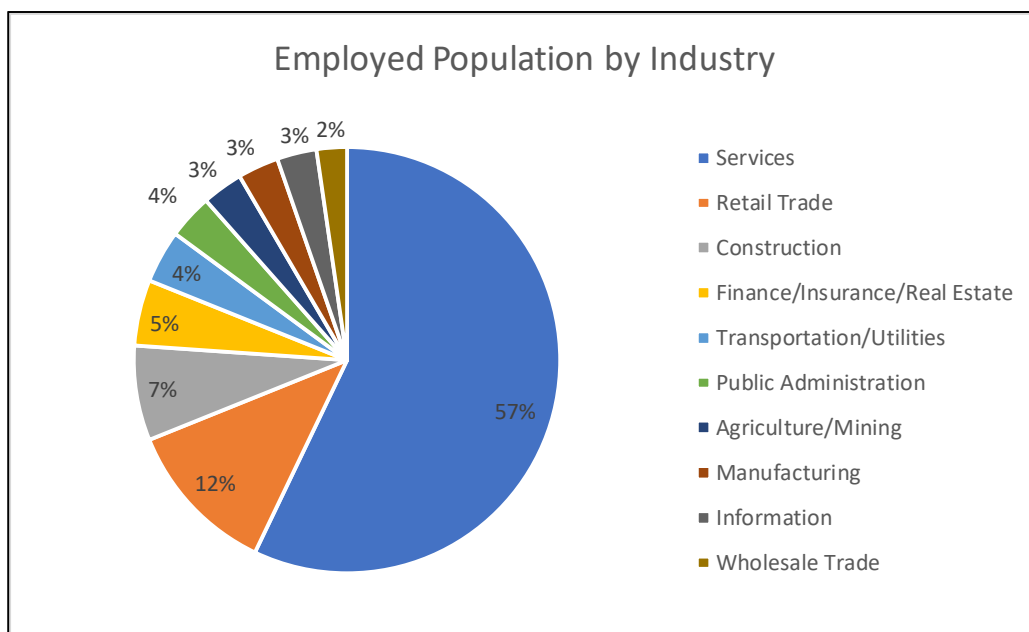
Missoula County is the 2nd most populous county in Montana. The 2018 county population estimate from ESRI based upon US Census Bureau data was 119,907. The population is projected to increase to 124,573 by 2023 or 1.26% per year.

Income

According to data from the US Census the median household income for Missoula County was approximately \$50,017 in 2018. This is 1.6% less than the median household income for the same period for the state of Montana. Approximately 17.0% of the population of Missoula County was below the poverty level between 2012 and 2016. This is higher than the percentage below the poverty level for the state of Montana for the same period of 14.4%.

Employment

According to ESRI there were 62,791 people over 16 years of age in the workforce in Missoula County in 2018. The workforce percentages by industry for 2018 are included on the chart below;



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

Real Estate

According to ESRI estimates based upon US Census data there were 55,109 housing units in Missoula County in 2018. The home ownership rate was estimated at 50.9% in 2018. The median home value was estimated to be \$272,851 in 2018. It is expected to increase by approximately 2.34% per year to \$304,791 in 2023.

Education & Healthcare

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

Linkages & Transportation

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

County Data Conclusion

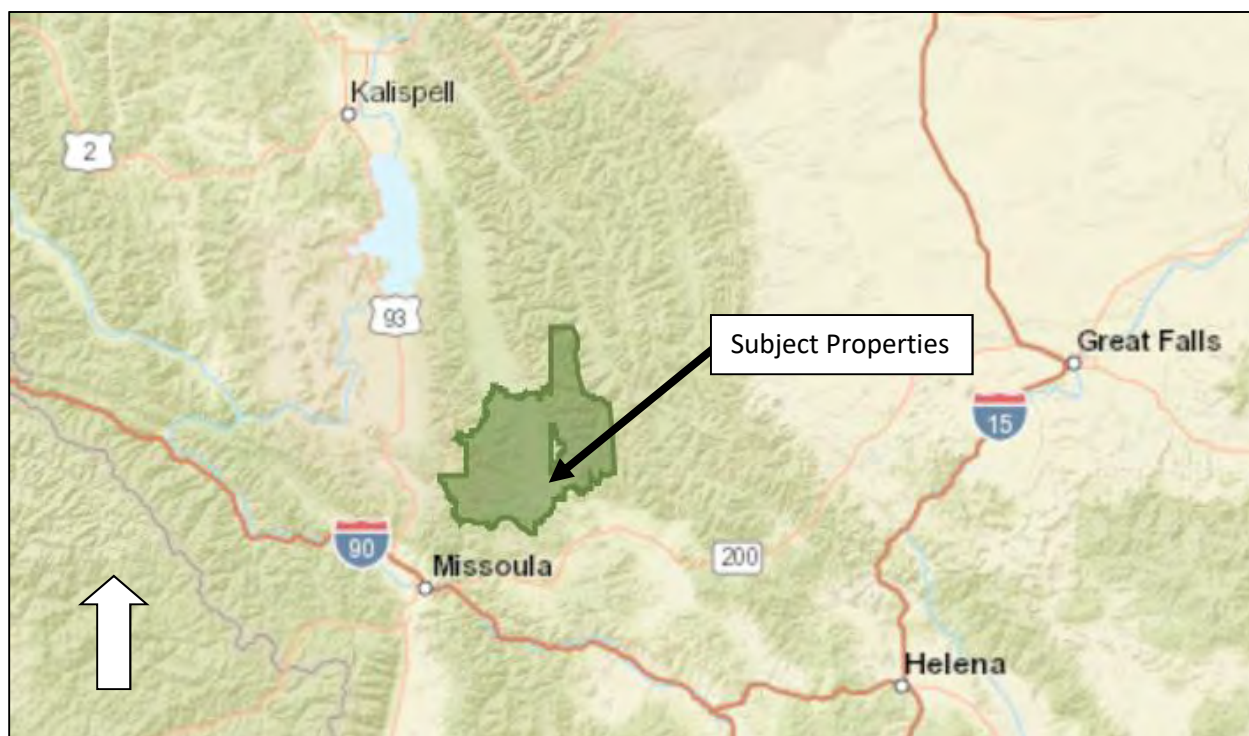
Missoula County is one of the most populous counties in Montana. The population is slated to increase approximately 1.26% per year through 2023. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The county unemployment rate is similar to that of the state but lower than of the nation. The economy and the real estate market have remained relatively stable for the past several years. Missoula County did experience the most recent real estate “bubble”; however, the market appears to have stabilized. The economy of Missoula County is considered stable with growth likely in the foreseeable future

SEELEY LAKE DATA

General Information

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

For report purposes the neighborhood boundaries consist of zip code area 59868 which includes the community of Seeley Lake. Montana Highway 83 runs north to south through the area. The zip code is approximately 1 hour drive from Missoula and approximately 1.5 hour drive from Kalispell.



Much of the land off of Montana Highway 83 (between Bigfork and Montana Highway 200) is protected. A recent cooperative project that involved a large amount of acreage in the greater area is known as “The Montana Legacy Project.” It is a cooperative project of The Nature Conservancy, The Trust for Public Land and state, federal and private partners. The Nature Conservancy and The Trust for Public Land have acquired approximately 310,000 acres of land formerly owned by Plum Creek since 2009. The land will eventually be conveyed to a mix of public and private owners. Under this partnership, actual land ownership and management responsibilities rest with The Nature Conservancy.

Geography

The subject area is generally bounded by the Swan Mountains on the east and the Mission Mountains on the west. Mountain peaks extend as high as 9,000 feet. Portions of two national forests are in the greater area. They are the Lolo and Flathead National Forests. There are number

of lakes, rivers and creeks in the area. Seeley Lake is the nearest relatively large lake to the subject properties.

Population

According to ESRI 2018 estimates based upon US Census data the population of the 59868 zip code area (depicted by the map presented) was 2,173. According to ESRI forecasts the population is expected to increase to 2,311 by 2023. This equates to an increase of approximately 1.24% per year.

Economy/Income

There is no major employment in the area. Major employment is located in Kalispell or Missoula which are both over an hour drive away. According to ESRI, the 2018 median household income for the zip code area was indicated to be \$45,528. The median household income is projected to increase to \$55,879 or by approximately 4.11% per year through 2023.

Housing & Real Estate

According to the ESRI there were 2,064 housing units in the identified in the zip code area in 2018. Approximately 37.7% of the housing units were identified as owner occupied, approximately 11.2% were identified as renter occupied, and approximately 51.0% were identified as vacant. The relatively high percentage of vacant housing units is likely due to the remote nature of the subject area. Many of these properties are utilized only a portion of the year and are second or vacation homes. The population density increases along the area lakes, rivers and creeks and is less dense further from these amenities. Prices for real estate in the area typically increase substantially with water frontage.

According to ESRI forecasts the median home value for the zip code area in 2018 was \$281,510. The home value is projected to increase to \$332,927 or approximately 3.65% per year by 2023. The most expensive homes are typically on navigable water or on large acreage tracts.

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

Recreation

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

Conclusion

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

SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS

(Page 1 of 6)

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

*Scope of Work for the Appraisal of Potential Property Sales Through the Cabin/Home Site Sales Program:
2019 Seeley Lake Outlet West Appraisals*

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board), and the Department of Natural Resources and Conservation (DNRC). The intended users are State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), and Lessees Mark & Timothy Latrielle; Marvin Gilbert; Thomas & Denise Talarico; Dale Spettigue & Joseph Gollette; and Raymond G. Cebulski & Patrick Hayes. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject properties and is intended for use in the decision-making process concerning the potential sale of said subject properties.

DEFINITIONS:

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

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

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

PROPERTY RIGHTS APPRAISED:

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

EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:

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

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:

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

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

ASSIGNMENT CONDITIONS:

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

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

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

The appraisal will be an Appraisal Report, as per USPAP, that will describe adequately the information analyzed, appraisal methods, and techniques employed, and reasoning that support the analyses, opinions, and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values of the five (5) cabin sites identified in the Supplemental Appraisal Instructions.

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

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

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

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

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

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

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

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

Supplemental Appraisal Instructions: 2019 Seeley Lake Outlet West Appraisals

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

Subject Properties Located in Seeley Lake Outlet West in Missoula County:

Sale #	Acres	Legal Description
1003	1.188 ±	Lot 5, Seeley Outlet West T16N-R15W, Sec. 4, Missoula County
1005	1.233 ±	Lot 8, Seeley Outlet West T16N-R15W, Sec. 4, Missoula County
1006	1.208 ±	Lot 13, Seeley Outlet West T16N-R15W, Sec. 4, Missoula County
1007	0.86 ±	Lot 22, Seeley Outlet West T16N-R15W, Sec. 4, Missoula County
1008	1.862 ±	Lot 24, Seeley Outlet West T16N-R15W, Sec. 4, Missoula County

DNRC Contact Information:

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

Lessees:

(see DNRC Contact for lessee information)

Sale 1003 Mark & Timothy Latrielle	Sale 1005 Marvin Gilbert	
Sale 1000 Thomas & Denise Talarico	Sale 1007 Dale Spettigue & Joseph Gollette	Sale 1008 Raymond G. Cebulski

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

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

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

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

MISSOULA COUNTY SALE LOCATION MAP



Seeley Lake Outlet West
T16N-R15W, Sec. 4, Missoula County



Rev 201610

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