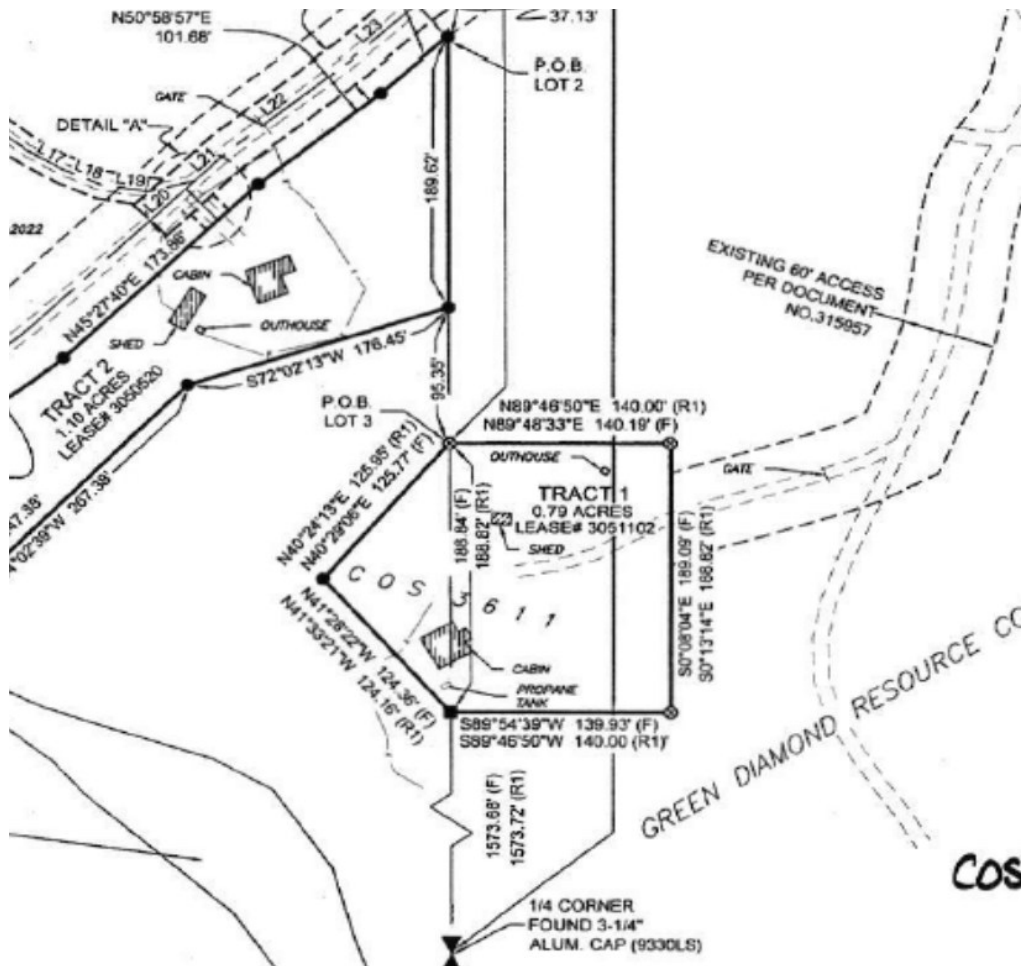


**APPRAISAL REPORT
SALE 2077: TRACT 1 COS 3820
PLAINS, SANDERS COUNTY, MT
FOR
THE STATE OF MONTANA,
THE MONTANA BOARD OF LAND COMMISSIONERS (LAND BOARD),
THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
(DNRC)**



PREPARED BY:
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ADDENDA:

Assumptions and Limiting Conditions
Contract
Easement Grant
Qualifications
License



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Nicholas J Hogan, MAI
MT, ID & WY General Certified

July 8, 2025

Deidra Klobberdanz, Bureau Chief
PO Box 201601
Helena, Montana 59620-1601

RE: Summary appraisal report, Sale 2077, Tract 1, COS 3820

Dear Ms. Klobberdanz:

This letter of transmittal is an introduction to the report that follows, which includes the market information as well as the valuation of the subject property. The following report, defined by the scope of work, is hereby presented in the requested narrative report format containing 73 pages plus addenda. Under general requirements, the appraisal report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. This is a revised version of the report previously submitted on June 30, 2025. The revisions include the removal of two minor typographical errors. These corrections did not affect the final conclusion of value.

In addition, this report is intended to be in full compliance with all applicable laws and regulations affecting this service and report in which jurisdiction the subject property is located. The report also complies with Scope of Work for Appraisals of Potential Property Sales through the Cabin/Homesite Sale Program. The scope of work is key to understanding this appraisal service and the report option requested. Please read that section carefully as it most clearly defines the service rendered.

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

The subject property is a rural location situated north of the community of Plains, Montana. Primary physical access is via Thompson River Pass Road which is a gravel improved roadway heading north out of the community of Plains. Thompson River Pass Road is a county maintained roadway and is generally plowed in the winter.

The subject property is situated on a 0.79 acre site situated between Thompson River Pass Road on the east and the Thompson River situated to the west of the subject property. There are some marshy areas in proximity to the subject property, but no actual river frontage associated with this parcel. Physical access is via a private roadway from Thompson River Pass Road west to the subject property.

The subject property is improved with an average quality detached one story cabin originally built in roughly 1955 per Sanders county records. The property contains roughly 569 ft.² above grade consisting of one bedroom to the rear and an open living, dining room and kitchen area. Overall, the improvements are considered in average condition with some upgrades to the interior. There are no utilities in the immediate neighborhood and the subject property is considered off grid. There is a market for off grid properties in the Western and Northwestern Montana area.

The appraisal for the improved home site includes a total market value of the property, with the hypothetical condition that land and improvements are fee simple ownership, with one owner and that a lease does not exist. It will also include a separate market value for the state-owned cabin site (land), under the hypothetical condition of it being vacant raw land exclusive of site improvements, utilities, or buildings. The third value will be an allocated or separate market value of the non-state-owned improvements, derived from the total market value determined.

Based upon my investigations, studies and analyses, my opinion of the as is fee simple market values of the subject property, considering the specific hypothetical conditions, assumptions and limiting conditions as of May 30, 2025, is listed below.

Land Value	\$90,000
Sales Comparison Approach	\$173,000
Final Opinion of Value - Real Property	\$173,000
Final Opinion of Value - Personal Property	\$83,000
Effective Date	5/30/2025

Pursuant to USPAP, it is necessary for this appraisal to consider and analyze exposure time when developing an opinion of market value. Please refer to the Reasonable Exposure and Marketing Time section of this report for discussion of both exposure time and marketing time.

If there is anything further, please do not hesitate to contact me.

Professionally yours,

HOGAN REAL ESTATE APPRAISAL GROUP, LLC

A handwritten signature in black ink, appearing to be 'N. Hogan', with a stylized, cursive script.

NICHOLAS J. HOGAN, MAI
MT General Certificate No. REA-RAG-LIC-370
Expires: 3/31/26

SCOPE OF WORK

The *Scope of Work* was previously defined as the *Scope of the Appraisal*. Based on requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation and the guide notes to the Standards of Professional Appraisal Practice adopted by the Appraisal Institute, this has become the primary element defining the appraisal conducted here.

USPAP involves binding requirements and specific guidelines that deal with the procedures to be followed in developing an appraisal, an analysis or opinion and with the reporting or communication of that appraisal opinion defined as *Standards 1 & 2*. The appraisal service and reporting option must follow the scope of work defining the appraisal service and how it is to be communicated. This appraisal has complied with the regulatory requirements of the State of Montana administered by the Montana Board of Appraisers based on compliance with *Standards* and *Ethics* defined within USPAP.

The *Scope of Work Rule* in USPAP states for each appraisal and appraisal review assignment, an appraiser must:

- 1.) *identify the problem,*
- 2.) *determine and perform the work necessary to develop credible assignment results and*
- 3.) *disclose the scope of work in the report.*

Identify the problem:

There are six elements used to identify the problem to be solved in an appraisal assignment. Information about these elements is necessary to properly identify the problem to be solved and develop the appropriate scope of work to create credible assignment results.

- *Client and any other intended users*
- *Intended use of the appraiser's opinions and conclusions*
- *Type and definition of value*
- *Effective date of the appraiser's opinions and conclusions*
- *Subject of the assignment and its relevant characteristics*
- *Assignment conditions*

• *Client and any other intended users:*

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board), and the Department of Natural Resources and Conservation (DNRC).

• *Intended use of the appraiser's opinions and conclusions:*

The intended users include the clients as well as the Lessee Glenda Bradshaw. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the

appraised subject property and is intended for use in the decision making process concerning the potential sale of said subject property.

- ***Type and definition of value:***

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.

- ***Effective date of the appraiser's opinions and conclusions:***

The effective date of the appraiser's opinions and conclusions for the as is date of value, is the date of inspection, which was May 30, 2025. I met with a representative of the State of Montana as well as the Lessee.

- ***Subject of the assignment and its relevant characteristics:***

The subject property consists of an individual cabin site located off of Thompson River Pass Road north of the community of Plains, Montana. Physical access is via a private roadway from Thompson River Pass Road west to the subject property.

The relevant characteristics deal with the extent of the subject property such as legal description, inspection, analysis of property rights appraised, etc. The extent of the property identification involves both physical characteristics of the property such as the physical land and structural/site improvements as well as legal characteristics such as the fee simple estate limited by easement, covenants, restrictions, and other encumbrances relevant to the valuation problem. The physical inspection of the property included a viewing of the property. Please refer to the relevant sections of the report for detailed description involving the subject's description and relevant characteristics.

Assignment conditions:

The following Assignment Conditions were provided by the client:

- The appraiser must be a Montana certified general appraiser and must 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 property. 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 property. (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 1 (one) cabin site identified in the Supplemental Appraisal Instructions.
- The subject property must be valued with the actual or hypothetical condition that the 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 be the most recent sales available or be adjusted for market trends if appropriate. The comparable sales must be in reasonable proximity to the subject, preferably with 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 a fee simple ownership, with one owner.

Extraordinary Assumptions:

- None.

Hypothetical Conditions

- The cabin site (land) is valued under the hypothetical condition that it is vacant raw land, without any site improvements, utilities, or buildings. The subject property has non-state-owned structural and site improvements. Therefore, in that portion of the analysis I have used the hypothetical condition that the subject property is vacant raw land, without any site improvements, utilities, or buildings.
- Based on scope of work, for purposes of valuation and analysis I have assumed the subject property has physical and legal access.
- The land is currently state-owned, however; I used the hypothetical condition that the property rights are in private ownership and could be sold on the open market and appraised in Fee Simple Interest. For analysis purposes, property that has leases or licenses is appraised with the hypothetical condition that the leases/licenses do not exist.

Jurisdictional Exceptions:

- None.

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

For the reader's edification, I have incorporated definitions for *Extraordinary Assumptions* and *Hypothetical Conditions*. These definitions are taken from the latest edition of USPAP.

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

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

HYPOTHETICAL CONDITION: *a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.*

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

Determine and perform the scope of work necessary to develop credible assignment results:

The extent of the property identification involves both physical characteristics of the property land size, shape, access, frontage, special features, detrimental conditions, utilities, etc. There is also the need to fully identify legal characteristics such as the fee simple estate limited by easement, covenants, restrictions, and other encumbrances relevant to the valuation problem. For this appraisal, the extent of the subject inspection involved a complete viewing of the subject property. It is my opinion that I am qualified to provide this appraisal service.

Qualifications have been included within the addendum of the report, and these identify or serve as evidence of the experience and expertise (competency) to provide this service. Specific to the property and location of the subject of this appraisal, it is recognized that I routinely provide appraisal services within this classification of real property and within this market area. As such, the conclusion is expressed that sufficient knowledge and experience combined with my professional qualifications are adequate to comply with competency requirements of USPAP.

As requested by the client, the problem to be solved is a traditional valuation assignment that requests an opinion of the market value of the real property interest identified. This specifies the condition of the property, unless otherwise very specifically stated, the appraisal is based on the “as is” condition of the subject property, as of the effective date of the appraisal.

In terms of the appraisal service requested, this is defined as a rural residential property with a seasonal single-family residence. Pursuant to the hypothetical conditions noted above reflecting a vacant and unimproved land tract as well as the total fee simple value and the value of the lessee owned improvements. The property type and the age/condition of the property suggest that not all three valuation methodologies are relevant, and peer review would only expect to see the sales approach. On occasion, there are seasonal leases with this type of property, but in general, income and expenses as well as capitalization rates are not common in this market, so the income approach was not used. The subject property has a single-family residence that was originally built in 1955 per county records, and the cost approach is not a reliable indication of value.

Replacement cost new and depreciation estimates are difficult to analyze for older improvements. Therefore, the cost approach has not been included within this analysis.

Relevant to the preceding paragraph, factual market data gathered or researched for this appraisal will include sales of rural residential properties primarily in Sanders County. Initially, the primary search area included Sanders County for off grid vacant land and improved sales. Very few recent sales were uncovered. Therefore, the search area was expanded to include Mineral County and Lincoln County. However, there were no directly comparable sales in those locations. Therefore, the basis of the analysis is sales within Sanders County and represent a mixture of off grid and properties with utilities available.

It is recognized that Montana is a non-disclosure state and verification of sales is commonly handled through real estate agent confirmation as well as buyer and/or seller verification. There are times when the confirming party does not wish to be identified or where the price is not to be divulged. All of these elements are considered appropriate and common under peer review. I have relied upon the Montana Regional (Missoula/Kalispell) MLS service to assist in the appraisal research for Sanders County. All of this research of data is utilized in arriving at the highest and best use for the subject and to estimate the market value of the property based on that conclusion of highest and best use.

It is acknowledged that I lack special expertise or knowledge regarding the detection and measurement of hazardous substances. I was not provided with a Phase I, or Phase II environmental audit completed relating to this topic. I have assumed there to be no environmental concerns relating to the subject property and this is a more typical assumption and limiting condition. There are no known cultural resource issues affecting the subject.

Disclose the scope of work in the report:

The discussion above outlines the problem to be solved and the appropriate scope of work to solve that problem.

Report Option - Standard Rule 2-2 -Content of a Real Property Appraisal Report:

Each written real property appraisal report must be prepared under one of the following options and prominently states which option is used: *Appraisal Report* or *Restricted Appraisal Report*.

An appraiser may use any other label in addition to, but not in place of, the labels for the type of report provided. The use of additional labels such as analysis, consultation, evaluation, study, or valuation does not exempt the appraiser from adherence to USPAP.

It is my opinion that this allows an appraiser to include the descriptive phrase of Summary Appraisal Report, Narrative Appraisal Report or Self-Contained Appraisal Report. These terms clearly form around the core description which is *Appraisal Report*. For this appraisal, the reporting option is an **Appraisal Report**. The client made no specific request relative to the format. In this instance, the reporting option is simply defined as a Summary Appraisal Report Format.

Record Owner:

The property is found to be under the ownership of the State of Montana, DNRC School Trust Land. The site is currently leased. The Lessee is identified below:

Lessee: Glenda Bradshaw

Sales History:

The improvements (leasehold purchase) were purchased by the Lessee in October 2021 for a price of \$60,000. The lessee indicated the property was exposed to the MLS service; however, I was unable to find this sale in MLS.

Location of Property:

The subject property is situated roughly 16 air miles north northwest of the community of Plains, Montana. This is a rural area situated between Montana Highway 200 on the south and U.S. Highway 2 on the north.

Legal Description:

The site is legally identified through client records as:

Sale #	Acres ±	Legal Description
2077	0.79±	Tract 1 Sanders County COS 3820, Located in the NE4 of Section 2 and the NW4 of Section 1, T22N-R27W

PROPERTY RIGHTS APPRAISED

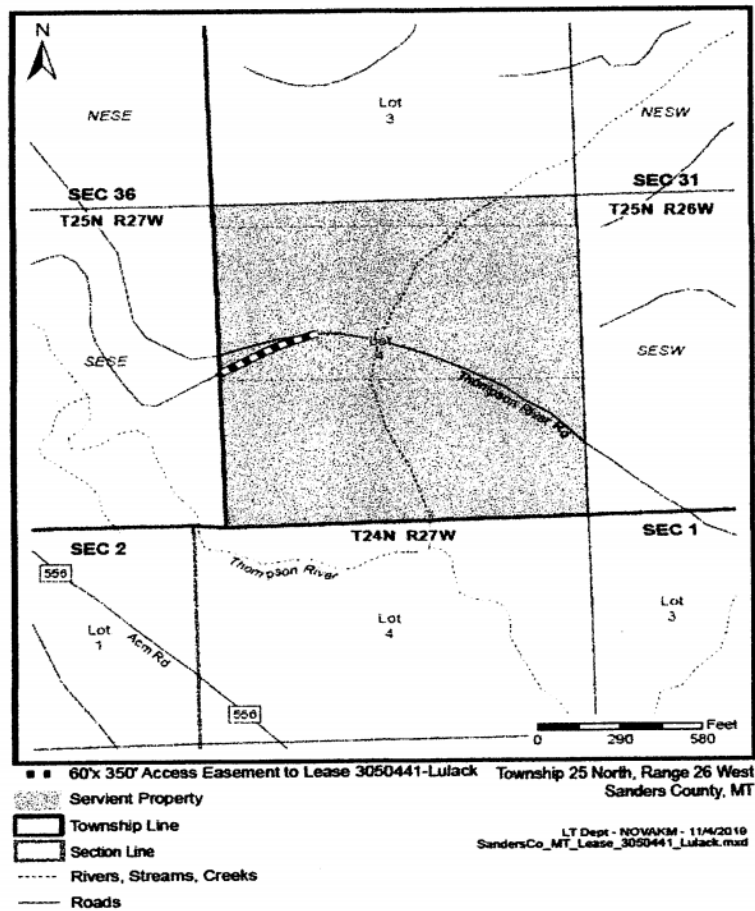
State of Montana lands are always to be appraised as if they are in private ownership and could be sold on the open market and are to be appraised in Fee Simple Interest. For analysis purposes, properties that have leases or licenses on them are to be appraised with the hypothetical condition that the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

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

Access to the subject property is via a private roadway through a right-of-way agreement found in 315957. This provides access to the subject property from Thompson River Pass Road.

EXHIBIT C3 to Right of Way Easement Agreement

Depiction of the Weyerhaeuser Burdened Property and Weyerhaeuser Road



PURPOSE OF APPRAISAL

The purpose of the appraisal is to provide the clients with a credible opinion of the fee simple ***Current Fair Market Value*** of the appraised subject property. The appraisal of the cabin and homesite 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 above in 1.
4. Valuation of the improvements must account for all forms of obsolescence.

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

DEFINITIONS

There are a few specific definitions that are believed to be critical for proper understanding. As such, this report will provide the current USPAP definition for the terms used in this appraisal assignment and report.

APPRAISAL: (noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

Comment: An appraisal is numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g. not more than, not less than) to a previous value opinion or numerical benchmark (e.g. assessed value, collateral value).

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

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

CLIENT: the party or parties (i.e., individual, group, or entity) who engage and appraiser by employment or contract in a specific assignment, whether directly or through an agent.

CREDIBLE: worthy of belief.

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

EXTRAORDINARY ASSUMPTION: See definition included under Scope of Work.

HYPOTHETICAL CONDITION: See definition included under Scope of Work.

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

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

MARKET VALUE: a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in

the value definition that is identified by the appraiser as applicable in an appraisal.

Comment: Appraisers are cautioned to identify the exact definition of market value, and its authority, applicable in each appraisal completed for the purpose of market value.

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

REAL PROPERTY: the interests, benefits, and rights inherent in the ownership of real estate.

SCOPE OF WORK: the type and extent of research and analyses in an appraisal or appraisal review assignment. (See Scope of Work section for details on *Scope of Work Rule*.)

VALUE: the monetary relationship between properties and those who buy, sell, or use those properties, expressed as an opinion of the worth of a property at a given time

Comment: In appraisal practice, value will always be qualified – for example, market value, liquidation value, or investment value.

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

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

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

ENCROACHMENT:

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

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

FEE SIMPLE ESTATE:

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

REASONABLE EXPOSURE AND MARKETING TIME

It is a requirement of USPAP to incorporate discussion and analysis of *Exposure Time* within a market value analysis of the subject property. Exposure time has been defined within The Dictionary of Real Estate Appraisal, Seventh Edition, published by The Appraisal Institute as follows:

1. *The time a property remains on the market.*
2. *An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2021 ed.)*

It is often assumed that this is consistent with the concept of *Marketing Time*. This has been defined within The Dictionary of Real Estate Appraisal, Seventh Edition, as follows:

An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal. (Advisory Opinion 7 and Advisory Opinion 35 of the Appraisal Standards Board of The Appraisal Foundation address the determination of reasonable exposure and marketing time.)

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

Improved Sales	
----------------	--

Sale No. 1	130
Sale No. 2	147
Sale No. 3	90

Land Sales	
------------	--

Land Sale No. 1	157
Land Sale No. 2	209
Land Sale No. 3	75
Land Sale No. 4	75

Days on market for improved sales ranged from 90 days to an upper end of 147 days. Days on market for the land sales ranged from 75 days (which are two under contract positions) to an upper end of 209 days on market. The two closed land sales have days on market ranging from 157 days to an upper end of 209 days.

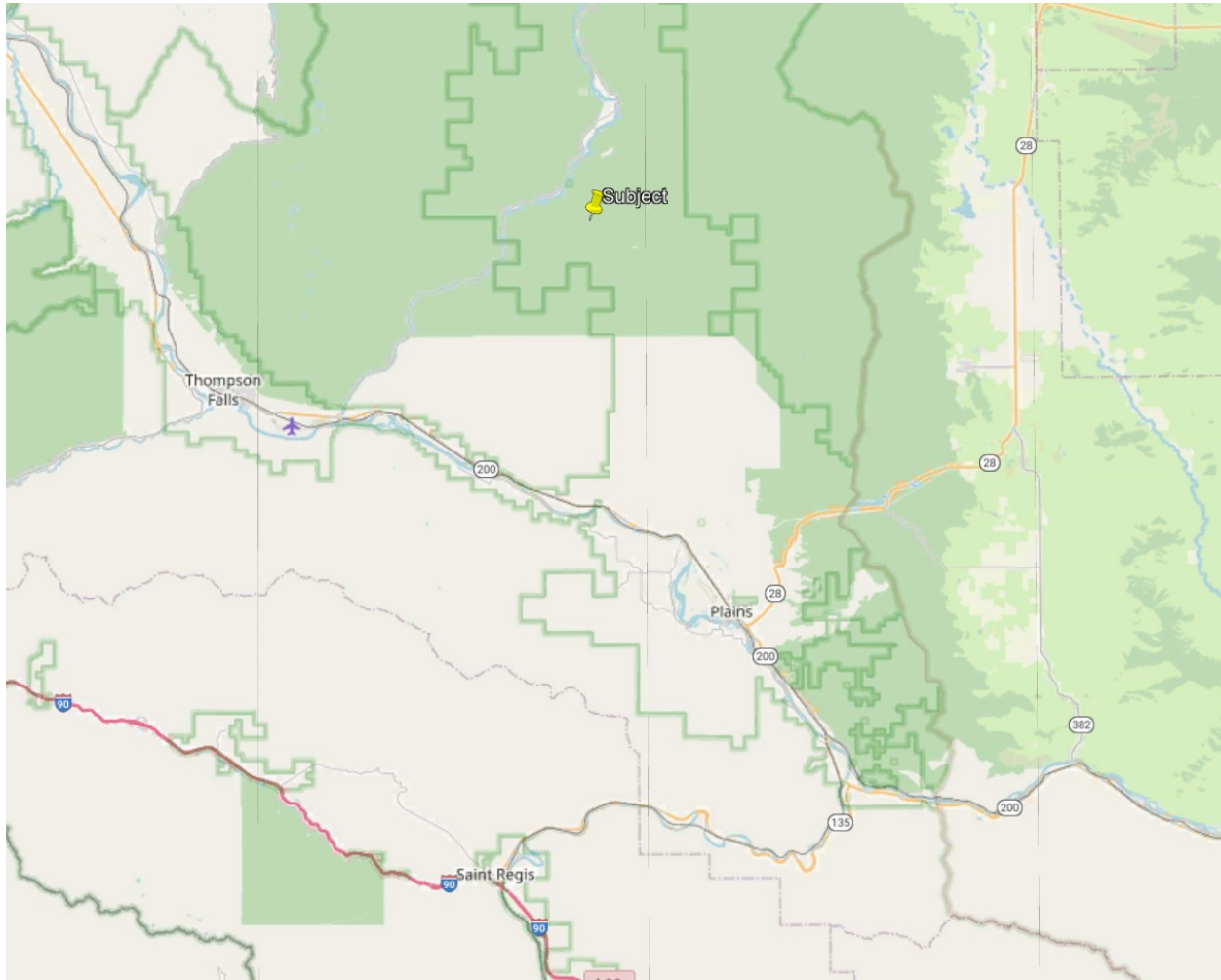
REAL ESTATE TAXES

Assessor Code	2024
---------------	------

35-3220-02-1-01-01-4021	\$533.80
-------------------------	----------

There are no taxes due on the underlying land given the state ownership. Taxes for the improvements are noted in the tabulation above.

GENERAL AREA



This area is located roughly 60-100 miles northwest of the city of Missoula, which is the largest community in the area. The property is located in Sanders County with Thompson Falls denoted as the county seat. The communities in this area have a strong recreational market and appeal with a majority of land in the county being under federal ownership (forest service).

Location	2000	2010	2020	2023	2024 Est	2025 Proj
Thompson Falls	1,321	1,313	1,336	1,472	1,516	1,535
Plains	1,126	1,048	1,055	1,060	1,065	1,070
Sanders County	10,227	11,413	12,400	12,298	12,350	12,400

The property is located in a very remote and rural section in NW Montana. The recreational influences are of primary importance with scenic attractions also represented in the demand

equation. There is an abundance of federal and state owned land in this county and that limits the amount of private ownership that is available for exchange.

The recreational demand and pressures are found from the county growth that increased from a population of 10,227 in 2000 to 12,400 in 2020, which is more than a 21% growth rate over two decades. Between 2020 and 2023, the county had a decrease of an estimated 102 people and then increased back to an estimated 12,350 in 2023. Thompson Falls did not experience much change in population between 2000 and 2020 (1,321 people in 2000 to 1,336 in 2020) but has rapidly increased since 2020 to an estimated 1,516 people, which is a 13.47% increase between 2020 and 2024. Plains had a decrease in population between 2000 and 2010 (-6.93%). Since then, the population has had small increases but is still below the level it was in 2000. Other areas of the county, specifically the area north and west of Thompson Falls in and around the Trout Creek to Noxon area, have mostly seen growth over the last 15 years.

The Sanders County economic base has been heavily reliant upon wood products industry and agriculture. Sanders County covers a diverse area spanning 130 miles of the lower Clark Fork river valley in northwest Montana. The county consists of forested valleys and mountain ranges on the west end and open grasslands towards the east. Thompson Falls, the county seat, lies in the west-central portion of the county.

Climate:

Sanders County experiences a cold, semi-arid continental climate with strong influences from Pacific maritime systems, classified as a Dfb Köppen type (cold, humid continental with warm summers and significant snowfall). Situated in the Northern Rockies, the county's weather is moderated by the Cabinet and Bitterroot Mountains, which intercept moist air from the Pacific, creating a patchwork of microclimates. Average annual temperatures range from lows of 20°F in winter to highs of 85°F in summer, with Thompson Falls and Plains seeing slightly warmer conditions than higher-elevation areas like Trout Creek. Winters are cold and snowy, with January averages around 25°F to 30°F, while summers are warm and dry, with July highs reaching 80°F to 85°F. The growing season, critical for agriculture, spans roughly 100–120 days, from late May to early September, shorter than Montana's lowland averages due to the county's elevation (2,500–3,000 feet in valleys).

Rainfall in Sanders County is modest but well-distributed, with annual precipitation averaging 20–25 inches across the county, higher than Montana's statewide average of 15 inches but lower than wetter coastal regions. Precipitation peaks in late fall and winter (November–January), when Pacific storms bring steady rain and heavy snow, contributing 40–50% of the annual total. Thompson Falls, for instance, receives about 22 inches annually, with 5–6 inches falling as rain in November and December. Plains, slightly drier due to its position in the Clark Fork River Valley, averages 20 inches, with similar seasonal patterns. Spring (March–May) brings moderate rain, supporting early agricultural growth, while summer (June–August) is the driest season, with only 3–4 inches of rain, often in brief thunderstorms. Snowfall, a significant component of

precipitation, averages 50–70 inches annually in lower elevations, with Thompson Falls recording 60 inches and Plains slightly less at 50 inches. Higher elevations, like those near the Cabinet Mountains, can see 100–150 inches of snow, feeding rivers like the Clark Fork and supporting summer water supplies.

Land Uses – County Seat:

Land uses found within the Thompson Falls area are typical of a small rural service center and for a county seat. There is a City Hall that administers the functions of this incorporated town site. There is a hospital, banks, small grocery, professional offices, motels, bars, restaurants, gas and service stations, etc. Within the immediate area of the subject, this is predominately residential. There are commercial uses to the south which is Montana Highway 200 as it progresses east/west through the town of Thompson Falls.

Land Uses/Ownership – Sanders County:

In Sanders County, much of the public land falls within the Kootenai National Forest and Lolo National Forest, which support a variety of uses. The Bureau of Land Management (BLM) also manages smaller parcels, with the Montana/Dakotas BLM overseeing about 8.3 million acres of federal land across the state.

Private lands in Sanders County, comprising the majority of non-federal and non-state land (roughly 65% of the county's area, based on Montana's statewide non-federal land estimate of 66.3 million acres), are used for residential, agricultural, and commercial purposes.

Topography:

Sanders County spans roughly 2,790 square miles, characterized by a rugged, mountainous landscape typical of the Northern Rockies. The county lies within the Columbia River Basin, dominated by the Cabinet Mountains to the north and west, the Bitterroot Range to the south, and the Coeur d'Alene Mountains to the west. Elevations range from about 2,200 feet in the Clark Fork River Valley, where Thompson Falls (2,500 feet) and Plains (2,477 feet) are situated, to over 8,000 feet at peaks like Snowshoe Peak in the Cabinet Mountains.

The Clark Fork River, a major waterway, carves a central valley through the county, flowing west from Thompson Falls to Noxon and beyond, creating fertile lowlands flanked by steep, forested slopes. Tributaries like the Bull River and Prospect Creek feed the Clark Fork, forming smaller valleys and canyons. The county's terrain is predominantly forested, with 80% covered by coniferous forests (e.g., ponderosa pine, Douglas fir, cedar), managed by the Lolo National Forest and private timber companies. Flat, arable land is scarce, limited to narrow river valleys, while rolling foothills and steep ridges dominate the landscape. Glacial features, such as moraines and U-shaped valleys, add to the topographic complexity, particularly in higher elevations.

Utilities:

Utilities typically found in the area consist of private water wells, private septic systems and drain fields, power, phone, and garbage. The subject neighborhood is an off grid location with no electricity or telephone available.

Market Analysis:

The Appraisal of Real Estate, Fifteenth Edition, published by the Appraisal Institute includes a chapter dealing with market analysis. The definition of market analysis is *a study of the supply of and demand for a specific type of property in a specific market area.*

The label marketability analysis has traditionally been used when the scope of the analysis extends beyond general market analysis to investigate how a specific property is expected to perform in its market. However, in strictest usage, marketability analysis most precisely describes the final step in the formal six-step process.

Marketability analysis is an essential step in the process of developing an opinion of market value and should not be confused with the analysis of general demographic or economic information for an area. In an appraisal of a specific property, the main purpose of marketability analysis is to show how the interaction of supply and demand affects the property's future benefits to the owner in terms of the use of the property over time. To complete a marketability analysis (in the sixth step of the six-step process), an appraiser must first complete a market analysis (i.e., the preceding steps of the six-step process). For example, consider the appraisal of a neighborhood shopping center. A market analysis would measure the demand and competition for all neighborhood shopping centers in a specified market, which may cover a two-mile area. A marketability analysis would then compare how a particular property (e.g., the property being appraised) will perform in that market given the relevant demand and competition. The conclusions of the marketability analysis then become the basis for determining the value implications for the property.

Marketability analysis may perform several functions:

- 1. to determine the market outlook and trends for marketing a property,*
- 2. to address the desired type, design, and locational characteristics of a development,*
- 3. to provide estimates of the share of the market that the property is likely to capture during its economic life and its probable absorption rate, or*
- 4. to suggest alternative uses in a market in which the existing use of a specific property is oversupplied or outdated.*

Marketability analysis also provides a basis for determining the highest and best use of a specific property in a defined market. In short, the market determines the appropriate use, and the use drives the value. An existing or proposed use may be put to the test of maximum productivity in highest and best use analysis only after it has been demonstrated that an appropriate level of market support exists for that use. In-depth marketability analyses specify the character of that support. For example, if current market conditions do not indicate that adequate demand for a proposed development exists, marketability analysis may identify the point in time when there will be adequate demand for that land use. Thus, marketability analysis helps appraisers forecast the timing of a proposed improvement and the amount of demand anticipated in a particular period of time.

The basics of marketability (measure of market support) tend to rely on an equilibrium between supply and demand; particularly as these terms apply to economic models. Therefore, if the subject is priced according to its location (land value) and physical attributes (improvements, if any) where it will capture its share (fair share) of the market, there would be market support for the real estate. This is both a consideration of current and existing supply as well as the incorporation of future growth in competition (supply). Rather, it is a recognition of the appraisal analysis that identifies the subject property as to a particular real estate product (type) and the real estate market in which this property competes (location, Montana).

The manner in which subject demand is analyzed is the simplest way to characterize a market analysis assignment because estimates of demand are formulated differently depending on the level of analysis required by the appraisal problem. In some cases, demand may simply be inferred from published data and from current and historical market conditions. It is my opinion inferred market analysis is adequate to allow for a credible appraisal result. The primary analysis is based on population growth, housing, and household analysis as well as income analysis.

Population Summary:

In 2000, Sanders County had a population of 10,227, characteristic of a sparsely populated rural area reliant on industries like agriculture, logging, and tourism. By 2010, the population grew significantly to 11,413, marking an 11.6% increase over the decade. This growth likely stemmed from an influx of residents drawn to the county's natural beauty, affordable land, and a slower-paced lifestyle, trends often seen in rural Montana during this period. The appeal of outdoor recreation, including access to the Clark Fork River and nearby national forests, may have attracted retirees, remote workers, or those seeking a retreat from urban life.

The upward trend continued into 2020, with the population reaching 12,400, a further 8.6% increase from 2010. This decade of growth suggests Sanders County benefited from broader migration patterns, as people increasingly sought rural areas for quality of life, particularly during economic recovery periods post-2008 recession. Smaller communities within the county,

like Thompson Falls (the county seat) and Plains, contributed to this growth, with Thompson Falls showing more consistent gains compared to Plains' slower, more stable trajectory.

By 2023, Sanders County's population slightly declined to an estimated 12,298, a modest drop of about 0.8% from 2020. This dip could reflect several factors common to rural areas: out-migration of younger residents seeking better job opportunities, an aging population, or economic challenges tied to fluctuating industries like timber or agriculture. The county's economy, while supported by tourism and small businesses, may not provide the diverse employment opportunities needed to retain or attract younger families, a common issue in rural Montana. Additionally, the slight decline aligns with broader post-2020 trends, where some rural areas saw a leveling off of pandemic-driven relocations as urban economies rebounded.

Estimates for 2024 place the population at approximately 12,350, suggesting a stabilization or slight recovery from the 2023 dip. Projections for 2025 anticipate the population returning to around 12,400, matching 2020 levels. This stabilization indicates that Sanders County is neither experiencing significant growth nor sharp decline, reflecting a balance between in-migration and out-migration. The county's appeal as a destination for retirees or remote workers with access to broadband may support this steadiness, particularly in communities like Thompson Falls, which shows stronger growth (e.g., 2.2% annual increase projected for 2025). Plains, by contrast, exhibits more modest growth, likely due to its smaller size and limited economic diversification.

Several factors shape Sanders County's population trends. Its rural character, with vast open spaces and proximity to natural attractions, continues to draw individuals seeking an alternative to urban life. However, challenges like limited healthcare access, aging infrastructure, and seasonal economic fluctuations (e.g., tourism peaks) may constrain growth. The county's demographic composition likely skews older, as rural areas often attract retirees while younger residents move to urban centers for education or work. This could lead to a stable but aging population, with implications for local services like healthcare and schools.

Economically, Sanders County's reliance on traditional industries and tourism may limit its ability to attract large-scale population influxes unless remote work opportunities expand. The slight growth in Thompson Falls suggests it serves as a hub for the county, potentially benefiting from its role as the county seat and better amenities compared to smaller towns like Plains. Meanwhile, Plains' slower growth reflects its more limited economic base, though its population remains stable, supported by its tight-knit community and rural charm.

Looking ahead, Sanders County's population is likely to remain stable or grow modestly through 2025, driven by its appeal to specific demographics like retirees or remote workers. However, sustaining or increasing growth may require investments in infrastructure, broadband expansion, and economic diversification to attract younger families or professionals. External factors, such as national economic trends, housing availability, and climate considerations (e.g., wildfire risks), could also influence future migration patterns.

Household Summary:

Sanders County, home to roughly 12,298 people in 2023, supports approximately 5,453 households, each averaging 2.3 residents—a modest size that underscores the prevalence of small families, retirees, or individuals living alone. About 61.4% of these households (around 3,348) are family units, often married couples or parents with children, while 38.6% (roughly 2,105) are non-family households, such as single-person homes or unrelated roommates. Only 21.7% of households include children under 18, reflecting an older demographic with a median age of 54.6, likely driven by retirees drawn to the county's tranquil landscapes, including the Clark Fork River and nearby forests.

Economically, households earn a median income of \$54,035 in 2023, a 14.7% jump from \$47,110 the prior year, though still below Montana's median household income of \$69,922 and the national median household income of \$78,538. The average household income, at \$63,808, hints at some wealthier outliers, with the largest income bracket falling between \$75,000 and \$100,000. Yet, poverty persists, with 10.1% of families and 15.1% of individuals below the poverty line, rates higher than state and national averages. Housing is relatively strong, with 6,789 total units, 77% owner-occupied, and a median home value of \$323,800—affordable compared to urban markets. Monthly housing costs average \$604, making homeownership attainable for many, though renters (22.9%) face tighter budgets. The county's households are predominantly English-speaking, with 92.2% of residents holding at least a high school diploma, signaling a stable, educated community.

In contrast, Plains, a smaller town within Sanders County with about 1,156 residents in 2021, supports roughly 500 households, also averaging 2.3 people per home. While specific household composition data for Plains is less detailed, trends suggest a mix leaning slightly toward non-family households, likely single adults or older residents, given fewer families with children compared to the county. Plains' median age of 39.7 is notably younger than the county's 54.6, indicating a working-age population, possibly including younger families or individuals employed locally. However, Plains faces significant economic challenges. The median household income in 2021 was just \$24,844—less than half the county's \$54,035 and far below state and national benchmarks.

The average household income of \$44,365 points to income inequality, with a small 2.25% of households earning over \$200,000, while most struggle with low wages. Per capita income, at \$24,055, further underscores economic hardship. Poverty rates, though not explicitly reported, are likely higher than the county's 15.1%, given the income levels. Housing in Plains aligns with the county's high ownership trend (around 77%), but costs are likely lower than the county's \$604 monthly median, reflecting cheaper, possibly older properties. Employment centers on roles like office support, management, and sales.

Comparing the two, Sanders County's households benefit from greater economic stability, driven by wealthier areas like Thompson Falls, the county seat, which likely pulls up the median

income. Plains, however, stands out as an economic outlier, with its low incomes signaling limited job opportunities, possibly tied to seasonal work or reliance on local businesses. Both areas share small household sizes and high homeownership, typical of rural Montana, but Plains' younger, poorer demographic faces steeper challenges. The county's older, retiree-heavy population enjoys moderate affordability and stability, while Plains' residents navigate a tougher economic reality, potentially driving out-migration among younger workers.

Employment Summary:

In Sanders County, (roughly 12,298 people in 2023), the labor force numbers are around 5,233 workers, with about 4,908 employed and 325 seeking work. The county's unemployment rate stood at 6.2% in 2022, a notable improvement from the 13.6% peak during the 2020 pandemic but still higher than Montana's 3.4% statewide average. This places Sanders County among the state's higher unemployment regions, reflecting the seasonal nature of its economy. Winter months bring leaner times, as tourism and agriculture slow, leaving workers in hospitality or farming to navigate periods of job scarcity. The county's economic backbone rests on a mix of industries: healthcare, retail, agriculture, and public administration. At Clark Fork Valley Hospital in Thompson Falls, nursing assistants and registered nurses are in steady demand, earning \$15–\$30 per hour, while retail sales workers and seasonal nursery workers support local businesses and agricultural operations.

Public sector roles, like deputy sheriffs or county clerks, offer stability with benefits, a lifeline in a region where self-employment and part-time work are common. Recent job postings, numbering 65 to 85 on platforms like Indeed, include roles like bank tellers, caregivers, janitors (\$22/hour), and millwrights, reflecting a modest but varied job market. With a median household income of \$54,035, below Montana's \$69,922 but up 14.7% from 2022, households manage, though 15.1% of individuals live below the poverty line, a stark reminder of economic fragility.

Plains, (roughly 1,063 residents in 2023) tells a more challenging economic story within the county's broader landscape. Its labor force, estimated at roughly 500 workers, supports a small community where jobs are scarce and wages low. While specific unemployment data for Plains is not reported, it likely mirrors or exceeds the county's 6.2% rate, given the town's economic constraints and seasonal job cycles. The local economy leans on healthcare, retail, hospitality, and small-scale agriculture, with Clark Fork Valley Hospital and local businesses like Glacier Bancorp serving as key employers.

Workers here hold jobs in office support, management, sales, and healthcare, with recent openings like caregivers (\$19/hour for veteran care) or janitors (\$22/hour) offering modest pay. But the median household income of \$44,844 in 2023, which is less than half the county's \$54,000, underscores deep economic hardship, with per capita income at just \$22,741. A striking gender pay gap sees women earning 47.2% of men's wages, far worse than state or national norms, highlighting inequities in this small town. While 2.6% of households earn over \$100,000, most scrape by, and poverty likely exceeds the county's 15.1% rate, though exact figures are

unavailable. Many residents work part-time or seasonally, in restaurants or small retail, and some commute to Thompson Falls or Superior for steadier roles. Self-employment, like cleaning services or ranch work, is a necessity for many, given the lack of corporate employers. The absence of a local job center means residents rely on Thompson Falls' Job Service, adding another hurdle. Younger workers, facing low wages and few career paths, often leave, threatening Plains' economic future.

Comparing the two, Sanders County fares better, with Thompson Falls acting as an economic anchor, offering more jobs and higher wages in healthcare and government. Plains, constrained by its size and sparse employer base, struggles to provide enough opportunities, leaving residents with lower incomes and fewer prospects. Both share rural Montana's challenges: seasonal work, youth out-migration, and limited job diversity. Healthcare and public sector jobs provide stability in Sanders County, while Plains leans heavily on its hospital and local businesses, with less cushion against economic swings. Across the county, tourism, tied to natural attractions like the Clark Fork River, boosts summer employment but fades in winter, and agriculture, while vital, offers mostly seasonal or low-wage roles.

Looking ahead, with stable population projections (12,400 for Sanders County, 1,070 for Plains by 2025, and 1,535 for Thompson Falls), the labor force is unlikely to grow significantly. Broadband expansion could unlock remote work, but without investment in training, education, or new industries, unemployment and poverty will linger. Plains, in particular, needs targeted development to lift incomes and retain its younger workers. State programs like Accelerate Montana's Rapid Training could help, but their reach in this remote county remains limited. For now, Sanders County and Plains persist through resilience, with workers navigating a delicate balance between the promise of rural life and the realities of a constrained job market.

Largest Employers/Sanders County:

Clark Fork Valley Hospital: A cornerstone of the county's healthcare sector, this hospital in Thompson Falls employs a significant number of workers, including registered nurses, certified nursing assistants (CNAs, \$15–\$20/hour), and administrative staff. As one of the few major healthcare providers in the region, it likely employs dozens to over 100 workers, serving both Thompson Falls and surrounding areas like Plains.

Sanders County Government: As the county seat, Thompson Falls hosts county offices, including the Sheriff's Department, Clerk's Office, and other administrative roles (e.g., deputy county attorney, deputy sheriff). Public sector jobs offer stability with benefits, employing a notable portion of the workforce, likely in the range of 50 to 100 workers across various departments.

Thompson Falls Public Schools: The local school district is a key employer, with teachers, administrative staff, and support roles like custodians and bus drivers. Given the county's population and school enrollment, it likely employs 50 to 80 workers, serving Thompson Falls and nearby communities.

Local Retail and Small Businesses: Retail chains like Town Pump (a Montana-based company with approximately 2,000 employees statewide) and small businesses, including grocery stores and hardware stores (e.g., Thompson Falls Family Pharmacy), contribute to employment. While no single retailer dominates, collectively, they employ dozens in roles like cashiers and managers.

Agricultural and Forestry Operations: Seasonal roles in nurseries, logging, and ranching (e.g., Alpine Falls Ranch in nearby Superior) employ workers, particularly in summer. These operations, while smaller, are vital, with individual employers, like nurseries hiring 10 to 20 workers seasonally.

Key Industries/Sanders County:

Healthcare and Social Assistance

- **Overview:** Healthcare is a cornerstone industry, driven by the region's aging population (median age 54.6) and the need for medical services in a rural area.
- **Key Players:** Clark Fork Valley Hospital in Thompson Falls is the largest healthcare employer, offering jobs for registered nurses, certified nursing assistants, and administrative staff. Smaller clinics and assisted living facilities also contribute.
- **Impact:** This sector provides stable year-round employment, critical in a region with seasonal job fluctuations. It supports a significant portion of the county's labor force of an estimated 5,233, particularly in Thompson Falls and Plains.
- **Trends:** Demand for healthcare workers remains high due to retiree in-migration and limited local services, with job listings on platforms like Indeed (2025) showing consistent openings for nurses and caregivers.

Public Administration

- **Overview:** As the county seat, Thompson Falls hosts Sanders County government operations, making public administration a key industry.
- **Key Players:** Sanders County Government employs workers in roles like deputy sheriffs, clerks, and administrative staff (e.g., deputy county attorney). The Sheriff's Department and county offices are major employers, likely supporting 50 to 100 jobs.
- **Impact:** Public sector jobs offer stability, competitive wages, and benefits, attracting workers in a region where private-sector opportunities are limited. These roles are less affected by seasonal fluctuations.
- **Trends:** Steady demand for county roles supports local employment, though growth is constrained by the county's small budget and population.

Education

- **Overview:** Education is a vital industry, serving the county's schools and supporting community stability.

- Key Players: Thompson Falls Public Schools and Plains Public Schools are major employers, with roles for teachers, aides, custodians, and bus drivers. Each district likely employs 30 to 80 workers, based on enrollment and staffing norms.
- Impact: Schools provide consistent jobs and are central to community life, hosting events like the 2025 Plains High School Art Exhibition and Thompson Falls poetry slams.
- Trends: Limited population growth caps school expansion, but education remains a reliable employer, particularly for year-round positions.

Retail Trade

- Overview: Retail supports local commerce, serving residents and tourists in this rural area.
- Key Players: Businesses like Town Pump (a Montana-based chain with approximately 2,000 employees statewide), Thompson Falls Family Pharmacy, and local grocery stores employ workers in roles like cashiers, sales associates, and managers.
- Impact: Retail provides accessible jobs, though many are low-wage (\$10–\$15/hour) and part-time, contributing to the county’s 15.1% poverty rate. Collectively, small retailers employ dozens across the county.
- Trends: Retail is stable but sensitive to seasonal tourism, with higher activity in summer due to visitors to the Clark Fork River and nearby forests.

Agriculture, Forestry, and Fishing

- Overview: Agriculture and related industries leverage Sanders County’s natural resources, including fertile land and forests.
- Key Players: Nurseries, logging operations, and ranches (e.g., Alpine Falls Ranch in Superior, Historic Jones Ranch in Plains) employ workers in seasonal roles like nursery workers, loggers, and ranch hands. Trout Creek, known as the “Huckleberry Capital,” supports small-scale berry-related businesses.
- Impact: These industries provide seasonal jobs, particularly in summer, but wages are often low, and employment fluctuates. Nurseries and ranches may employ 10 to 20 workers each during peak seasons.
- Trends: Declining logging due to environmental regulations and market shifts limits growth, but agriculture remains a cultural and economic staple, especially for self-employed farmers and ranchers.

Tourism and Hospitality

- Overview: Tourism, driven by Sanders County’s natural attractions, is a growing industry, particularly in summer and fall.
- Key Players: Outfitters for hunting and fishing, restaurants, and lodging near the Clark Fork River and Flathead National Forest employ workers in hospitality, guiding, and food service. Events like the Plains County Fair and 2025 Poker Ride at Jones Ranch draw visitors.

- Impact: Seasonal jobs (e.g., cooks, servers, guides) are critical but unstable, contributing to the county's 6.2% unemployment rate, which spikes in winter. Tourism supports small businesses but offers limited high-wage opportunities.
- Trends: The county's designation as a "destination hunting locale" and proximity to recreational areas sustain tourism, with potential for growth if infrastructure (e.g., lodging, broadband) improves.

Wages and Income:

Sanders County's economy, driven by healthcare, public administration, education, retail, agriculture, and tourism, supports a median household income of \$54,035 in 2023, a notable 14.7% increase from \$47,110 in 2022. Yet, this figure falls short of Montana's median of \$69,922 and the national median of \$78,538, underscoring the region's rural economic constraints. The average household income, at \$63,808, is higher than the median, hinting at income inequality where a small number of higher earners, perhaps in healthcare or public sector roles, pull the average upward. Per capita income, estimated at \$27,800 (2021 ACS), is also below Montana's \$36,000, reflecting the county's modest wage base and limited high-paying opportunities. For the county's 5,453 households, averaging 2.3 persons, these income levels translate to a delicate balance between affordability and economic hardship, with 15.1% of individuals and 10.1% of families living below the poverty line, rates higher than Montana's 12.1% and the national 12.4%.

Wages in Sanders County vary widely by industry, reflecting the mix of stable, skilled positions and low-paying, seasonal jobs. Healthcare, a cornerstone industry, offers some of the highest wages, with registered nurses at Clark Fork Valley Hospital in Thompson Falls earning around \$30 per hour, while certified nursing assistants (CNAs) make \$15 to \$20 per hour. Public administration roles, such as deputy sheriffs or county clerks, provide competitive salaries, often starting at \$20 to \$25 per hour with benefits, appealing to workers seeking stability. Education jobs, including teachers at Thompson Falls or Plains public schools, offer annual salaries in the \$40,000 to \$60,000 range, depending on experience, providing a reliable income for the county's educated workforce. However, retail and hospitality, critical to local commerce and tourism, pay significantly less. Cashiers at stores like Town Pump or servers in restaurants often earn \$10 to \$15 per hour, close to Montana's minimum wage (\$10.30 in 2025), with tips supplementing income in food service. Agricultural and forestry jobs, such as nursery workers or ranch hands, are similarly low-paying, typically \$12 to \$15 per hour, and seasonal, contributing to income volatility. Recent job listings on Indeed (2025) highlight this range: janitorial roles start at \$22 per hour, caregivers for veterans earn \$24 per hour, and millwrights or security positions reach \$27 per hour, but these higher-wage jobs are few compared to abundant low-wage retail and service roles.

The county's income distribution reveals a middle-class core with pockets of wealth and poverty. The largest share of households earns between \$75,000 and \$100,000 annually, likely reflecting dual-income families in healthcare, education, or government. However, a significant portion, especially in smaller towns like Plains, falls below \$50,000, relying on part-time or seasonal

work. A small fraction, around 2% to 3% of households, earn over \$200,000, possibly from business ownership, remote work, or high-skill professions, contributing to the gap between median and average incomes. Self-employment, common in agriculture (e.g., ranching) and small businesses (e.g., cleaning services), adds to income variability, as earnings fluctuate with market conditions or seasons. For example, huckleberry-related businesses in Trout Creek or tourism outfitters in Thompson Falls see income spikes in summer but leaner times in winter. Plains, with a population of 1,060, stands out as an economic outlier within the county. Its median household income of \$24,844 (2021) is less than half the county's \$54,035, and per capita income (\$24,055) is similarly low. This stark disparity reflects Plains' limited job market, dominated by low-wage roles in retail, hospitality, and healthcare support (e.g., CNAs commuting to Clark Fork Valley Hospital). A severe gender pay gap (women earn just 47.2% of men's wages) exacerbates economic strain, one of the worst disparities in Montana. While 2.25% of Plains households earn over \$200,000, most struggle, with poverty likely exceeding the county's 15.1% rate, though specific data is unavailable. Residents often work part-time or commute to Thompson Falls for better-paying jobs, but the lack of local opportunities keeps incomes depressed.

Economic challenges in Sanders County are compounded by structural factors. The county's 6.2% unemployment rate (2022), higher than Montana's 3.4%, reflects a tight labor market with only 82 job openings for 325 unemployed workers in 2022. Seasonal industries like tourism and agriculture drive income instability, with winter unemployment spikes affecting retail and hospitality workers. Youth out-migration to urban centers like Missoula or Kalispell for higher wages drains the workforce, leaving an aging population (median age 54.6) reliant on fixed incomes or retiree wealth. Limited broadband access restricts remote work, a growing income source elsewhere, though some professionals may telecommute in higher-paying fields. The county's high homeownership (77%) and low housing costs (\$604/month) provide financial relief, but low wages and poverty challenge many households, particularly in Plains.

PROPERTY DESCRIPTION

Land Description

Land GEO Code	35-3220-02-1-01-01-LEA1
Improvement GEO Code	35-3220-02-1-01-01-4021
Physical Address	9 Walts Cabin Road, Plains, MT
Utility	Rural residential.
Soil Conditions	Typical
Location	Rural area NE of Thompson Falls, North of Plains.
Street Improvements	Private access from Thompson River Pass Road
Size Acres	0.79
Size SF	34,412
Waterfront	No actual frontage.
Waterfront Plat Dimension	n/a
Average Lot Depth	Irregular
Corner Lot	No
Common Areas	None
Irrigation	None
Vegetation/Tree Cover	Good mix of timber and open areas.
Water Resource	Little Thompson River is offsite to the west. There are some marshy areas associated with the subject property, on the westerly side of the site.
Overall Topography	Level to slightly rolling with a downslope toward the westerly portion of the property.
Access	Property has physical and legal access from a private road off of Little Thompson River Road.
Road Frontage	Private access easement from Little Thompson River Road.

Utilities	None onsite. Off grid.
Shape	Irregular
Zoning	None.
Flood Hazard	Possible along westerly side of property.
Visibility	Minimal; property has visibility from access roadways.
Viewshed	Mountain/typical.
Wetlands	Possible along westerly side of property.
Environmental Issues	None known.
Easements/Encroachments	None noted.
Offsite Improvements	None.
Onsite Improvements	Pit privy, driveway.

Main House

Number of Units	1
Number Stories	One
Type	Detached
Quality	Average
Year Built	1955
Condition	Average
Design	One story cabin
Effective Age	20
Bathrooms	0
Finished Area Above Grade SF	569
Basement SF	0
Basement Finish SF	0

Attic	None
Foundation	Rock and mortar.
Exterior Walls	Wood
Roofing	Metal
Specialty Siding Elements	None
Gutters and Downspout	None
Window Type	Wood frame.
Storm Sash	None
Fireplace	0
Woodstove	1
Refrigerator	None
Range/Oven	None
Microwave	None
Washer/Dryer	None
Disposal	None
Room Count Total	2
Upper Bedrooms	1
Lower Bedrooms	0
Baths	0
Lower Baths	0
Other Living Area	0
Settlement	None noted.
Sump Pump	None
Evidence of Infestation	None noted.
Dampness	None noted.
EBB	None
Electric Wall Heaters	None
Forced Air Furnace	None.
Cooling System	None.

Window Units	None.
Central AC	None.
Floors	Engineered.
Walls	Mainly wood and paneling.
Trim/Finish	Wood
Ceiling Finish	Open wood.
Bath Floor	n/a
Bath Wainscot	n/a
Decks, Porches, and Patios	66
Garage	0
Other Living Area	0
Outbuildings	99

Water Rights:

March 3, 2025
76N 23389-00

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General Abstract

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 76N 23389-00 STATEMENT OF CLAIM
Version: 2 -- REEXAMINED
Version Status: ACTIVE
Owners: MONTANA STATE BOARD OF LAND COMMISSIONERS
TRUST LAND MANAGEMENT DIVISION
PO BOX 201601
HELENA, MT 59620-1601
Priority Date: APRIL 15, 1971
Enforceable Priority Date: APRIL 15, 1971
Type of Historical Right: USE
Purpose (Use): DOMESTIC
Maximum Flow Rate: 10.00 GPM
Maximum Volume: 1.50 AC-FT
Households: 1
Maximum Acres: 0.25
Source Name: LITTLE THOMPSON RIVER
Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SENE	2	22N	27W	SANDERS

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: PUMP

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1	0.25		SENE	2	22N	27W	SANDERS

Total: 0.25

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 76N 23390-00 STATEMENT OF CLAIM
Version: 2 -- REEXAMINED
Version Status: ACTIVE
Owners: MONTANA STATE BOARD OF LAND COMMISSIONERS
TRUST LAND MANAGEMENT DIVISION
PO BOX 201601
HELENA, MT 59620-1601
Priority Date: APRIL 15, 1946
Enforceable Priority Date: APRIL 15, 1946
Type of Historical Right: USE
Purpose (Use): DOMESTIC
Maximum Flow Rate: 5.00 GPM
Maximum Volume: 1.50 AC-FT
Households: 1
Maximum Acres: 0.25
Source Name: SPRING, UNNAMED TRIBUTARY OF LITTLE THOMPSON RIVER
Source Type: GROUNDWATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SENENE	2	22N	27W	SANDERS

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: FLOWING

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1	0.25		SENENE	2	22N	27W	SANDERS

Total: 0.25

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 76N 23391-00 STATEMENT OF CLAIM
Version: 2 -- REEXAMINED
Version Status: ACTIVE
Owners: MONTANA STATE BOARD OF LAND COMMISSIONERS
TRUST LAND MANAGEMENT DIVISION
PO BOX 201601
HELENA, MT 59620-1601
Priority Date: APRIL 15, 1945
Enforceable Priority Date: APRIL 15, 1945
Type of Historical Right: USE
Purpose (Use): DOMESTIC
Maximum Flow Rate: 5.00 GPM
Maximum Volume: 1.50 AC-FT
Households: 1
Maximum Acres: 0.25
Source Name: SPRING, UNNAMED TRIBUTARY OF LITTLE THOMPSON RIVER
Source Type: GROUNDWATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr</u>	<u>Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SENENE	2	22N	27W	SANDERS	

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: FLOWING

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr</u>	<u>Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1	0.25		SENENE	2	22N	27W	SANDERS	

Total: 0.25

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 76N 23392-00 STATEMENT OF CLAIM
Version: 2 -- REEXAMINED
Version Status: ACTIVE
Owners: MONTANA STATE BOARD OF LAND COMMISSIONERS
TRUST LAND MANAGEMENT DIVISION
PO BOX 201601
HELENA, MT 59620-1601
Priority Date: JULY 14, 1981
Enforceable Priority Date: JULY 14, 1981
Type of Historical Right: USE
Purpose (Use): DOMESTIC
Maximum Flow Rate: 5.00 GPM
Maximum Volume: 1.50 AC-FT
Households: 1
Source Name: GROUNDWATER
Source Type: GROUNDWATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SENE	2	22N	27W	SANDERS

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: WELL

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			SENE	2	22N	27W	SANDERS

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 76N 37972-00 GROUND WATER CERTIFICATE
Version: 1 – ORIGINAL RIGHT
Version Status: ACTIVE
Owners: MONTANA STATE BOARD OF LAND COMMISSIONERS
TRUST LAND MANAGEMENT DIVISION
PO BOX 201601
HELENA, MT 59620-1601
Priority Date: JUNE 22, 1981 at 01:01 P.M.
Enforceable Priority Date: JUNE 22, 1981 at 01:01 P.M.
Purpose (Use): DOMESTIC
Maximum Flow Rate: 5.00 GPM
Maximum Volume: 1.50 AC-FT
Source Name: GROUNDWATER
Source Type: GROUNDWATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SENE	2	22N	27W	SANDERS

Period of Diversion: JANUARY 1 TO DECEMBER 31
Diversion Means: WELL
Purpose (Use): DOMESTIC
Households: 1
Volume: 1.50 AC-FT
Period of Use: JANUARY 1 to DECEMBER 31
Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			SENE	2	22N	27W	SANDERS

Remarks:

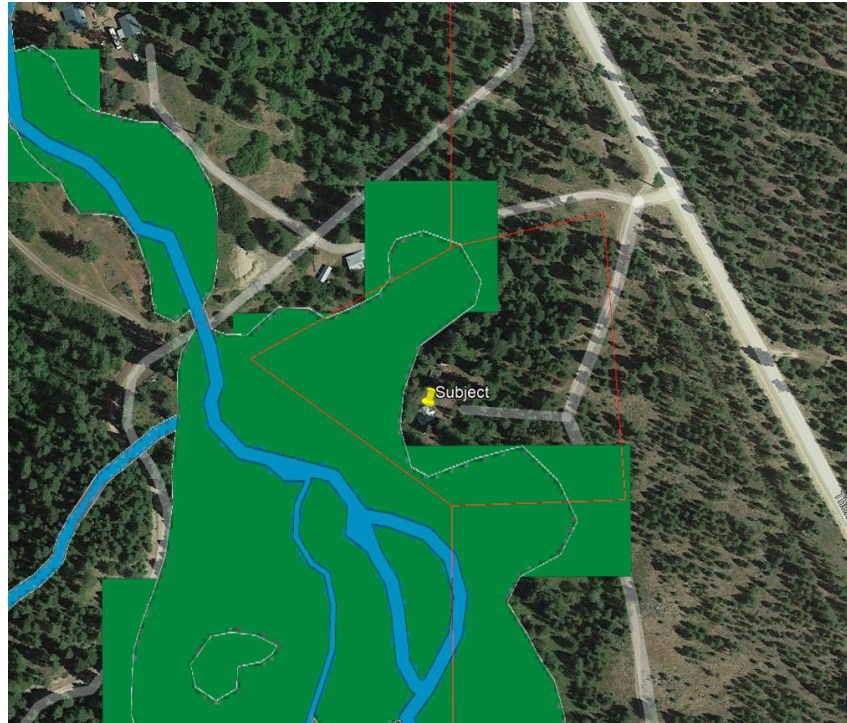
LAND DESCRIPTION CLARIFICATION

THE POINT OF DIVERSION AND PLACE OF USE ARE LOCATED IN LEASE NO 1102

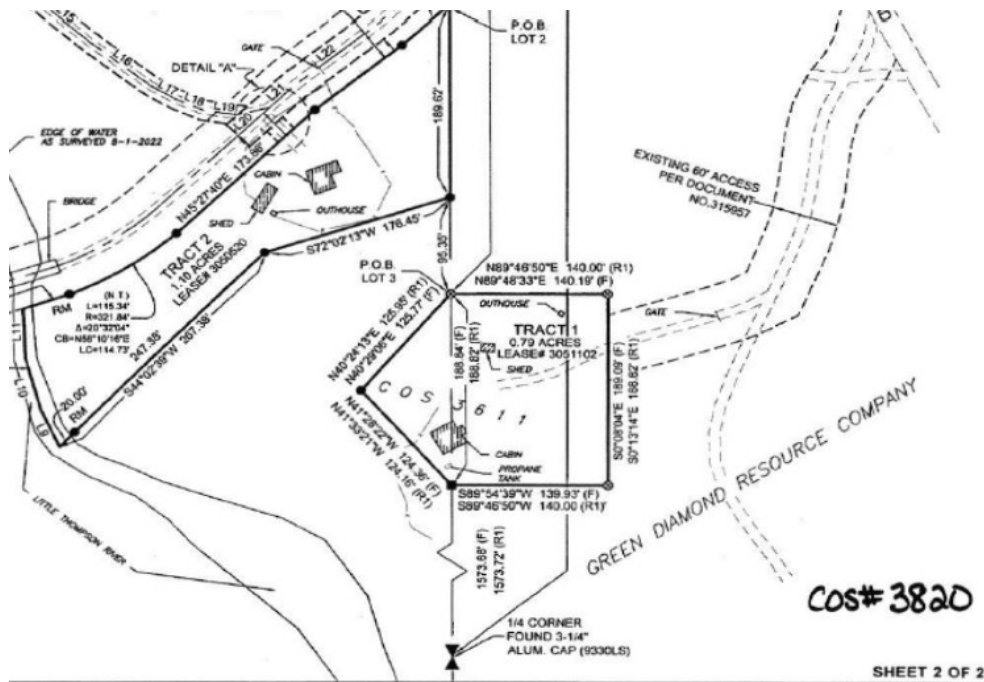
Flood Map:



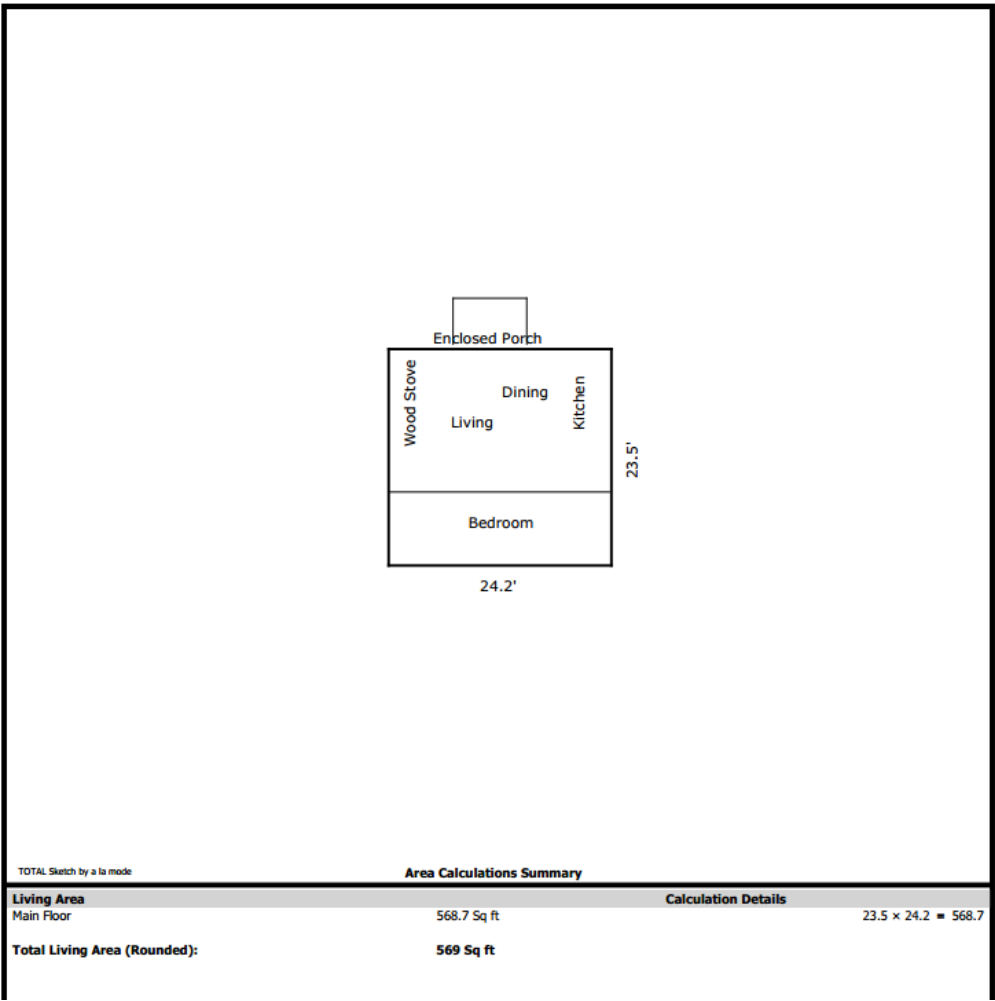
FWS Wetlands Map:



Plat Map:



Building Sketch:



Subject Photographs:



Exterior view of the subject cabin looking in a westerly direction.



View looking down the driveway toward the cabin in a westerly direction.



Bedroom view.



View from the dining area looking toward the kitchen.



Interior view of the main area.



Additional interior view of the main area.



View looking down the northerly property boundary. This photograph was taken looking in a westerly direction.



View showing the westerly and southerly elevation of the cabin looking in a northerly direction.

HIGHEST AND BEST USE

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

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

The Appraisal of Real Estate, Fifteenth Edition, published by The Appraisal Institute simply defines highest and best use as:

The reasonably probable use of property that results in the highest value.

The Fifteenth Edition further states:

To be reasonably probable, traditionally a use must meet certain conditions:

- *The use must be physically possible (or it is reasonably probable to render it so).*
- *The use must be legally permissible (or it is reasonably probable to render it so).*
- *The use must be financially feasible.*

Uses that meet the three criteria of reasonably probable uses are tested for economic productivity, and the reasonably probable use with the highest value is the highest and best use.

In appraisal practice, the concept of highest and best use requires the appraiser to consider any and all uses to which the property was capable of being adapted. For the analysis, the appraiser must first analyze physically possible and legally permissible criteria. Consideration must be given to these uses, recognizing the limitations imposed by physical limitations of the land including size, shape, and topography, as well as governmental regulations such as zoning ordinances, building codes, and health standards. These can be approached in either order but must be considered first to filter out any uses that would not be possible either physically or legally.

Next the appraiser determines whether each of the possible uses are financially feasible, by looking at the attitudes of the typical investors in real property of this type in the area encompassing the subject property and determining whether that use is worth at least as much as it would cost to produce. Uses that do not pass the financially feasible test are eliminated as highest and best use.

Once the uses are filtered down to be financially feasible, the final test of maximum productivity is applied. This is the last test to determine the highest and best use of the land as though vacant and the property as improved (if it is improved) and make a final conclusion of the use that would yield the highest value, which is the highest and best use of the property.

The Appraisal of Real Estate, Fifteenth Edition, explains the concept of how to analyze the *highest and best use of land as though vacant* and *highest and best use of the real estate as improved* as follows:

The analysis of land as though vacant focuses on alternative uses of the land, with appraisers analyzing each reasonably probable use. In the analysis of highest and best use of land as though vacant, appraisers seek the answers to several questions:

- *Should the land be developed or left vacant?*
- *If left vacant, when would future development be financially feasible?*
- *If developed, what kind of improvements should be built?*

In contrast, when appraisers analyze the highest and best use of the real estate as improved, the focus on alternative uses considers three possible actions related to the current improvements:

1. *Retain the improvements.*
2. *Modify the improvements in some way, such as conversion, renovation, or alteration.*
3. *Demolish the improvements and redevelop the land.*

The analysis of the highest and best use of the real estate as improved answers a different question than the analysis of the land as though vacant:

- *Should the existing improvements on the property be maintained in their current state, should they be altered in some manner to make them more functionally efficient, or should they be demolished to create a vacant site for a different use?*
- *If renovation or redevelopment is warranted, when should the renovations or redevelopment occur?*

Implied within this determination of highest and best use is that the result is formed by the appraiser's interpretation of market evidence, e.g., that the use determined from analysis represents an interpretative opinion and not a fact to be found.

There are five general uses which are considered. These include residential, commercial, industrial, agricultural, and recreational. Within the Montana marketplace I have found it more prudent to begin the analysis with legally permissible since this helps refine the analysis quickly and to the point. The following presents the highest and best use analysis for the subject property.

Legally Permissible:

The subject property is located within Sanders County. There is no zoning on the subject property or in the immediate neighborhood.

Physically Possible:

The subject property is situated in a rural area of Sanders County north of the community of Plains, Montana. There are a variety of recreational single-family residential uses in the subject immediate neighborhood. There are also vast amounts of open private and publicly owned land in the neighborhood.

The subject property is an off grid property with no availability of utilities. There are a number of water rights associated with the subject property, some reportedly, historically used for potable water. The current lessees do not currently use any of the water rights and carry water. Generators, solar and battery are common in this neighborhood.

The westerly part of the subject property is impacted by FWS wetlands and does have some high groundwater concentrations. The cabin site and other building improvements are situated above grade from the wetlands to the mid-and easterly portion of the subject property.

Financial Feasibility:

The subject has a single-family residential/recreational historical use and single-family residential/recreational highest and best use. The overall location and privacy factors are paramount to the analysis and there are some offsetting factors with the off grid nature and privacy of the entire neighborhood.

Maximum Productivity:

The maximum productivity of the subject is the ability to incorporate both residential and recreational aspects of land use. Generally, this is a single-family residential site with some recreational overtones which is more of an impact of the location and privacy factor.

Most Likely Buyer:

The most likely buyer would be a part-time recreational user of the property. The subject property is situated in a rural neighborhood outside of Plains, Montana. It has relatively easy access, albeit a gravel road for the majority of the travel time. For purposes of highest and best use the primary expectation is for an integrated highest and best use between residential and recreational.

Timing of Use:

The timing of use is generally immediate. The sales represented a mixture of more single-family residential users as well as integrated uses between recreational and single-family residential. A number of the improved sales are off grid and there appears to be demand for that use. The subject property does have a privacy factor not found with the majority of the land or improved sales. The sales all sold and closed in under twelve months. Overall, based on the sales information, it is reasonable to believe that the subject, if priced correctly, could be sold in a similar amount of time.

Highest and Best Use of Land Only:

The subject property has a mainly residential/recreational highest and best use given the overall site size and location.

Highest and Best Use As Improved:

The structural improvements continue to add value to the underlying land and the subject has a mainly residential highest and best use. The current owners have completed some remodel improvements including the bedroom and flooring.

THE APPRAISAL PROCESS

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

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

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

The three approaches to value do not necessarily apply to all types of property as the appraiser must decide whether a particular approach is applicable in each instance. The key to this decision is whether or not the approach is practical as a yardstick of market performance or merely a theoretical application. These observations are particularly pertinent in the appraisal of properties in transition to a higher and better use as well as special use properties where value-in-use is more applicable than market value.

The appraisal of the site is based on the overall value of the property as well as segregated values for the underlying land and non-state-owned structural and site improvements. In this instance the income approach would not allow for a reliable and credible opinion of current market value. In addition, the overall age of the structural improvements as well as the value of the underlying land makes the cost approach unreliable and non-credible. The most suitable approach for the appraisals of the sites is the sales comparison approach.

SALES COMPARISON APPROACH

The following definition of this approach is taken from the Dictionary of Real Estate Appraisal, Seventh Edition, published by The Appraisal Institute:

Sales Comparison Approach

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

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

Under the sales comparison approach methodology, there are several techniques that can be employed. I generally have found there to be more emphasis given to a price paid per acre. That is consistent with the market behaviors in this western Montana area. However, in some markets there is more emphasis on an overall lot price. This is sometimes seen in smaller residential lots and some waterfront properties. The analysis will include consideration of both and determine which technique best reflects the market behaviors.

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

- 1. Research the competitive market for information on properties that are similar to the property being appraised and that have been sold recently, or were listed for sale, or are under contract. Information on agreements of sale, options, listings, and bona fide offers may also be collected. The characteristics of the properties such as property type, date of sale, size, physical condition, location, and land use constraints should be considered. The goal is to find a set of comparable sales or other evidence such as property listings or contracts as similar as possible to the subject property to ensure they reflect the actions of similar buyers. Market analysis and highest and best use analysis set the stage for the selection of appropriate comparable sales.*
- 2. Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification should elicit additional information about the properties such as buyer and seller motivations, economic characteristics (if the property is income-producing), value component allocations, and other significant factors as well as information about the market to*

ensure that comparisons are credible.

3. *Select the most relevant units of comparison used by participants in the market (e.g., price per acre, price per square foot, price per front foot, price per dwelling unit, price per lot or proposed lot, price per room) and develop a comparative analysis for each unit. The goal is to define and identify a unit of comparison that explains or mirrors market behavior.*
4. *Look for differences between the comparables being considered and the subject property using all appropriate elements of comparison. Then adjust the price of each comparable, reflecting how it differs to equate it to the subject property or eliminate that property as a comparable. This step typically involves using the most similar properties and then adjusting for any remaining differences. If a transaction does not reflect the actions of a buyer who would also be attracted to the subject property, an appraiser should be concerned about comparability and the wisdom of relying on that comparable as a basis for comparison.*
5. *Reconcile the various value indicators produced from the analysis of comparables into a value indication from the sales comparison approach. A value can be expressed as a single point estimate, as a range of values, or in terms of a relationship (e.g., more or less than a given amount).*

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

1. *Real property rights conveyed (e.g., fee simple estate, leased fee, leasehold)*
2. *Financing terms (e.g., all cash, market financing, seller financing, special or atypical terms)*
3. *Conditions of sale (e.g., short sale, bank-owned real estate [REO], private estate, relocation, 1031 tax-free exchange, or other atypical motivations)*
4. *Expenditures made immediately after purchase (e.g., new roof, renovation costs)*
5. *Market conditions (e.g., changes in supply and demand or other causes of price changes)*
6. *Location (e.g., neighborhood, interior lot, waterfront, arterial street)*
7. *Physical characteristics (e.g., size, shape, soils, access, construction quality, condition)*
8. *Economic characteristics (e.g., expense ratios, lease provisions, management, tenant mix)*
9. *Legal characteristics (e.g., zoning/use requirements, environmental regulations, building codes, flood zones, differences in highest and best use)*
10. *Non-realty components of value (e.g., personal property, furniture, trade fixtures, and equipment [FF&E], franchises, trademarks)*

The sales comparison approach is reflective of the basic principles of *Anticipation, Balance, Change, Competition, Contribution, Externalities, Opportunity Costs, Substitution*, and

Supply/Demand. The essence of comparison is direct similarity and that focuses on similarity of highest and best use and then physical characteristics.

SALES COMPARISON APPROACH – LAND VALUE



Land Sale No. 1



Land Sale No. 2



Land Sale No. 3



Land Sale No. 4

General Comments:

As discussed earlier, the use of a unit of value measurement should be cross-checked for reasonableness. In simple terms, an analyst can present evidence of extracted adjustments for a variety of physical dissimilarities and be thoroughly convinced the results are exactly as market participants have reacted.

In this instance, it would appear the market relates information on a lot price and less on a unit price given the size of the subject and most of the comparable properties. The analysis of the subject property is both on the basis of unit pricing or price per acre as well as lot pricing.

Property Rights Conveyed:

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

Financing Terms:

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

Conditions of Sale:

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

Most of these examples are lender sales shown as a "short sale" or an "REO" (Real Estate Owned) which is most often where a bank received the property back from the borrower under a deed-in-lieu-of-foreclosure. The bank then puts the property on the market as an REO. There are motivational issues typically influencing the listing price and that results in a lower-than-market sale price. There are no sales included within the analysis that have an impact from conditions of sale.

Market Conditions (Time of Sale):

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

These sales are indications of a rise in general market conditions and not a result of remodels or improvements, as the pairing used were examined and eliminated if significant changes were made to the properties.

Sale	Date New Price	Sale	Date Old Price	Months	Monthly Compound
Lot 39 Panorama Road	12/10/21 \$59,900	Lot 39 Panorama Road	01/26/21 \$60,000	10	-0.02%
Nhn Steamboat Way W	05/12/21 \$183,330	Nhn Steamboat Way W	07/17/20 \$135,000	10	3.16%
Nhn Emerson Road	02/01/21 \$32,000	Nhn Emerson Road	12/26/19 \$29,000	13	0.75%
Nhn Morgan Acres Lot A	04/04/22 \$149,000	Nhn Morgan Acres Lot A	07/19/21 \$125,000	9	2.08%
74 Prairie Lane	02/10/23 \$89,000	74 Prairie Lane	07/07/21 \$45,000	19	3.62%
85 Prairie Lane	11/16/22 \$110,000	85 Prairie Lane	06/28/21 \$45,000	17	5.52%
75 Prairie Lane	3/20/2023 \$82,000	75 Prairie Lane	7/7/2021 \$45,000	20	2.98%
Lot 8 Prairie Lane	3/28/2023 \$85,000	Lot 8 Prairie Lane	7/16/2021 \$46,000	20	3.06%
42 Valley Vista Heights Drive	4/27/2023 \$227,000	42 Valley Vista Heights Drive	2/24/2022 \$205,000	14	0.73%
Nhn Whitetail Lane	3/5/2021 \$230,000	Nhn Whitetail Lane	6/13/2019 \$100,000	21	4.10%
				Minimum	-0.02%
				Maximum	5.52%
				Median	2.62%
				Average	2.49%

A total of ten sales/resales of vacant land properties were uncovered in the market area around Plains. The search included sales as far west as Thompson Falls and east as Hot Springs with sales dates from 2019 through 2023. None had significant improvements made between the two sale dates. These are simply sales/resales where the primary price difference was market conditions. The overall range of monthly compound adjustments is from a low of -0.02% to an upper end of 5.52%. Discarding the lower end pairing and the upper end pairing, the range is 0.73% to 4.1%.

The tabulation below outlines a number of sales generally occurring between 2022 and 2025. The average of all sales was a monthly compound increase of 1.18%. Only one sale had a decrease between August 2022 and February 2025. That property had a monthly compound decrease of 0.18%.

Sale	Date New Price	Sale	Date Old Price	Months	Monthly Compound
29 Warner Ranch Lane	08/22/23 \$320,000	29 Warner Ranch Lane	08/02/22 \$249,000	13	2.00%
21 Foothill Lane	03/03/25 \$808,000	21 Foothill Lane	01/12/23 \$603,000	26	1.15%
29 Walking Horse Way	05/06/25 \$669,000	29 Walking Horse Way	04/21/23 \$609,000	25	0.38%
1211 Maiden Lane	09/05/24 \$290,000	1211 Maiden Lane	08/04/23 \$289,000	13	0.03%
8 Lariat Loop	08/12/24 \$465,000	8 Lariat Loop	05/01/23 \$425,000	15	0.59%
34 Lariat Loop	07/10/24 \$510,000	34 Lariat Loop	11/18/22 \$449,000	20	0.65%
11 Clark Fork Lane	06/09/25 \$350,000	11 Clark Fork Lane	10/03/22 \$230,000	32	1.31%
20 Big Mountain Lane	05/22/25 \$442,000	20 Big Mountain Lane	11/01/22 \$400,000	31	0.33%
310 1st Avenue S	08/04/23 \$195,000	310 1st Avenue S	11/04/22 \$120,000	9	5.56%
101 Graves Creek Road	02/13/25 \$455,000	101 Graves Creek Road	08/26/22 \$480,000	30	-0.18%
			Average	21	1.18%

My final conclusion is a rounded figure of 1.00% monthly compound adjustment. The amount will be applied to both the improved single-family residential sales as well as the vacant land sales.

Location:

There is some difficulty within the location adjustment and analysis process. The subject property is situated in a rural neighborhood north of Plains, Montana. Overall, there is fairly limited development in this area and no land sales have occurred in a significantly long timeframe. Furthermore, I searched Mineral County and Lincoln County for sales of more rural properties without access to telephone and electricity. Only Land Sale No. 1 is considered off grid. No other rural sales were uncovered in Sanders County, Mineral County, or Lincoln County.

However, all of the improved sales are located off grid. Sale No. 1 and Sale No. 2 are both very similar to the subject in terms of underlying land size and value as well as improvement contribution and improvement physical characteristics. Therefore, there is some cross support between the land sales analysis and the improved sales analysis in terms of the land contribution.

Size Adjustment:

The next issue of significance relates to a size adjustment. Theory holds that a smaller parcel should sell for a higher unit price and conversely a larger tract should sell for a lower unit price. It is somewhat difficult to extract an adjustment for size given the limited amount of primary sales data. In speaking with some of the local realtors in Mineral and Sanders Counties, the consensus supports the contention that larger parcels are typically priced at a lesser unit price.

The subject property contains a gross site area of 0.79 acres. The three primary sales are all larger than the subject ranging from 1.32 acres to an upper end of 1.43 acres. When using a unit price analysis, the subject property would likely be somewhat higher than these three indications given the smaller site area. These three sales produced indications of \$68,531 per acre, \$56,410 per acre and \$68,182 per acre. Initial sales prices were very similar, ranging from \$88,000 to an upper end of \$98,000.

Road Access:

The subject has access from a private gravel improved/maintained roadway off of Thompson River Pass Road. For the most part all of the sales have a reasonably similar access although the subject property has a small private driveway. Thompson River Pass Road is a county road and does have winter maintenance.

Topography:

Topography is fully defined as site usability. That term involves much more than the lot being suitable for a single dwelling unit given slope characteristics that affect cost of developing a site for roads (driveway), excavation and foundation work as well as wetland issues, bedrock issues, heavy tree cover, etc. That is all part of the discussion of topography. The primary sales data, including the improved sales, are all reasonably similar to the subject property in terms of topography in support of usability.

Utilities / Improvements:

The primary discussion here relates to the lack of utilities within the subject immediate neighborhood. Land Sale No. 1 and all of the improved sales are considered off grid with no utilities on site. The other primary land sales have access to telephone and electricity and are located in closer proximity to the community of Plains. There is more emphasis to Land Sale No. 1 and the primary improved sales given the off grid nature of these properties.

Zoning/Land Use:

Zoning and land use is based on restrictions the owner may have on developing the land. There is no zoning on any of the sales or subject properties.

Land Valuation:

Categories	Subject Property	Land Sale #1	Adjustments	Land Sale #2	Adjustments	Land Sale #3	Adjustments	Land Sale #4	Adjustments
Address/Sale Price		Lot 14 Donlan Flats	\$98,000	232 High Country	\$88,000	27 Loberg	\$90,000	River Road	\$85,000
Price Acre		\$68,531		\$56,410		\$68,182		\$61,151	
Per SF		\$1.57		\$1.30		\$1.57		\$1.40	
Property Rights Conveyed	Fee Simple	Fee Simple	\$0	Fee Simple	\$0	Fee Simple	\$0	Fee Simple	\$0
Financing Terms	Cash Equivalent	Cash	\$0	Cash	\$0	Cash	\$0	Cash	\$0
Conditions of Sale	Market	Market	\$0	Market	\$0	Market	\$0	Market	\$0
Expenditures Made Immediate to Sale	None	None	\$0	None	\$0	None	\$0	None	\$0
Improvement Value									
Sale Date/Market Conditions	5/30/2025	8/8/2023	\$23,657	3/18/2024	\$13,557	Pending	\$0	Pending	\$0
Time Lapse		22		14		0		0	
Adjusted Sale Price	N/A		\$121,657		\$101,557		\$90,000		\$85,000
Adjusted Price (\$/Ac)	N/A		\$85,075		\$65,101		\$68,182		\$61,151
Adjustments:									
Location	Rural area NE of Thompson Falls, North of Plains.	8.3 miles NE of St Regis.		5.4 miles N of Plains		1.7 miles SW of Plains		1.7 miles SW of Plains	
Size (SF)	34,412	62,291		67,954		57,499		60,548	
Size (Ac)	0.79	1.43		1.56		1.32		1.39	
FF	n/a								
Access	Property has physical and legal access from a private road off of Little Thompson River Road.	Private access		County/gravel		County/gravel		County/gravel	
Topography	Level to slightly sloping toward the westerly part of the property.	Level building area with some sloping areas.		Mostly sloping.		Mostly level.		Mostly level.	
Utilities	None onsite. Off grid.	None onsite. Off grid.		Telephone, electric.		Telephone, electric.		Telephone, electric.	
Zoning/Land Use	None.	None		None		None		None	
Vegetation/Tree Cover	Good mix of timber and open areas.	Good tree cover.		Good tree cover.		Good tree cover.		Good tree cover.	
Corner Lot	No	No		Yes		No		No	
Improvements	None	None		None		None		None	
Common Area	None	None		None		None		None	
Net Adjustments			\$0		\$0		\$0		\$0
Indicated Value			\$121,657		\$101,557		\$90,000		\$85,000
Implied Subject Per Acre			\$153,996		\$128,553		\$113,924		\$107,595

Sale No. 1 could be considered the primary indication of value given the lack of utilities on site. This property could have some offsetting location characteristics also. This sale is located between Montana 135 and the BNSF railroad tracks. Conversely, the subject property is in a rural neighborhood with a somewhat removed locale from the community of Plains, but there is a privacy factor not found with this sale as there is with the subject property. This sale produced an initial indication of \$68,531 per acre and a market conditions adjusted indication of \$85,075 per acre. The adjusted sales price is \$121,657.

Sale No. 2, Sale No. 3, and Sale No. 4 produced slightly lower adjusted indications of \$90,000, \$101,557, and \$107,595. Sale No. 3 and Sale No. 4 are pending sales and not currently closed.

The improved sales also add some import to the analysis. Sale No. 1 and Sale No. 2 both support indications near \$95,000, leaving the residual to the structural improvements. The subject property does set the lower end of the range in terms of site area. Land Sale No. 1 contains a gross site area of 1.43 acres versus the subject at 0.79 acres. Sale No. 1 has a land size of roughly 1.27 acres with a contributory land value estimated at \$100,000. Sale No. 2 has a site area of 1.85 acres with a roughly same contributory land value.

Supplemental Sales:

I have included several sales outside of the subject immediate market area that are off grid. For the most part, each has some comparability to the subject but there are significant differences. For the most part, the sales set the lower end of the range because of location or topography issues.



This property is situated at 467 Depot Hill Road in Boulder, Montana. It is located roughly 5 miles from the community of Boulder with no power available. This property is a steeper hillside tract containing roughly 4.03 acres. It was listed for \$55,000 and sold for a price of \$49,000. This sale closed December 30, 2024. Overall, this sale is considered inferior to the subject given the steepness of the entire property and would set a low-end figure for the subject property.

The next sale (pictured below) is at 694 Trapper Creek Road outside of Melrose, Montana. This property was listed for \$59,750 and sold at full price. This is a high mountain location within the Beaverhead National Forest. It represents more of a seasonal use and likely not a cabin site given the location and the fact that the property is prone to avalanche. This is a 4.9 acre tract that sold June 6, 2024.



The next sale is situated at 101 Tower Road outside of Philipsburg, Montana. This is a 2.0 acre tract with a small creek bisecting the property. It was listed for \$65,000 and sold for a price of \$60,000. The sale occurred in March 2024. It has road access, but no utilities are available.



Land Sale No. 1 has some offsetting characteristics. This property has access off a private roadway directly to a Montana highway. The subject has significantly better privacy features given the railroad tracks and highway on both sides of Land Sale No. 1. This sale produced an adjusted indication of \$121,657.

Land Sale No. 2 is located in closer proximity to Plains and has all utilities available. This is a 1.56 acre tract that produced an adjusted indication of \$101,557.

An analysis of the two improved sales that are located off grid supports an indication of value near \$100,000. The supplemental sales noted above generally have lower indications based on topography or location.

Overall, the final conclusion is estimated at \$90,000, taking into account all sales information.

SALES COMPARISON APPROACH – IMPROVED PROPERTY

Below are details for each sale used in the sales comparison approach as well as exterior photos from my inspection. MLS data has provided some interior and exterior photographs of the sales, which is invaluable in gaining a proper understanding of both quality features as well as support of the broker confirmations regarding condition of the property.



Improved Sale No. 1



Improved Sale No. 2



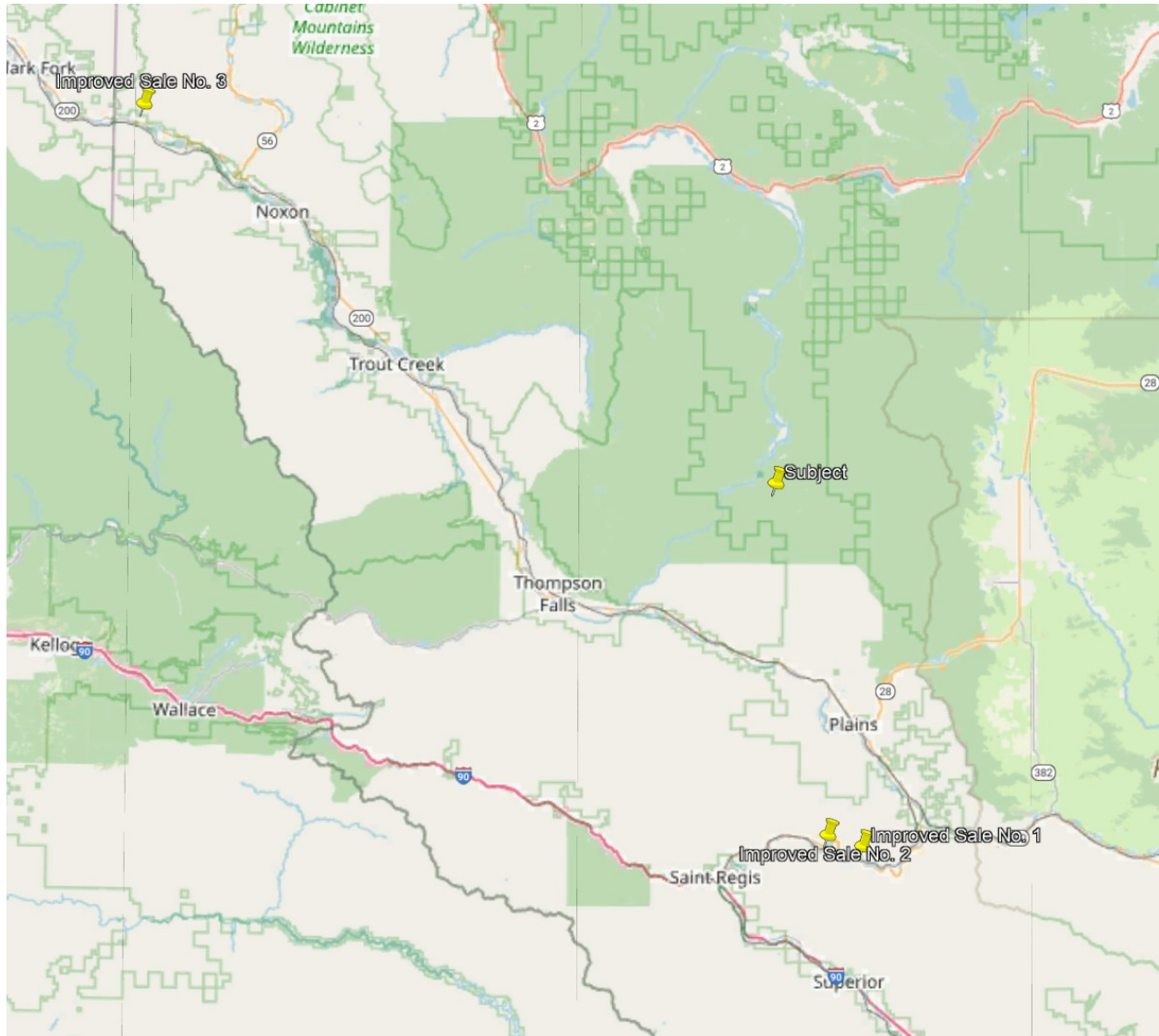
Improved Sale No. 3



Improved Sale No. 3

Sale #	Sale No. 1	Sale No. 2	Sale No. 3
Address/Location	1314 MT 135	26 Donlan Flats	27 Hillside Lane Heron, MT
Sale/List Price	\$149,000	\$105,000	\$285,000
Overall \$/SF	\$591.27	\$350.00	\$774.46
Improvement Only \$/SF	\$194.44	\$16.67	\$230.98
Original List Price	\$154,000	\$109,000	\$325,000
DOM	130	147	90
Date of Sale	2/4/2025	2/5/2025	3/3/2025
Concessions	None	None	None
Site Acres	1.27	1.85	20.71
Site Value	\$100,000	\$100,000	\$200,000
Quality	Average	Average	Average
Design	Log	Wood frame	Wood frame
Year Built	1999	1987	2005
Effective Age	15	25	15
Bathrooms	0.0	1.0	0.0
Above Grade SF	252	300	368
Below Grade SF	0	0	0
Below Grade Finish	0	0	0
Fireplaces	0	0	0
Deck/Porch/Patio(s)	60	0	0
Garage (SF)	0	0	864
Other Living Area	0	0	0
Outbuildings	0	322	96
Dock (SF)	0	0	0
Boathouse (SF)	0	0	0
Site Utilities	Off Grid	Off Grid	Off Grid. Well and septic powered by solar. Owned 500 gallon propane tank.
Onsite Improvements	Driveway	Driveway	Driveway
Offsite Improvements	MT Highway to private road.	County road access	Private road access

Location Map:



Site Value:

ML #	Close Date	Close Price	Address	City	Lot Size Acres	Per Acre
30039001	5/23/2025	\$170,000	NHN S Sevenmile Creek Road	Saint Regis	10.01	\$16,983
30028210	1/31/2025	\$200,000	NHN S Sanctuary Loop	Heron	10.38	\$19,268
30022951	10/23/2024	\$300,000	256 Elk Creek Road	Heron	20.14	\$14,896
30013503	5/1/2025	\$95,000	1079 Lozo Creek Trail	Superior	30.19	\$3,147
30004660	10/13/2023	\$75,000	Nhn Hope Valley Lot 8 & 9 Road	Trout Creek	40.00	\$1,875

The tabulation below outlines the sales used for the land valuation of Improved Sale No. 3 which has a site size of 20.48 acres. Closed prices range from a low of \$75,000 for a 40.0 acre tract to an upper end of \$300,000 for a 20.14 acre tract. Emphasis to this sale is an underlying land value of \$200,000. That leaves a residual to the improvements of \$85,000. The land value for Improved Sale No. 1 and Improved Sale No. 2 are based on the primary land sales shown within this report.

Adjustment Process:

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

The adjustment process employed for site value differences has been accomplished through my personal analysis of each of the sales which was formed through a land residual analysis as well as a valuation of the underlying site with the site value deducted from sales price to compare to the replacement cost new, less depreciation (RCNLD) of each sale. The adjustment employed is the subject site value less the sale site value (conversely, if the sale has a higher site value, a negative adjustment will be shown).

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

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

The subject improvements do not include any areas below grade and neither do any of the sales. No additional adjustments were needed for below grade.

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

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

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

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

Decks/Porches/Patios	Per Square Foot
Concrete Patio	\$10
Deck/Patio	\$20
Covered Deck	\$30
Screened Porch - Avg to Good	\$35
Screened Porch - V. Good to Excellent	\$50

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

Garage	Per Square Foot
Fair/Rustic	\$30.00
Average	\$40.00
Good	\$50.00
Very Good	\$60.00
Excellent	\$75.00
Pole/Metal	\$20.00

Improved Valuation:

Sale #	Subject	Sale No. 1		Sale No. 2	
Address/Location	9 Walts Cabin Road, Plains, MT	1314 MT 135	Adjustment	26 Donlan Flats	Adjustment
Sale/List Price	N/A	\$149,000	\$0	\$105,000	\$0
Overall \$/SF	N/A	\$591.27	\$0	\$350.00	\$0
Improvement Only \$/SF	N/A	\$194.44	\$0	\$16.67	\$0
Original List Price	N/A	\$154,000	\$0	\$109,000	\$0
DOM	N/A	130	\$0	147	\$0
Date of Sale	5/30/2025	2/4/2025	\$154,712	2/5/2025	\$108,990
Concessions	N/A	None	\$0	None	\$0
Site Acres	n/a	1.27	In Site Value	1.85	In Site Value
Site Value	\$90,000	\$100,000	-\$10,000	\$100,000	-\$10,000
Quality	Average	Average	\$0	Average	\$0
Design	One story cabin	Log	\$0	Wood frame	\$0
Year Built	1955	1999	See Eff. Age	1987	See Eff. Age
Effective Age	20	15	-\$4,455	20	\$0
Bathrooms	0.0	0.0	\$0	1.0	-\$5,000
Above Grade SF	569	252	\$31,700	300	\$26,900
Below Grade SF	0	0	\$0	0	\$0
Below Grade Finish	0	0	\$0	0	\$0
Fireplaces	0	0	\$0	0	\$0
Deck/Porch/Patio(s)	66	60	\$120	0	\$1,320
Garage (SF)	0	0	\$0	0	\$0
Other Living Area	0	0	\$0	322	-\$8,050
Outbuildings	99	0	\$990	0	\$990
Dock (SF)	0	0	\$0	0	\$0
Boathouse (SF)	0	0	\$0	0	\$0
Site Utilities	None onsite. Off grid.	Off Grid	\$0	Off Grid	\$0
Specialty Site Improvements	None	Driveway	\$0	Driveway	\$0
Other Items	None	MT Highway to private road.	\$0	County road access	\$0
Total Adjustments			\$18,355		\$6,160
Adjusted Indication-Overall			\$173,068		\$115,150
Adjusted Indication-Improvements Only			\$83,068		\$25,150

Sale #	Subject	Sale No. 3	
Address/Location	9 Walts Cabin Road, Plains, MT	27 Hillside Lane Heron, MT	Adjustment
Sale/List Price	N/A	\$285,000	\$0
Overall \$/SF	N/A	\$774.46	\$0
Improvement Only \$/SF	N/A	\$230.98	\$0
Original List Price	N/A	\$325,000	\$0
DOM	N/A	90	\$0
Date of Sale	5/30/2025	3/3/2025	\$293,324
Concessions	N/A	None	\$0
Site Acres	20.71	n/a	In Site Value
Site Value	\$90,000	\$200,000	-\$110,000
Quality	Average	Average	\$0
Design	One story cabin	Wood frame	\$0
Year Built	1955	2005	See Eff. Age
Effective Age	20	10	-\$15,455
Bathrooms	0.0	0.0	\$0
Above Grade SF	569	368	\$20,100
Below Grade SF	0	0	\$0
Below Grade Finish	0	0	\$0
Fireplaces	0	0	\$0
Deck/Porch/Patio(s)	66	0	\$1,320
Garage (SF)	0	864	-\$34,560
Other Living Area	0	0	\$0
Outbuildings	99	96	\$30
Dock (SF)	0	0	\$0
Boathouse (SF)	0	0	\$0
Site Utilities	None onsite. Off grid.	Off Grid. Well and septic powered by solar. Owned 500 gallon propane tank.	\$0
Specialty Site Improvements	None	Driveway	\$0
Other Items	None	Private road access	Offsets
Total Adjustments			-\$138,565
Adjusted Indication-Overall			\$154,759
Adjusted Indication-Improvements Only			\$64,759

Sale No.	Adjusted Indication - Overall	Adjusted Indication - Improvements Only	Per SF
Sale No. 1	\$173,068	\$83,068	\$145.99
Sale No. 2	\$115,150	\$25,150	\$44.20
Sale No. 3	\$154,759	\$64,759	\$113.81

	Overall	Improvement Only	Per SF
Minimum	\$115,150	\$25,150	\$44.20
Maximum	\$173,068	\$83,068	\$145.99
Mean	\$147,659	\$57,659	\$101.33

The improved sales produced a range of conclusions from \$115,604 to an upper end of \$173,068. The arithmetic mean of all three sales is \$147,659. Sale No. 2 is generally dismissed from consideration. This property (improvements) had been abandoned and vacant for several years and the structural improvements needed significant work.

Sale No. 1 produced an adjusted overall indication of \$173,068. The improvement only indication was \$83,068. This property compares reasonably well to the subject in terms of the structural improvements although the log cabin could be considered slightly superior to the subject in terms of overall quality.

Sale No. 3 produced an adjusted indication of \$154,759 and an improvement only indication of \$64,759. This cabin is reasonably similar to the subject in terms of overall quality but was originally built in 2005. Overall, the interior is reasonably similar but did have a lower effective age.

Emphasis is to Sale No. 1 given the better overall comparability. This sale produced an adjusted indication of \$173,068. I rounded the final conclusion to \$173,000.

Indicated Value	\$173,000
Land Value	\$90,000
Personal Property	\$83,000
Per SF	\$146

APPRAISER'S CERTIFICATION

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

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

13. This report is in compliance with applicable regulations governing appraisal services and appraisal reporting requirements for the State of Montana.
14. This report contains necessary discussion concerning a reasonable exposure period for the subject property within the estimated value shown.

VALUATION

Based upon my investigations, studies and analyses, my opinion of the as is fee simple market values of the subject property, considering the specific hypothetical conditions, assumptions and limiting conditions as of May 30, 2025, is listed below.

Land Value	\$90,000
Sales Comparison Approach	\$173,000
Final Opinion of Value - Real Property	\$173,000
Final Opinion of Value - Personal Property	\$83,000
Effective Date	5/30/2025

Pursuant to USPAP, it is necessary for this appraisal to consider and analyze exposure time when developing an opinion of market value. Please refer to the Reasonable Exposure and Marketing Time section of this report for discussion of both exposure time and marketing time.



NICHOLAS J. HOGAN, MAI
MT General Certificate No. REA-RAG-LIC-370
Expires: 3/31/26

ADDENDA

ASSUMPTIONS AND LIMITING CONDITIONS

By this notice, all persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report, they are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value indication for the subject property based upon the appraiser's observations as to the subject property and the local and/or regional real estate market. This appraisal report is an economic study to estimate value as defined in it. It is not an engineering, construction, legal or architectural study nor survey and expertise in these areas, among others, is not implied.

1. LIMIT OF LIABILITY:

The liability of the firm Hogan Real Estate Appraisal Group, LLC and employees and affiliated independent contractors is limited to the CLIENT ONLY AND TO THE FEE ACTUALLY RECEIVED BY APPRAISER (TOTAL PER APPRAISAL). FURTHER, THERE IS NO ACCOUNTABILITY, OBLIGATION, OR LIABILITY to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such assignment and related discussions. The Appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, client agrees that in case of lawsuit (brought by lender, partner, or part owner in any form of ownership, tenant, or any other party), any and all awards, settlements of any type in such suit, regardless of outcome, client will hold Appraiser completely harmless in any such action.

2. COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT:

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of Hogan Real Estate Appraisal Group, LLC for the use of the client; the fee being for the analytical services only.

The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select; HOWEVER, selected portions of this appraisal report shall NOT be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the Appraiser.

3. CONFIDENTIALITY:

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and firm shall have no responsibility if any such unauthorized change is made. The Appraiser may not divulge the material (evaluation) contents of this report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena. Sales information obtained during the course of this appraisal assignment is the Appraiser's and it can be used or exchanged without consent of the client.

4. TRADE SECRETS:

This appraisal was obtained from Hogan Real Estate Appraisal Group, LLC and/or its individuals or related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosures under 5 U.S.C. 552 (b) (4). Notify the Appraiser(s) signing report or a principal in Hogan Real Estate Appraisal Group, LLC for any request to reproduce this appraisal in whole or in part.

5. INFORMATION USED:

No responsibility is assumed for accuracy of information furnished by work of or work by others, the client, his designee, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with Hogan Real Estate Appraisal Group, LLC and possibly signing the report are independent contractors.

The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other source thought reasonable; all are considered appropriate for inclusion to the best of our factual judgement and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds for subject property.

6. TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE:

The contract for appraisal, consultation or analytical service is fulfilled, and the total fee is payable prior to delivery of the report. The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

7. EXHIBITS:

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose as of the date of the photos. Site plans are not surveys unless shown from separate surveyor.

8. LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL NATURE HIDDEN COMPONENTS, SOIL:

The Appraiser and/or firm has no responsibility for matters legal in character or nature, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the Appraiser. Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy nor soils and potential for settlement, drainage, etc. The lender and owner should inspect the property before any disbursement of funds; further it is likely that the lender or owner may wish to require mechanical or structural inspections by qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural, or other components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause loss of value. The land or the soil of the area being appraised appears firm, however, subsidence in the area is unknown. The Appraiser (singular or plural) does not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures or toxic materials which would render it more or less valuable. The Appraiser and firm have no responsibility for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgement may be made by us to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for subject age and type.

If the Appraiser has not been supplied with a deficiency or hazard inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

The Appraiser has no responsibility for any costs or consequences arising due to the need, or the lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

9. LEGALITY OF USE:

The appraisal is based on the premise that, there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

10. COMPONENT VALUES:

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

11. AUXILIARY AND RELATED STUDIES:

No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report.

12. DOLLAR VALUES, PURCHASING POWER:

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of dollar as of the date of value estimate.

13. INCLUSIONS:

Furnishings and equipment or personal property or business operations except as specifically indicated and typically considered as part of real estate, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined and essentially integrated to comprise the property in total, i.e. Hotels/Motels.

14. PROPOSED IMPROVEMENTS, CONDITIONED VALUE:

Improvements proposed, if any, on or off-site, as well as any repairs required are considered, for purposes of this appraisal to be completed in good and workmanlike manner according to information submitted and/or considered by the Appraiser(s). In cases of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown which is indicative of a hypothetical condition or an extraordinary assumption.

15. VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE BY APPRAISER:

The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace. In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and Appraiser(s) interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic. "The Opinion of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised. Appraisal report and value estimate are subject to change if physical or legal entity or financing is different than that envisioned in the report.

16. MANAGEMENT OF THE PROPERTY:

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management; neither inefficient nor super-efficient.

17. CONTINUOUS EDUCATION:

The Appraisal Institute conducts a voluntary and a mandatory program of continuing education for its designated members depending upon date of membership. Those who meet the minimum standards of this program are awarded periodic educational certification. Please refer to the Appraisers Certification for compliance with the Appraisal Institute's requirements addressing continuing education.

18. FEE:

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself. Amount of payment of fee for services is not contingent on any result, approval amount or other estimates or statements.

19. AUTHENTIC COPIES:

The authentic copies of this report are signed in blue ink and have embossed type seal. Any copy that does not have the above is unauthorized and may have been altered.

20. INSULATION AND TOXIC MATERIALS:

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

21. REVIEW:

Unless otherwise noted herein, any named Review Appraiser from Hogan Real Estate Appraisal Group, LLC has reviewed the report as to general appropriateness of technique and format, and has agreed to accept full responsibility for the contents and conclusions noted therein.

22. CHANGES, MODIFICATIONS:

The Appraiser(s) and/or principals of Hogan Real Estate Appraisal Group, LLC, reserve the right to alter statements, analyses, conclusions or any value estimate(s) in the appraisal if there becomes known to us facts pertinent to the appraisal process which were unknown to us when the report was finished.

23. AFTER TAX ANALYSIS AND/OR VALUATION:

Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or estimating possible returns on investment at an assumed value or price paid; note that the Appraiser(s) does not claim expertise in tax matters and advises client and any other using the appraisal to seek competent tax advice as the Appraiser(s) is in no way to be considered a tax advisor or investment advisor.

24. ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT BY CLIENT OR ANY THIRD PARTY CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS. APPRAISER LIABILITY EXTEND ONLY TO STATED CLIENT, NOT TO SUBSEQUENT PARTIES OR USERS OF ANY TYPE, AND THE TOTAL LIABILITY OF APPRAISER AND FIRM IS LIMITED TO THE AMOUNT OF FEE RECEIVED BY HOGAN REAL ESTATE APPRAISAL GROUP, LLC.

FOR DNRC USE ONLY**Maximum Amount under this Contract:**

\$

Source of Funds **Fund No.** Cabin Site Sale Private Closing
 Costs02031 Trust Administration Account02938 **Subclass Org.**

No. Amount 555HA 6048

-02 **\$ Contract Expiration Date: August 29,**

2025

Approved**Contract No.** 255135**Division** DK**Legal** MP**FSO** SS**SPSD** N/A

**FORESTRY AND TRUST LANDS DIVISION
 APPRAISAL OF POTENTIAL CABIN/HOME SITE SALE PROPERTY IN SANDERS COUNTY**

THIS CONTRACT is entered into by and between the State of Montana, Department of Natural Resources and Conservation, (hereinafter referred to as “the State”), whose address and phone number are P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601, (406) 444-4289, and Nicholas J. Hogan, Hogan Real Estate Appraisal Group, LLC (Contractor), whose address and phone number are 7901 Saddlebow Trail, Missoula, MT 59808, (406) 239-6425.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term

The contract’s initial term is upon contract execution, through **August 29, 2025**, unless terminated earlier as provided in this contract. In no event is this contract binding on the State unless the State’s authorized representative has executed it in Section 34. **The appraisal report is to be completed and forwarded to DNRC, Brent Neace, Real Estate Specialist at P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601 by June 30, 2025.**

1.2 Contract Renewal

If, due to circumstances (e.g. rain, snow, fire, etc.) beyond the control of the Contractor, the work cannot be completed within the Contract period, DNRC may grant an extension of time if the State’s best interests will be served. Such extensions must be in writing and signed by both parties.

2. COST ADJUSTMENTS

2.1 Cost Adjustments Negotiated Based on Changes in Contractor's Costs

After the contracts initial term and if the State agrees to a renewal, the parties may negotiate cost adjustments at the time of contract renewal. Any cost increases must be based on demonstrated industrywide or regional increases in Contractor's costs. The State is not obligated to agree upon a renewal or a cost increase.

3. SERVICES AND/OR SUPPLIES

The Contractor shall provide the State with the following: the contractor shall be responsible for providing a credible appraisal, for the parcel in Sanders County, as described in Attachment B, Montana DNRC Forestry and Trust Lands Division Supplemental Appraisal Instructions. The appraisal will be an Appraisal Report, conducted and prepared in compliance with the Uniform Standards of Professional Appraisal Practice that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that supports the analyses, opinions, and conclusions.

Attachment A and B are attached hereto and incorporated herein by reference.

The appraisal must comply with the instructions in Attachment A, Scope of Work for Appraisal of Potential Property Sales through the Cabin/Home Site Sale Program, and all provisions in the body of this contract including the following:

- 1) The appraisal report will be one document containing the property data and analysis, opinions, and conclusions of value for the properties. 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 can 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.
- 2) Each sale parcel listed in Attachment B, Montana DNRC Forestry and Trust Lands Division Supplemental Appraisal Instructions must be assigned separate values.
- 3) The definition of market value is that as defined in **12 C.F.R 34.42(h)**.

4. WARRANTIES

4.1 Warranty of Services

Contractor warrants that the services provided conform to the contract requirements, including all descriptions, specifications and attachments made a part of this contract. The State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this contract, at law, or in equity, the State may, at Contractor's expense, require prompt correction of any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this contract in the manner and to the same extent as services originally furnished.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule

In consideration of the successful submission of the appraisal report to be provided, the State shall pay Contractor: \$2,250.00. The contractor shall, at no additional expense to the State, correct unsatisfactory work before payment is made.

In No case shall the State's total cumulative payment under this contract exceed Two thousand two hundred fifty dollars and no/100 (\$2,250.00)

5.3 Payment Terms

Unless otherwise noted in the solicitation document, the State has thirty (30) days to pay invoices, as allowed by 17-8-242, MCA. Contractor shall provide banking information at the time of contract execution in order to facilitate the State's electronic funds transfer payments.

5.4 Reference to Contract

The contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the contract. If the number is not provided, the State is not obligated to pay the invoice.

6. PREVAILING WAGES REQUIREMENTS – N/A

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records

Contractor shall provide the State, Legislative Auditor, or their authorized agents access to any records necessary to determine contract compliance. The State may terminate this contract under section 21, without incurring liability, for the Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

7.2 Retention Period

Contractor shall create and retain all records documenting the Appraisal Report for a period of eight years after either the completion date of this contract or termination of the contract.

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this contract without the State's prior written consent. (18-4-141, MCA.) Contractor is responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and the State under this contract. Contractor is responsible to ensure that any assignee, transferee, or subcontractor is subject to all of the terms and conditions of this Contract as fully set forth. Consent of the State to assign, transfer or subcontract any portion of this Contract does not relieve the Contractor in any manner of its responsibilities under this Contract.

9. HOLD HARMLESS/INDEMNIFICATION

9.1 Claims under this provision also include any claim arising out of or in any way connected with Contractor's breach of this contract, including any claims asserting that any of the Contractor's employees are actually employees of the state or common law employees of the state or any of its agencies or political subdivisions, including but not limited to excise taxes or penalties imposed on the

State under Internal Revenue Code §§ 4980H, 6055 or 6056 and any subsequent amendments or additions to these Sections. Contractor shall be responsible for implementation of all aspects of the Affordable Care Act as this Act may apply to Contractor and shall be responsible for any violations including any sanction, penalty, fee, or tax and shall indemnify the State and hold harmless and defend the State for any omission or failure of Contractor to meet its obligations under Sections 13 and 14.

9.2 Contractor agrees to protect, defend, and save State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of State, under this Contract.

10. CONTRACTOR REGISTRATION (for construction) – N/A

11. CONTRACTOR WITHHOLDING (for construction) – N/A

12. REQUIRED INSURANCE

12.1 General Requirements

Contractor shall maintain for the duration of this contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

12.2 Primary Insurance

Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

12.3 Specific Requirements for Commercial General Liability – N/A

12.4 Specific Requirements for Automobile Liability – N/A

12.5 Specific Requirements for Professional Liability

Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of **\$500,000** per occurrence and **\$500,000** aggregate per year to cover such claims as may be caused by any act, omission, negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: If "occurrence" coverage is unavailable or cost prohibitive, Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of this contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

12.6 Deductibles and Self-Insured Retentions

Any deductible or self-insured retention must be declared to and approved by the State. At the request of the State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as pertain to the State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

12.7 Certificate of Insurance/Endorsements

A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverage's, has been received by the State, PO Box 201601, Helena, MT 59620-1601.

Contractor must notify the State immediately of any material change in insurance coverage, including but not limited to changes in limits, coverages, and status of policy. The Contractor must provide the State with copies of insurance policies upon request.

13. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire contract term and any renewal. Upon expiration, a renewal document must be sent to the State, PO Box 201601, Helena, MT 59620-1601.

14. COMPLIANCE WITH LAWS

14.1 Federal, State, or Local laws, Rules, and Regulations

Contractor shall, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including but not limited to, the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. The State may audit or request from Contractor at any time a statement that it is fully compliant with all requirements of this Section.

14.2 Contractor as Employer under the Patient Protection and Affordable Care Act and this Contract

The Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Contractor represents and warrants that all individuals who perform services for an agency of the State for Contractor under this Contract are without exception Contractor's common law employees at all times and that Contractor acknowledges that Contractor has the responsibility and retains the obligation to direct and control its employee's providing services under this Contract for the term of this Contract. Contractor is responsible for providing healthcare benefits for its employees under the Patient Protection and Affordable Care Act.

14.2.1 State Benefits Plans

Contractor acknowledges and agrees that it, its agents, or employees are not employees of the State and that its agents or employees have no nexus with the State to participate in any of the State's benefits plans or programs that the State offers its employees and maintains for its employees.

14.2.2 Contractor Provided Health Care Coverage

Contractor shall, if required by the Patient Protection and Affordable Care Act, offer to all its agents or employees who perform services for the State under this contract for 30 or more hours a week and for employee's or agent's dependents under age 26 health care coverage under its health care plans. Such coverage must provide minimum essential coverage and minimum value and be affordable for purposes of the employer responsibility provisions under Section 4980H of the Code and otherwise satisfy the requirements of Code 4980H if provided by the State. It shall be contractor's sole responsibility to determine applicability and compliance requirements that may apply to Contractor under the Patient Protection and Affordable Care Act.

14.2.3 Contractor Reporting Requirements

Contractor acknowledges that if it is subject to any reporting requirements under Code §§ 6055 and 6066 that Contractor will fully comply with any required reporting with respect to individuals who perform services for the State.

14.3 Any partial or whole assignment, transfer or subletting or subcontracting by Contractor subjects subcontractors to the same provisions of this Section and it is the responsibility of the Contractor to ensure any agreement to assign, transfer, sublet or subcontract binds any successor to this Contract in whole or in part or binds any subcontractor to all the terms and conditions of this Contract as if a party to the Contract from inception..

14.4 In accordance with 49-3-207, MCA, Contractor agrees that the hiring of persons to perform this contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin of the persons performing this contract.

14.5 Nondiscrimination Against Firearms Entities/Trade Associations – N/A**15. DISABILITY ACCOMMODATIONS**

The State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

16. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

17. INTELLECTUAL PROPERTY/OWNERSHIP

17.1 Mutual Use

Contractor shall make available to the State, on a royalty-free, non-exclusive basis, all patent and other legal rights in or to inventions first conceived and reduced to practice or created in whole or in part under this contract, if such availability is necessary for the State to receive the benefits of this contract. Unless otherwise specified in a statement of work, both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use copyrightable property created under this contract. This mutual right includes (i) all deliverables and other materials, products, modifications that Contractor has developed or prepared for the State under this contract; (ii) any program code, or site- related program code that Contractor has created, developed, or prepared under or primarily in support of the performance of its specific obligations under this contract; and (iii) manuals, training materials, and documentation. All information described in (i), (ii), and (iii) is collectively called the "Work Product".

17.2 Title and Ownership Rights

The State retains title to and all ownership rights in all data and content, including but not limited to multimedia or images (graphics, audio, and video), text, and the like provided by the State (the "Content"), but grants Contractor the right to access and use Content for the purpose of complying with its obligations under this contract and any applicable statement of work.

17.3 Ownership of Work Product

Contractor shall execute any documents or take any other actions as may reasonably be necessary, or as the State may reasonably request, to perfect the State's ownership of any Work Product.

17.4 Copy of Work Product

Contractor shall, at no cost to the State, deliver to the State, upon the State's request during the term of this contract or at its expiration or termination, a current copy of all Work Product in the form and on the media in use as of the date of the State's request, or such expiration or termination.

17.5 Ownership of Contractor Pre-Existing Materials

Contractor retains ownership of all literary or other works of authorship (such as software programs and code, documentation, reports, and similar works), information, data, intellectual property, techniques, subroutines, algorithms, methods or related rights and derivatives that Contractor owns at the time this contract is executed or otherwise developed or acquired independent of this contract and employed by Contractor in connection with the services provided to the State (the "Contractor Pre-existing Materials"). Contractor Pre-existing Materials are not Work Product. Contractor shall provide full disclosure of any Contractor Pre-Existing Materials to the State before its use and to prove its ownership. If, however, Contractor fails to disclose to the State such Contractor Pre-Existing Materials, Contractor shall grant the State a nonexclusive, worldwide, paid-up license to use any Contractor Pre-Existing Materials embedded in the Work Product to the extent such Contractor Pre-Existing Materials are necessary for the State to receive the intended benefit under this contract. Such license shall remain in effect for so long as such Pre-Existing Materials remain embedded in the

Work Product. Except as otherwise provided for in **Section 17.3** or as may be expressly agreed in any statement of work, Contractor shall retain title to and ownership of any hardware it provides under this contract.

18. PATENT AND COPYRIGHT PROTECTION – N/A

19. CONTRACT PERFORMANCE ASSURANCE – N/A

20. CONTRACT TERMINATION

20.1 Termination for Cause with Notice to Cure Requirement

The State may terminate this contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 14 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

20.2 Termination for Cause with Notice to Cure Requirement

Contractor may terminate this contract for the State's failure to perform any of its duties under this contract after giving the State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 14 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

20.3 Reduction of Funding

The State must by law terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this contract in a subsequent fiscal period. (18-4-313(4), MCA.) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, the State shall terminate this contract as required by law. The State shall provide Contractor the date the State's termination shall take effect. The State shall not be liable to Contractor for any payment that would have been payable had the contract not been terminated under this provision. As stated above, the State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date the State's termination takes effect. This is Contractor's sole remedy. The State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

21. EVENT OF BREACH – REMEDIES

21.1 Event of Breach by Contractor

Any one or more of the following Contractor acts or omissions constitute an event of material breach under this contract:

- Products or services furnished fail to conform to any requirement.
- Failure to submit any report required by this Contract.

- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching Section 26.1, obligations; or
- Voluntary or involuntary bankruptcy or receivership.

21.2 Event of Breach by State

The State's failure to perform any material terms or conditions of this contract constitutes an event of breach.

21.3 Actions in Event of Breach

Upon Contractor's material breach, the State may:

- Terminate this contract under section 20.1; or
- Treat this contract as materially breached and pursue any of its remedies under this contract, at law, or in equity.

Upon the State's material breach, the Contractor may:

- Terminate this Contract under Section 20.2 and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

22. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than 5 working days after the onset. If the notice is not provided within the 5-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this contract, unless the parties mutually agree that the obligation is excused because of the condition.

23. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

24. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without the State prior written consent. Product or services provided that do not conform to the contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

25. LIAISONS AND SERVICE OF NOTICES

25.1 Contract Liaisons

All project management and coordination on the State's behalf must be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the

single point of contact for management and coordination of Contractor's work. All work performed under this contract must be coordinated between the State's liaison and Contractor's liaison.

Brent Neace, Real Estate Specialist, is the State's liaison.

Address: PO Box 201601

Helena, MT 59620-1601

Telephone: (406) 444-4289

E-mail: brent.neace@mt.gov

Nicholas J. Hogan, Hogan Real Estate Appraisal Group, LLC is Contractor's liaison.

7901 Saddlebow Trail

Missoula, MT 59808:

Telephone: (406) 239-6425

E-mail: nickhogan@gmail.com

25.2 Notifications

The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three (3) business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

25.3 Identification/Substitution of Personnel - N/A

26. MEETINGS

26.1 Technical or Contractual Problems

Contractor shall meet with the State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the contract term or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. The State may request the meetings as problems arise and will be coordinated by the State. The State shall provide Contractor a minimum of three full working day notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings, two consecutive missed or rescheduled meetings, or failure to make a good faith effort to resolve problems, may result in termination of the contract.

26.2 Progress Meetings – N/A

26.3 Failure to Notify – N/A

26.4 State's Failure or Delay – N/A

27. TRANSITION ASSISTANCE

If this contract is not renewed at the end of this term, if the contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this contract or particular work under this contract. The purpose of this assistance is to

allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay Contractor for any resources utilized in performing such transition assistance at the most current contract rates. If the State terminates a project or this contract for cause, then the State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages the State may have sustained as a result of Contractor's breach.

28. CHOICE OF LAW AND VENUE

Montana law governs this contract. The parties agree that any litigation concerning this bid, proposal, or this contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (18-1-401, MCA.)

29. TAX EXEMPTION

State of Montana is exempt from Federal Excise Taxes (#81-0302402) except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

30. AUTHORITY

This contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

31. SEVERABILITY CLAUSE

A declaration by any court or any other binding legal source that any provision of the contract is illegal, and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually and materially dependent.

32. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

32.1 Contract

This contract consists of **12** numbered pages, Attachment A – Scope of Work and Attachment B – Supplemental Appraisal Instructions, Pages **13-18**. In the case of a dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

32.2 Entire Agreement

These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be signed by all the parties in a written agreement.

33. WAIVER

The State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

34. EXECUTION

The parties, through their authorized agents have executed this contract on the dates set out below. A scanned copy or facsimile copy of the original has the same force and effect as the original document.

STATE OF MONTANA

DEPARTMENT OF NATURAL RESOURCES & CONSERVATION
PO Box 201601
1539 11th Avenue
Helena, MT 59620-1601

CONTRACTOR
Nicholas J. Hogan
Hogan Real Estate Appraisal Group LLC
7901 Saddlebow Trail
nickhogan@gmail.com
FEDERAL ID : 92-1081041

BY: Deidra Kloberdanz REMB Chief
(Authorized Signer's Printed Name/Title)

Signed by:


(Signature)

DATE: 4/22/2025

BY: Nick Hogan Director
(Authorized Signer's Printed Name/Title)

DocuSigned by:


(Signature)

DATE: 4/18/2025

ATTACHMENT A

Scope of Work for Appraisals of Potential Property Sales through the Cabin/Home Site Sale Program

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

Scope of Work for the Appraisal of Potential Property Sale through the Cabin/Home Site Sales Program: 2025 Sanders County Appraisal

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board) and the Department of Natural Resources and Conservation (DNRC). The intended users are the State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC) and Lessee Glenda Bradshaw. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject property and is intended for use in the decision-making process concerning the potential sale of said subject property.

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 must 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 property. 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 property. (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 1 (one) cabin site identified in the Supplemental Appraisal Instructions.

The subject property must be valued with the actual or hypothetical condition that the 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 be most recent sales available or be adjusted for market trends if appropriate. The comparable sales must be in reasonable proximity to the subject, preferably within the same county or a neighboring county. Use comparable sales of like properties.

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

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

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

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

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

ATTACHMENT B

MONTANA DNRC FORESTRY AND TRUST LANDS DIVISION Supplemental Appraisal Instructions

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

Subject Property (Located in Sanders County):

Sale #	Acres ±	Legal Description
2077	0.79±	Tract 1 Sanders County COS 3820, Located in the NE4 of Section 2 and the NW4 of Section 1, T22N-R27W

<u>DNRC Contact Information:</u> Brent Neace, Real Estate Specialist PO Box 201601 Helena, MT 59620-1601 Phone: (406) 444-4289 Fax: (406) 444-2684 brent.neace@mt.gov	<u>Lessees:</u> Sale 2077: Glenda Bradshaw - (406) 370-6921
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------

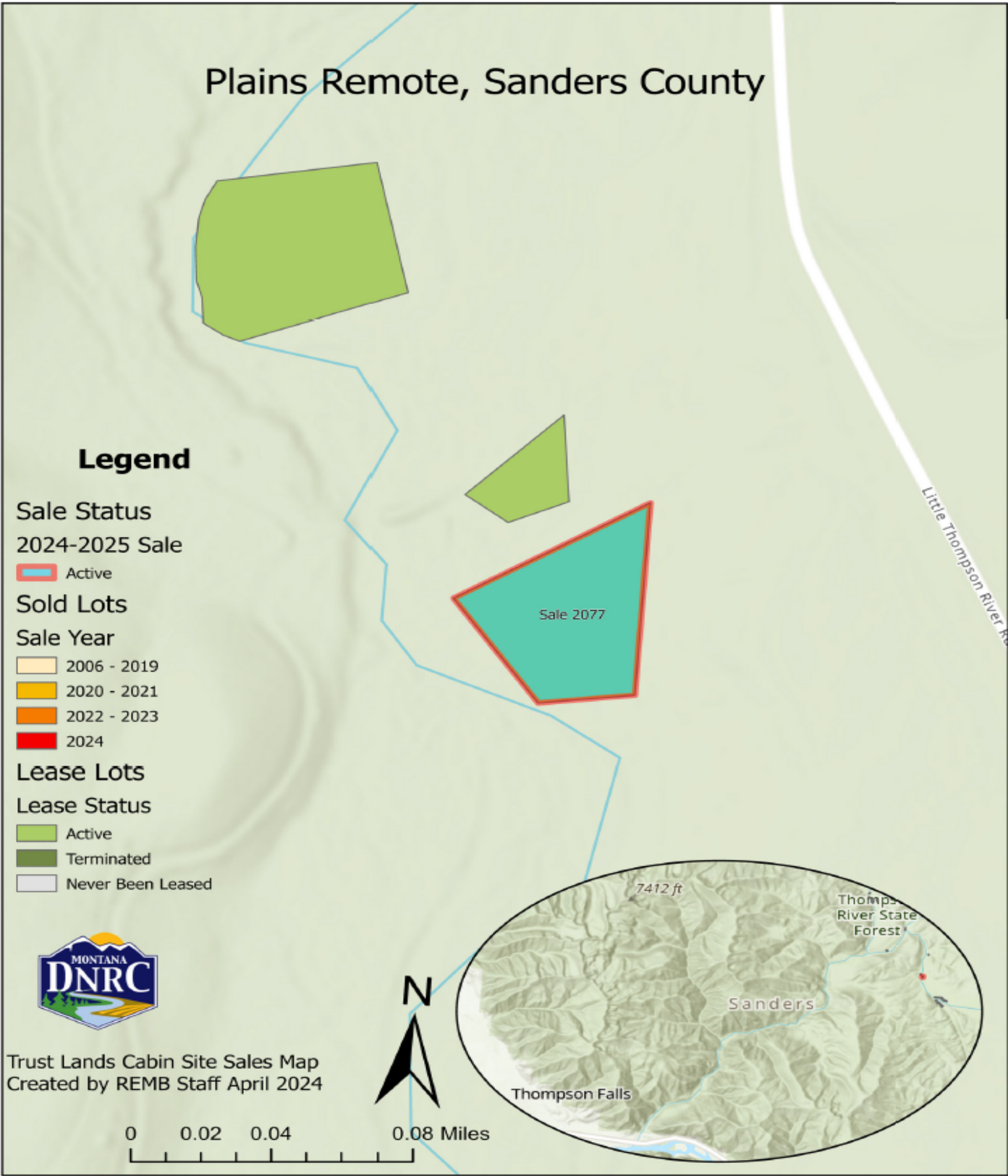
The following will be located in the body of the contract:

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

The definition of market value is that as defined in 12 C.F.R. § 34.42 (h).

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

Location Map of Parcel





(A)

Filed for record at the request of
and after recording, return to:
Stewart Title Company
824 State Avenue NE, Suite A
Olympia, WA 98506
Attn: Kelly Weaver
File No. T2019-297

315957 EASEMENT - R

STATE OF MONTANA SANDERS COUNTY

RECORDED: 3/20/2020 2:27 PM

Pages: 21

Nichol Scribner Clerk and Recorder

FEE: \$147.00 BY: Roberta M. Christensen

Return To: STEWART TITLE COMPANY

RIGHT OF WAY EASEMENT AGREEMENT

This Right of Way Easement Agreement (this "**Agreement**") is made and entered as of this 10th day of March, 2020, by and between WEYERHAEUSER COMPANY, a Washington corporation, successor by merger to Plum Creek Timberlands, LP, ("**Weyerhaeuser**"), and STATE OF MONTANA, acting by and through the Montana Department of Natural Resources and Conservation ("**Grantee**"). The easement granted herein shall constitute a covenant running with the land and inure to the benefit of Grantee and its respective successors and assigns. Weyerhaeuser and Grantee are sometimes referred to herein individually as a "**Party**", and collectively as, the "**Parties**".

RECITALS

A. Weyerhaeuser owns certain real property located in Sanders County, Montana which will be burdened from the easements set forth herein from Weyerhaeuser to Grantee, which is legally described in **Exhibit A** attached hereto and incorporated herein by this reference ("**Weyerhaeuser's Burdened Property**"). Weyerhaeuser's Burdened Property is depicted in **Exhibits C1, C2 and C3** attached hereto and incorporated herein.

B. Grantee owns certain real property located in Sanders County, Montana which will be benefitted from the easements set forth herein from Weyerhaeuser to Grantee ("**Grantee's Property**"). Grantee's Property is more particularly described in the attached **Exhibit B** attached hereto and incorporated herein by this reference.

C. Grantee desires to obtain from Weyerhaeuser, and Weyerhaeuser desires to grant Grantee, a perpetual, non-exclusive right of way easement over certain portions of Weyerhaeuser's Burdened Property that provide access to Grantee's Property pursuant to the terms and conditions contained in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of TEN and NO/100 DOLLARS, and the mutual covenants of the Parties set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. **Grant of Easement.** Subject to the terms hereof, Weyerhaeuser, for and in consideration of the strict observance of and compliance with, the terms and conditions set forth in this Agreement, hereby grants to Grantee the following perpetual, non-exclusive right of way and utility easements, all across existing roads located upon Weyerhaeuser's Burdened Property ("**Weyerhaeuser's Roads**" or the "**Weyerhaeuser Roads**"), for the benefit of Grantee's Property: (a) easement 60' in width to Lease No. 3051102, (b) easement 60' in width to Lease No. 3050441, and (c) easement 60' in width to Lease No. 3051394 (collectively, "**Grantee's Easements**" or the "**Grantee Easements**"). Grantee's Easements and Weyerhaeuser's Roads are located approximately as shown on the maps attached hereto as **Exhibits C1, C2 and C3**. Grantee's Easements shall be subject and subordinate to all liens, leases, easements, servitudes, rights-of-way, prescriptive rights, reservations, conveyances and any and all other matters of record or apparent encumbering Weyerhaeuser's Burdened Property ("**Weyerhaeuser's Permitted Encumbrances**"), it being distinctly understood and agreed by the Parties that Weyerhaeuser, by this grant, grants no greater rights than it is permitted to grant in view of any of Weyerhaeuser's Permitted Encumbrances. Weyerhaeuser gives no representations or warranties to Grantee or any other person as to the safety, suitability, conditions, qualities or characteristics of the areas of Grantee's Easements. Grantee accepts the areas of Grantee's Easements pursuant to this Agreement AS IS, with all faults, known or unknown.

2. **Purpose of Easement.** Grantee's Easements are conveyed by Weyerhaeuser for: (a) the purpose of using, maintaining, and improving Weyerhaeuser's Roads to provide Grantee vehicular ingress and egress over and across Weyerhaeuser's Burdened Property to Grantee's Property for all lawful residential, commercial and industrial purposes; and (b) the purpose of constructing, reconstructing, maintaining, repairing, replacing, and removing an underground utility transmission line under, along, and across Grantee's Easements ("**Grantee's Line**"), subject to all terms and conditions, including Paragraph D.5., of that certain Conservation Easement described in Section 19(b) below.

3. **Permittees.** Weyerhaeuser, its subsidiaries and affiliates, and its employees, agents, contractors, licensees, lessees, invitees, and assigns are sometimes referred to herein collectively as the "**Weyerhaeuser Permittees**". Grantee's employees, agents, contractors, licensees, lessees, invitees, and assigns are sometimes referred to herein collectively as the "**Grantee Permittees**".

4. **Reservation of Rights.** Weyerhaeuser reserves for itself and the Weyerhaeuser Permittees, the right at all times for any purpose, to use, cross, recross, maintain, patrol and repair the Weyerhaeuser Roads in any manner that will not unreasonably interfere with the rights of Grantee. Weyerhaeuser reserves the right to relocate the Weyerhaeuser Roads in Weyerhaeuser's commercially reasonable discretion. As long as commercially reasonable alternative access exists to Grantee's Property, Weyerhaeuser reserves the right to abandon the Weyerhaeuser Roads in Weyerhaeuser's commercially reasonable discretion.

5. **Installation and Maintenance of the Line.** Grantee shall give Weyerhaeuser a notice 24 hours prior to commencing construction, re-construction, maintenance, repair, replacement or removal of Grantee's Line.

- a. **Location and Depth of Line/Markers.** Grantee's Line shall be located a minimum of four (4) feet below the surface of the ground. Grantee's Line shall go around existing structures (for example, culverts), keeping a minimum two feet (2') of clearance between Grantee's Line and the structure. The location of Grantee's Line shall be marked by intervisible markers no more than 500 feet apart. Where Grantee's Line crosses Weyerhaeuser's Roads, markers shall be placed on both sides of the roads to show the location of the crossing. The installation of Grantee's Line upon or under Weyerhaeuser's Burdened Property requires the prior approval of the Montana Department of Fish, Wildlife and Parks; provided, however that Weyerhaeuser may, in its sole discretion, allow such utility installation as may be required to provide essential services or if condemnation is threatened; and provided further, Weyerhaeuser may allow the installation of underground utilities which lie within an existing road prism. Any installation of natural gas or other pipelines or power transmission lines greater than 25 KV requires the prior written approval of the Montana Department of Fish, Wildlife and Parks.
 - b. **Culverts.** Where Grantee's Line is installed under an existing culvert, a minimum crossing depth of twelve (12) inches will be kept under all plastic or concrete tile culverts and twenty-four (24) inches under all corrugated metal culverts. Said crossing depths must be maintained when replacing or repairing said Grantee's Line. Grantee shall immediately repair or replace, at its sole expense, all culverts damaged during construction, re-construction, maintenance, repair, replacement, or removal of Grantee's Line.
 - c. **Repair of Damage.** Immediately upon completion of the installation, maintenance, repair, replacement or removal of Grantee's Line, Grantee shall, at its sole expense, compact and patch the Weyerhaeuser Roads within Grantee's Easements, and shall repair any damage to the Weyerhaeuser Roads, road surface, drainage or other road facilities and any damage to surrounding lands caused by its activities, and shall leave the Weyerhaeuser Roads and all surrounding lands in a condition equal to, or better than, those existing at the time such construction, re-construction, maintenance, repair, replacement or removal commenced. At the end of the first three (3) months following completion of said construction, re-construction, repair, maintenance, or removal of Grantee's Line, Grantee shall inspect all work performed and shall immediately remedy any settling which may have occurred. Prior to commencing any activity with respect to Grantee's Line that would necessitate temporary road closures, Grantee shall contact Weyerhaeuser to schedule such activities and any closure of Weyerhaeuser's Roads so as to minimize any adverse impact to Weyerhaeuser.
6. **Nonexclusive Easement.** Weyerhaeuser may grant to third parties including (without limitation) the Weyerhaeuser Permittees, upon such terms as Weyerhaeuser may choose in its reasonable discretion, the right to use the Weyerhaeuser Roads for any purpose, provided that use of the Weyerhaeuser Roads by such third parties and Weyerhaeuser Permittees shall not unreasonably interfere with the rights granted to Grantee in this Agreement.
7. **Grantee Responsibilities.** The Grantee shall:

- a. Immediately report to Weyerhaeuser any dangerous or defective condition with respect to any portion of the Weyerhaeuser Roads or other areas of Grantee's Easements. In the case of fire, immediately notify Weyerhaeuser and the appropriate authorities;
- b. Ensure that Grantee and the Grantee Permittees comply with all applicable local, state and federal laws, rules and regulations (collectively, "**Applicable Laws**") with respect to the use of the Weyerhaeuser Roads and all other activities permitted or conducted by them under this Agreement; and
- c. Comply with all reasonable road rules, regulations and restrictions ("**Road Rules**") that Weyerhaeuser may, from time to time, promulgate in its sole and absolute discretion, including (without limitation) restrictions on weight, speed and use during adverse weather or fire conditions reasonably necessary to protect the Weyerhaeuser Roads and adjacent timber, provided that Grantee is given a prior written notice of such Road Rules and such Road Rules do not materially impair Grantee's use of the Weyerhaeuser Roads.

8. **No Protest Clause.** As a material term of this Agreement, and as partial consideration for the Grantee Easements granted herein, Grantee agrees, for itself and the Grantee Permittees to cooperate in good faith with Weyerhaeuser and Weyerhaeuser's Permittees on any future development plans on Weyerhaeuser's properties. Grantee further agrees, for itself and the Grantee Permittees, to not protest any future use, design, construction or reconstruction of the Weyerhaeuser Roads that are the subject of the Grantee Easements granted herein.

9. **Road Users' Association.** Grantee acknowledge and agree, for itself and the Grantee Permittees, that the Grantee Easements and Weyerhaeuser's Roads may be utilized now or in the future by additional persons. In such event, Weyerhaeuser has the right (but not the obligation) to require any successor or assign of Grantee to form or become a member of a non-profit road users' association or homeowners' association (the "**Association**") pursuant to the Montana Nonprofit Corporation Act. The Association shall be responsible for Grantee's share of maintenance and improvement obligations arising under this Agreement. The Grantee shall be responsible for the payment of dues and other charges under the Association's governing documents. The president of the Association shall be the sole point of contact with respect to Grantee's obligations under this Agreement and the Association shall inform Weyerhaeuser whenever the president's name and/or address change. Notice to the Association by Weyerhaeuser as may be required or allowed under this Agreement shall be deemed sufficient when addressed to the last name and address of the president provided to Weyerhaeuser by the Association. Grantee will provide periodic updates to Weyerhaeuser at least once per year on all Weyerhaeuser Road maintenance, repair, and improvement activities undertaken by the Association.

10. **Road Maintenance.** If no Association is formed per Section 9 above, the cost of road maintenance and resurfacing shall be allocated between the Parties on the basis of respective uses of the Weyerhaeuser Roads. When any Party uses the Weyerhaeuser Roads, or any portion thereof, that Party shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when the Weyerhaeuser Roads or portions thereof are solely used by one Party, such Party shall maintain

all or portions of the Weyerhaeuser Roads used to the standards existing at the time use is commenced. During periods when more than one party is using the Weyerhaeuser Roads or portions thereof, the Parties shall meet and establish necessary maintenance provisions. Such provisions may include without limitation, and at Weyerhaeuser's discretion, (a) the appointment of a maintainer, which may be one of the Parties or a mutually acceptable third party, who will perform or cause to be performed at a reasonable and agreed upon rate the maintenance and resurfacing of the Weyerhaeuser Roads or portions thereof being used; and (b) a method of payment by which each party using the Weyerhaeuser Roads or portions thereof, shall pay its pro rata share of the cost incurred by said maintainer in maintaining or resurfacing the Weyerhaeuser Roads or portion thereof. In the absence of an agreement as set forth above, Weyerhaeuser shall have the right to maintain and repair the Weyerhaeuser Roads in its discretion and to charge any party using the Weyerhaeuser Roads for its proportionate share of maintenance. For purposes of this Agreement, maintenance is defined as the work normally necessary to preserve and keep the roadway, road structure and road facilities as nearly as possible in their present condition or as may be hereafter improved and to keep the roadway, road structure and road facilities in compliance with Applicable Laws. When performing maintenance, The Parties shall follow all Applicable Laws, the Best Management Practices of the State of Montana available from the Montana Department of Natural Resources, Forestry Division, as the same may be amended from time to time, and the Sustainable Forestry Initiative 2015-2019 Standard (or any successor standard then in effect) as set forth by SFI, Inc.

11. **Road Damage.** Each Party using any portion of the Weyerhaeuser Roads shall repair, or cause to be repaired, at its sole cost and expense, that damage to the Weyerhaeuser Roads occasioned by it which is in excess of that which it would cause through normal and prudent usage of the Weyerhaeuser Roads. Should inordinate damage to the Weyerhaeuser Roads occur which is not caused by an authorized user of the Weyerhaeuser Roads, the Parties hereto shall meet to agree upon the cost of replacement, the Party to undertake the replacement, and the shares of replacement cost to be borne by each user of said Weyerhaeuser Roads. Unless the Parties hereto agree in writing to share the costs of improvements in advance of such improvements being made, such improvements shall be solely for the account of the improver. If any dispute arises between the Parties over maintenance or repair responsibility under this Section, then the matter shall be resolved by arbitration. The Party desiring arbitration shall give notice requesting arbitration and appointing as an arbitrator an independent consulting forester (which shall not be a forester regularly employed by either Party) regularly engaged in logging and road building activities in the area in which the Weyerhaeuser Roads is located. The other Party shall within thirty (30) days after receipt of the notice appoint an arbitrator having similar qualifications. The two arbitrators so selected shall meet and attempt to resolve the matter in dispute by coming to agreement. If they fail to do so within thirty (30) days, then they shall select a third arbitrator having similar qualifications. A decision of two of the three arbitrators shall be binding upon the Parties. The arbitration shall proceed in accordance with the Montana statutes on arbitration and the arbitrators shall have the powers set forth therein. Each Party shall pay its own attorneys' fees in connection with the arbitration, but the Parties shall share costs and fees of the arbitrators equally. If either Party should fail to appoint an arbitrator within the time required, or if the two arbitrators shall fail to appoint a third, then application may be made to the Presiding Judge of the state court in the county in which Weyerhaeuser's Burdened Property is located, who shall have authority to appoint the necessary arbitrator or arbitrators.

12. **Improvements.** Grantee shall not make any improvements to the Grantee Easements or the

Weyerhaeuser Roads without the prior written consent of Weyerhaeuser, which consent shall not be unreasonably withheld. Furthermore, unless the Parties agree in writing to share the cost of improvements to the Grantee Easements and the Weyerhaeuser Roads, such improvements shall be made at the sole cost and expense of the improver and shall be the exclusive property of Weyerhaeuser upon termination of this Agreement.

13. **Timber.** Weyerhaeuser reserves to itself all timber now on or hereafter growing within the Grantee Easements.

14. **Structures and Gates.** Grantee may not construct any structures, including, without limitation, gates or fences (each, a "Gate" and collectively, the "Gates"), along or across the Grantee Easements without the prior written permission of Weyerhaeuser. Upon written consent, and at least five (5) business days prior to constructing a Gate, Grantee shall ensure that Weyerhaeuser has a key or access code to such Gate. Grantee agrees that each Gate will be closed and locked at all times to prevent unauthorized vehicle traffic on the Weyerhaeuser Roads; provided, however, that Grantee may, from time to time leave Gates (if any) on the Weyerhaeuser Roads open for reasonable extended periods during regular business hours in order to facilitate active timber harvest and other commercial operations of Grantee.

15. **Insurance.** All Grantee's lessees, licensees, permittees, and assigns, and Grantee if Grantee is not the State of Montana, using the Grantee Easements for any purpose shall obtain and maintain a policy of Automobile Liability Insurance in a form generally acceptable in the State of Montana and customary in the area of the Grantee Easements.

a. Prior to any non-residential use of the Weyerhaeuser Roads, or any maintenance or improvement to the Weyerhaeuser Roads or Grantee Easements, Grantee's licensees, lessees, successors, and assigns shall obtain and maintain, throughout the period of non-residential use, maintenance or improvement, liability insurance issued in a form and by an insurance company acceptable to Weyerhaeuser. Coverage requirements shall be as follows and have an AM Best's Key Rating Guide of A- VIII (financial class) or better rating:

i. Commercial General Liability Insurance to include minimum limits of \$1,000,000 per occurrence and \$2,000,000 general aggregate Combined Single Limit Bodily Injury, Death and Property Damage. Extension of coverage to include Comprehensive Form, Premises and Operations, Contractual Liability, Products and Completed Operations, Independent Contractors, Personal Injury, Broad Form Property Damage, Cross Liability, and Pollution arising out of heat, smoke or fumes from a Hostile Fire. Additionally, the policy shall not exclude X, C or U (Explosion, Collapse, or Underground).

ii. Commercial Automobile Liability covering owned, hired, and non-owned vehicles with minimum limits of \$1,000,000 per person and \$1,000,000 per accident for bodily injury and \$1,000,000 property damage or combined single limit of \$1,000,000.

iii. Workers' Compensation or Industrial Accident insurance providing benefits as required by local law, including Employer's or Stop-Gap Liability with a minimum limit of \$1,000,000 per accident.

iv. Logger's Broad Form Insurance, including coverage for third-party fire-fighting expenses not predicated on negligence, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate.

v. The policies specified above shall include an endorsement which shall name Weyerhaeuser as additional insureds on a primary basis for the term of the temporary commercial use. The additional insured endorsement must be ISO CG20 10 11 85 (or other form with like wording).

vi. Grantee will endeavor to have the policies specified above endorsed to provide that Weyerhaeuser, at the address in Section 17 below, will be given a 30 - day written notice prior to cancellation, coverage modification or other material change in the policy. If Grantee cannot obtain such endorsement, Grantee will give Weyerhaeuser a 30 - day written notice prior to cancellation, coverage modification or other material change in any policy. No such cancellation, modification or change will affect Grantee's obligation to maintain the insurance coverages required by this Agreement.

vii. All such policies shall also include a waiver of subrogation in favor of Weyerhaeuser and each of its parents, affiliates, and subsidiaries and shall be written by insurance companies authorized to offer insurance in the State of Montana, with a Best's Rating of A- VIII or better.

viii. All liability coverages must be on an "occurrence" basis as opposed to "claims made."

ix. All such insurance will be in a form and with a company acceptable to Weyerhaeuser sufficient to protect Grantee, its contractors and their subcontractors, to the extent that they are involved in the work, and Weyerhaeuser against the claims of third persons, and to cover claims by Weyerhaeuser against Grantee, its contractor and their subcontractors for which Grantee has assumed liability under this Agreement.

x. If requested by Weyerhaeuser, Grantee will furnish to Weyerhaeuser a certificate of insurance dated and signed by a stated, authorized agent for the insuring company or companies, in a form acceptable to Weyerhaeuser and containing a representation that coverage of the types listed herein is provided with the required liability limits and the stated endorsements. Weyerhaeuser reserves the right to require a certified copy of the policy(ies) or to examine the actual policy(ies). Said certificate(s) of insurance shall be issued to Weyerhaeuser at the address in Section 17 below.

xi. If Grantee retains the services of any contractor, Grantee shall cause each contractor to maintain insurance coverages and limits of liability of the same type and the same amount as are required of Grantee under this Agreement. Grantee shall obtain, prior to the commencement of the contractor's services, the required certificates of insurance and additional insured endorsements, if requested by Weyerhaeuser.

16. **Indemnity.** To the extent of its liability for negligent acts covered by the Montana Tort Claims Act (Section 2-9-101, MCA, et seq.) if Grantee is the State of Montana only, Grantee agrees to defend, indemnify, save, protect and hold harmless Weyerhaeuser for, from and against all causes of action, litigation, cost, loss, liability, damage and expense (including attorneys' and expert witness fees) for injury or death to persons, whomsoever, and damage to or loss of property, to whomsoever belonging, including (without limitation) Weyerhaeuser's Permittees, arising out of or in any way connected with the use of the Grantee Easements or Weyerhaeuser Roads by Grantee or any Grantee Permittees or the exercise of any other right set forth in this Agreement by Grantee or any Grantee Permittees; unless such causes of actions, litigation, cost, loss, liability, damage and expense results from the sole negligence of Weyerhaeuser. If Grantee is not the State of Montana, Grantee agrees to defend, indemnify, save, protect and hold harmless Weyerhaeuser for, from and against all causes of action, litigation, cost, loss, liability, damage and expense (including attorneys' and expert witness fees) for injury or death to persons, whomsoever, and damage to or loss of property, to whomsoever belonging, including (without limitation) Weyerhaeuser's Permittees, arising out of or in any way connected with the use of the Grantee Easements or Weyerhaeuser Roads by Grantee or any Grantee Permittees or the exercise of any other right set forth in this Agreement by Grantee or any Grantee Permittees; unless such causes of actions, litigation, cost, loss, liability, damage and expense results from the sole negligence of Weyerhaeuser.

17. **Environmental Matters.** Grantee is prohibited from managing, using, transporting, generating and disposing of any substances deemed illegal or any Hazardous Substance in violation of Environmental Laws on the Grantee Easements, Weyerhaeuser Roads, or other Weyerhaeuser property. For purposes of this Agreement, the term "**Environmental Laws**" means any federal, state, or local law, statute, ordinance, regulation, or order and all amendments thereto pertaining to human health, environmental conditions or Hazardous Substances applicable to Weyerhaeuser's Burdened Property and Grantee's Property, including (without limitation) the Endangered Species Act, 16 U.S.C. § 1531-1544 (1998) and any Amendments thereto (the "ESA"). For purposes of this Agreement, the term "**Hazardous Substance**" shall mean any hazardous or toxic substances, materials or wastes, or pollutants or contaminants as defined, listed or regulated by any Environmental Laws or by common law decision including, without limitation, chlorinated solvents; petroleum products or by-products; asbestos; and polychlorinated biphenyl. In addition to all other indemnities set forth herein, Grantee shall save, protect, defend, indemnify, and hold harmless Weyerhaeuser, its other properties and Weyerhaeuser Permittees, from and against any and all loss, damage, cost, expense, or liability (including reasonable attorney fees) and the reasonable costs of repairs and improvements necessary to return the Grantee Easements, Weyerhaeuser Roads, any other lands owned by Weyerhaeuser to the physical condition existing prior to undertaking any activity related to any Hazardous Substance to the extent arising out of or attributable to Grantee's use, manufacture, storage, release, or disposal of a Hazardous Substance or other illegal substance thereupon in violation of Applicable Laws, including (without limitation) Environmental Laws. This indemnity shall survive the expiration or earlier termination of this Agreement.

18. **Notices.** All notices required or permitted to be given hereunder, or given in regard to this Agreement by one Party to the other, shall be in writing and the same shall be given and be deemed to have been served, given and received (i) if delivered by hand, when delivered in person, (ii) if sent by reputable overnight courier, on the next business day following the date on which it was sent, or (iii) if mailed, when placed in the United States mail, postage pre-paid, by certified mail,

return receipt requested, addressed to the Party at the address hereinafter specified. Any Party may change its address for notices by giving five days advance written notice to the other Party hereto in the manner provided for herein. Until changed in the manner provided herein, the Parties' respective addresses for notices hereunder are as follows:

If to Weyerhaeuser: Weyerhaeuser Company
Attn: Montana Resources Team Leader
2050 Highway 2 West
Kalispell, MT 59901

With a copy to: **Weyerhaeuser Company**
Attn: Senior Legal Counsel
Law Dept. HQ7
220 Occidental Avenue South
Seattle WA 98104

If to Grantee: State of Montana, DNRC
Attn: Real Estate Management Bureau
PO Box 201601
Helena, MT 59620-1601

19. Prior Rights; Conservation Easement.

a. This grant and all rights hereunder are subject to all liens, easements, servitudes, rights of way, oil, gas, and mineral leases, and all other grants or reservations either of record or on the ground affecting Weyerhaeuser's Burdened Property, including but not limited to the Conversation Easement described below. By this grant, Weyerhaeuser grants no greater rights than it is permitted to grant in view of such encumbrances.

b. Grantee expressly acknowledges that Weyerhaeuser's Burdened Property is encumbered by that certain Thompson-Fisher Deed of Conservation Easement originally conveyed by Plum Creek Timberlands, L.P. to the Montana Department of Fish, Wildlife and Parks on December 20, 2000, which was originally recorded as microfilm #32895 of the Official Records of Sanders County, Montana (as the same has been amended, restated and modified, the "Conservation Easement"). The Conservation Easement has been amended, restated and modified on numerous occasions, all of which Grantee is aware of. Grantee acknowledges that it has fully read and reviewed all terms and conditions of the Conservation Easement and fully understands all terms, restrictions, limitations, and other conditions that the Conservations Easement places upon Weyerhaeuser's Burdened Property. This Agreement is subject to the Conservation Easement in all respects. In exercising any right or performing any work under this Agreement, Grantee shall, and shall ensure that all Grantee Permittees do, fully comply with all terms, restrictions, limitations, and other conditions imposed by the Conservation Easement. Grantee shall also obtain any and all permissions and approvals of the Montana Department of Fish, Wildlife and Parks that may be required under the Conservation Easement prior to exercising any right or performing any work hereunder that requires the same. To the extent of its liability for negligent acts covered by the Montana Tort Claims Act (Section 2-9-101, MCA, et seq.) if Grantee

is the State of Montana, Grantee agrees to indemnify, defend, and hold harmless Weyerhaeuser from and against any and all costs, expenses, claims, suits, damages, losses, fines, penalties, obligations and other liabilities that arise out of any breach, violation or other failure to comply with the terms of the Conservation Easement caused by any act or omission of Grantee or any Grantee Permittee hereunder. If Grantee is not the State of Montana, Grantee agrees to indemnify, defend, and hold harmless Weyerhaeuser from and against any and all costs, expenses, claims, suits, damages, losses, fines, penalties, obligations and other liabilities that arise out of any breach, violation or other failure to comply with the terms of the Conservation Easement caused by any act or omission of Grantee or any Grantee Permittee hereunder; this indemnity with a Grantee which is not the State of Montana shall survive the expiration or earlier termination of this Agreement.

20. Liens and Taxes. Grantee shall keep Weyerhaeuser's Burdened Property free from liens arising in any manner out of its activities and shall promptly discharge any such liens that are asserted. Grantee shall pay all taxes and/or assessments that may become chargeable against the Grantee's Easements, if separately assessed by statute.

21. Termination. If for a period of five (5) years Grantee shall cease to use, or preserve for prospective future use, the Weyerhaeuser Roads or any portion thereof, for the purposes herein granted, this Agreement shall terminate. Weyerhaeuser may also terminate this Agreement for breach by Grantee of any terms or obligations contained in this Agreement or, in its discretion, suspend all rights of Grantee under this Agreement until the breach has been cured. In the event of a termination, Grantee hereby authorizes Weyerhaeuser to record a statement in recordable form evidencing such termination.

22. Severability; Relation to Existing Law. If any provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any Party. Upon any such determination, the Parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible. Notwithstanding any other provision of this Agreement, the invalidation of any provision herein relating to the Parties' remedies shall not be interpreted to prevent an injured Party from seeking actual damages. If subsequent to the date of this Agreement valid State or Federal laws or regulations governing the relationship between Weyerhaeuser and Grantee take effect, this Agreement shall be considered to incorporate such laws or regulations so long as they shall be effective, and any provision of this Agreement in conflict therewith shall during such period be void.

23. Waiver. No failure of either Party to exercise any power given hereunder or to insist upon strict compliance with any obligations specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of any Party's right to demand strict compliance with the terms hereof; provided, however, that any Party may, at its sole option, waive any requirement, covenant or condition herein established for the benefit of such Party without affecting any of the other provisions of this Agreement.

24. **Independent Contractor.** It is agreed that neither Party hereto is the agent, servant, or employee of the other Party for any purpose whatsoever.

25. **Subordination.** Any mortgage or deed of trust affecting any portion of Grantee's Easements shall at all times be subject and subordinate to the terms and conditions of this Agreement, and any party foreclosing any such mortgage or deed of trust or acquiring title by deed in lieu of foreclosure or trustee's sale, shall acquire title subject to all the terms and conditions of this Agreement.

26. **Entire Agreement; Construction.** This Agreement sets forth the entire and complete agreement between the Parties with respect to the subject matter hereof. Any prior agreements, commitments, or representations, express or implied, between the Parties are superseded by this Agreement. This Agreement may be altered, amended, or repealed only by a written instrument executed by both Parties. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any Party hereto by any court or governmental or jurisdictional authority by reason of such Party having been deemed to have structured, written, drafted or dictated such provisions. The Recitals to this Agreement and the Exhibits attached to this Agreement are incorporated herein by this reference. The captions and headings of this Agreement are for convenience only and shall not define, limit, or describe the applicability, scope, meaning, or intent of any provision of this Agreement. Capitalized terms which are defined in the recitals hereof shall have the meaning given.

27. **Attorneys' Fees.** In the event any arbitration, action, suit or legal proceeding is instituted by either Party to this Agreement, the prevailing Party shall be entitled to recover from the non-prevailing Party both reasonable attorney fees and reasonable expert witness fees as determined by the court or arbitration panel, both at trial and on appeal or review and in bankruptcy, whether or not the matter in dispute involves an issue peculiar to federal bankruptcy law. Attorney fees and expert witness fees shall be in addition to other costs and disbursements allowed by law. "Prevailing Party" shall be determined by the arbitrator, or any court, as the true prevailing party (not statutorily prevailing party) after taking into consideration any settlement offers made by the Parties and the number and importance of issues to be determined.

28. **Governing Law; Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Montana. In addition, the Parties agree that in the event of any dispute concerning this Agreement, venue for any cause of action arising out of, or having to do with, this Agreement shall be, and is, in State or Federal Court in the county in which Weyerhaeuser's Burdened Property is located.

29. **Amendment; Successors and Assigns.** This Agreement may be modified or amended only by a written agreement signed by the Parties, or their applicable permitted successors or assigns. All terms, conditions, representations, and covenants of this Agreement shall be binding upon and inure to the benefit of the Parties, their heirs, successors, and assigns. The rights of Grantee hereunder shall be appurtenant to and for the benefit of Grantee's Property and any conveyance of Weyerhaeuser's Burdened Property shall include a conveyance of Grantee's Easements, regardless of whether Grantee's Easements are specifically identified in the instrument of conveyance.

30. **No Third-Party Beneficiaries.** Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties hereto and their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

31. **Force Majeure.** The Parties shall be free from any liability to one another for delays in delivery or failure to perform due to the failure, fault, or bankruptcy of a third party, acts of God, acts of default of any carrier, acts of any governmental authority, terrorism, suspension of any shipping facility, wars, riots, revolutions, strikes and other labor disputes, port congestion, fires, floods, perils of the sea, sabotage, nuclear incidents, earthquakes, storms, epidemics, or any other contingency of any similar nature beyond the control of either Party. The foregoing shall apply even though any of such causes exist as of the date of this Agreement or occurs after performance is delayed for other causes.

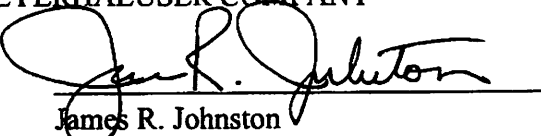
[Signatures and notary acknowledgments appear on the following two pages]

IN WITNESS WHEREOF, this Agreement is executed on the date of the acknowledgment below but shall be effective for all purposes as of the Effective Date.

Weyerhaeuser:

WEYERHAEUSER COMPANY

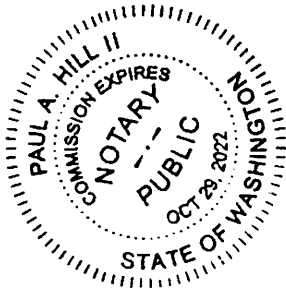
By

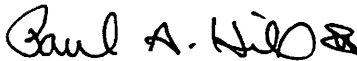

James R. Johnston
Vice President

STATE OF WASHINGTON)
)
COUNTY OF KING)

On this 10th day of March, 2020, before me personally appeared James R. Johnston to me known to be the Vice President of Weyerhaeuser Company, the Washington corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that s/he is authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above mentioned.





Notary Public in and for the State of Washington
Residing at: Seattle
Print Name: Paul A. Hill II
My appointment expires: 10/29/2022

IN WITNESS WHEREOF, this Agreement is executed on the date of the acknowledgment below but shall be effective for all purposes as of the Effective Date.

Grantee:

STATE OF MONTANA, acting by and through the
Department of Natural Resources and Conservation

By

Name John E. Tubbs

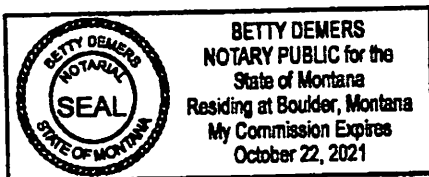
Title Director, Department of Natural Resources and Conservation

STATE OF MONTANA)

COUNTY OF Lewis & Clark)

On this 16 day of March, 2020, before me personally appeared John E. Tubbs to me known to be the Director of DNRC, the State of Montana agency that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said State agency for the uses and purposes therein mentioned, and on oath stated that s/he is authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above mentioned.



Betty Demers
Notary Public in and for the
State of Montana
My appointment expires: Oct 22, 2021

**Exhibit A to Right of Way Easement Agreement
Weyerhaeuser's Burdened Property**

Sanders County, Montana

Township 22 North, Range 27 West, P.M.M.

Section 01: Government Lot 4

Township 23 North, Range 27 West, P.M.M.

Section 23: SE1/4SW1/4SW1/4

Township 25 North, Range 26 West, P.M.M.

Section 31: Government Lot 4

EXHIBIT B to Right of Way Easement Agreement

Grantee's Property

Parcel 1 (Lease No. 3051102)

LOCATED IN A PORTION OF GOV'T. LOT 4, SECTION 1 AND A PORTION OF GOV'T. LOT 1 SECTION 2, T.22 N., R.27 W., P.M.M., AS SHOWN ON COS 3611 AND DESCRIBED AS FOLLOWS:

BEGINNING AT A SET CAPPED REBAR LOCATED ON THE LINE COMMON TO SAID SECTIONS 1 & 2, WHICH BEARS S0°13'14"E 830.86' FROM THE CORNER COMMON TO SECTIONS 1,2 T.22 N.,R.27W & SECTIONS 35 & 36, T.23 N.R.27 W; THENCE LEAVING SAID LINE, N89° 46' 50"E FOR 140.00 ' TO A SET CAPPED REBAR; THENCE S00° 13' 14"E FOR 188.82 ' TO A SET CAPPED REBAR; THENCE S89° 46' 50"W FOR 140.00 ' TO A SET CAPPED REBAR ON THE LINE COMMON TO SAID SECTIONS 1 & 2; THENCE LEAVING SAID LINE, N41° 33' 21"W FOR 124.16 ' TO A FOUND 1" PIPE; THENCE N40° 24' 13"E FOR 125.95 ' , TO THE POINT OF BEGINNING, THE AREA BEING 0.78 ACRES, SUBJECT TO ALL RESTRICTIONS, RESERVATIONS AND EASEMENTS, APPARENT OR OF RECORD.

And:

AREA A, LOCATED IN A PORTION OF GOV'T. LOT 4, SECTION 1, T.22 N., R.27 W., P.M.M., SANDERS COUNTY, MONTANA, AS SHOWN ON COS 3611 AND DESCRIBED AS FOLLOWS:

BEGINNING AT A SET CAPPED REBAR LOCATED ON THE LINE COMMON TO SAID SECTIONS 1 & 2, WHICH BEARS S0°13'14"E 830.86' FROM THE CORNER COMMON TO SECTIONS 1,2 T.22 N.,R.27W & SECTIONS 35 & 36, T.23 N.R.27 W; THENCE LEAVING SAID LINE, N89° 46' 50"E FOR 140.00 ' TO A SET CAPPED REBAR; THENCE S00° 13' 14"E FOR 188.82 ' TO A SET CAPPED REBAR; THENCE S89° 46' 50"W FOR 140.00 ' TO A SET CAPPED REBAR ON THE LINE COMMON TO SAID SECTIONS 1 & 2;THENCE ALONG SAID LINE, N00° 13' 14"W FOR 188.82 ' , TO THE POINT OF BEGINNING, THE AREA BEING 0.61 ACRES.

Parcel 2 (Lease No. 3051394)

A PORTION OF THE SW 1/4 SW 1/4 SECTION 23, & NW 1/4 NW 1/4 SECTION 26, T.23 N., R.27 W., P.M.M., SANDERS COUNTY AS SHOWN ON COS 3612 AND DESCRIBED AS FOLLOWS:

THE POINT OF BEGINNING BEING A SET CAPPED REBAR ON THE LINE COMMON TO SECTIONS 23 & 26, WHICH BEARS N89°40'39"E 850.78' FROM THE CORNER COMMON TO SECTIONS 22,23,26 & 27; THENCE S31° 05' 01"E FOR 161.01 ' TO A SET CAPPED REBAR; THENCE N63° 30' 33"E FOR 24.58 ' TO A FD. 1" PIPE; THENCE N08° 21' 31"W FOR 128.78 ' TO A SET CAPPED REBAR ON SAID COMMON SECTION LINE; THENCE LEAVING SAID LINE, N17° 14' 50"W FOR 36.58 ' TO A SET CAPPED REBAR; THENCE S89° 40' 39"W FOR 80.00 ' TO A SET CAPPED REBAR; THENCE S07° 13' 59"E FOR 35.25 ' TO A SET CAPPED REBAR, THE POINT OF BEGINNING, THE AREA BEING 0.24

ACRES, SUBJECT TO ALL RESTRICTIONS, RESERVATIONS AND EASEMENTS, APPARENT OR OF RECORD.

And:

AREA A, LOCATED IN A PORTION OF THE SW 1/4SW 1/4 OF SECTION 23, T.23 N., R.27 W., P.M.M., SANDERS COUNTY, MONTANA, AS SHOWN ON COS 3612 AND DESCRIBED AS FOLLOWS:

THE POINT OF BEGINNING BEING A SET CAPPED REBAR, SAID POINT BEARS N89° 40' 39"E 912.43 ' FROM THE CORNER COMMON TO SECTIONS 22,23,26 & 27; THENCE ALONG THE LINE COMMON TO SECTIONS 23 & 26 N89° 40' 39"E FOR 86.41 ' TO A SET CAPPED REBAR; THENCE LEAVING SAID LINE N17° 14' 50"W FOR 36.58 ' TO A SET CAPPED REBAR; THENCE S89° 40' 39"W FOR 80.00 ' TO A SET CAPPED REBAR; THENCE, S89° 40' 39"W FOR 63.01 ' TO CENTERLINE OF THE THOMPSON RIVER; THENCE ALONG SAID CENTERLINE, S09° 24' 46"E FOR 35.44 ' TO THE LINE COMMON TO SECTIONS 23 & 26; THENCE ALONG SAID LINE, N89° 40' 39"E FOR 61.65 ' TO THE POINT OF BEGINNING, THE AREA BEING 0.12 ACRES.

Parcel 4 (Lease No. 3050441)

LOCATED IN GOV'T. LOT 4 SECTION 31, T.25 N., R.26 W P.M.M., AND SE 1/4 SE 1/4 SECTION 36, T.25 N., R.27 W P.M.M., AS SHOWN ON COS 3614 AND DESCRIBED AS FOLLOWS:

THE POINT OF BEGINNING BEING A SET CAPPED REBAR ON THE LINE COMMON TO SECTION 31, T.25 N.,R.26 W & SECTION 36 T.25 N.,R.27 W.,P.M.M. SAID POINT BEARS N00° 03' 58"E 26.83' FROM THE SOUTHWEST CORNER SECTION 31; THENCE ALONG SAID COMMON LINE, N00° 03' 58"E FOR 131.72 ' TO A SET CAPPED REBAR; THENCE LEAVING SAID LINE, S89° 56' 02"E FOR 60.00 ' TO A SET CAPPED REBAR; THENCE N00° 03' 58"E FOR 196.95 ' TO A SET CAPPED REBAR; THENCE N89° 56' 02"W FOR 60.00 ' TO A SET CAPPED REBAR ALONG SAID COMMON LINE; THENCE LEAVING SAID LINE, N12° 19' 39"W FOR 194.17 ' TO A FD. 1" PIPE; THENCE S60° 25' 16"W FOR 184.39 ' TO A SET CAPPED REBAR, SAID POINT BEARS N60° 25' 16"E 15.00 ' FROM A FD. 1" PIPE; THENCE S23° 43' 20"E FOR 477.19 ' TO A FD. 1" PIPE; THENCE N44° 48' 04"E FOR 13.43 ' TO THE POINT OF BEGINNING, THE AREA BEING 1.49 ACRES, SUBJECT TO ALL RESTRICTIONS, RESERVATIONS AND EASEMENTS, APPARENT OR OF RECORD.

And:

AREA A, LOCATED IN GOV'T. LOT 4, SECTION 31, T.25 N., R.26 W, P.M.M., SANDERS COUNTY, MONTANA, AS SHOWN ON COS 3614 AND DESCRIBED AS FOLLOWS:

THE POINT OF BEGINNING BEING A SET CAPPED REBAR ON THE LINE COMMON TO SECTION 31, T.25 N.,R.26 W & SECTION 36 T.25 N.,R.27 W.,P.M.M. SAID POINT BEARS N00° 03' 58"E 158.55 ' FROM THE SOUTHWEST CORNER SECTION 31; THENCE LEAVING SAID LINE, S89° 56' 02"E FOR 60.00 ' TO A SET CAPPED REBAR; THENCE N00° 03' 58"E FOR 196.95 ' TO A SET CAPPED REBAR;

THENCE N89° 56' 02"W FOR 60.00 ' TO A SET CAPPED REBAR ON SAID COMMON LINE; THENCE S00° 03' 58"W FOR 196.95 ' TO A SET CAPPED REBAR, TO THE POINT OF BEGINNING, THE AREA BEING 0.27 ACRES.

EXHIBIT C1 to Right of Way Easement Agreement

Depiction of the Weyerhaeuser Burdened Property and Weyerhaeuser Road

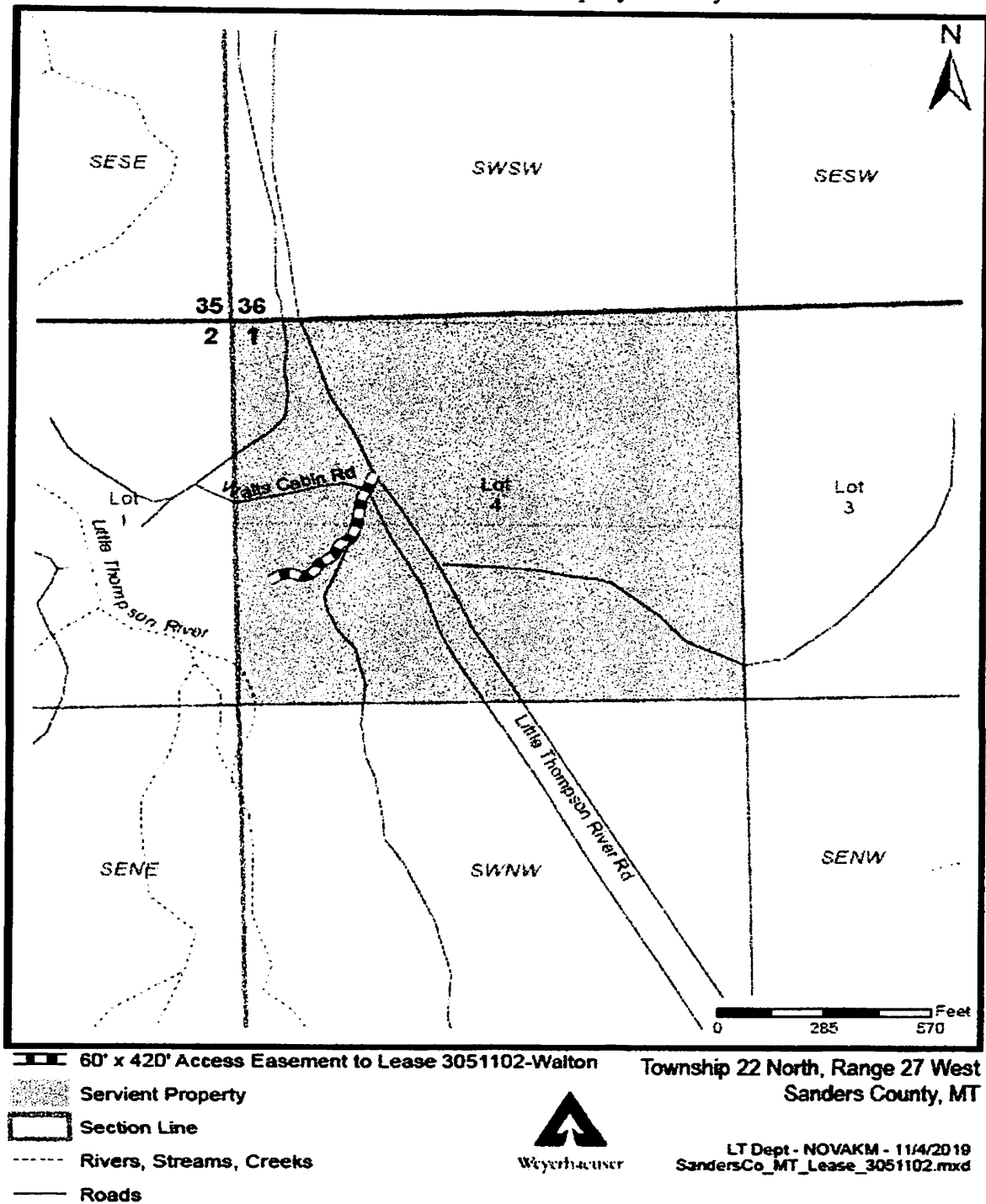
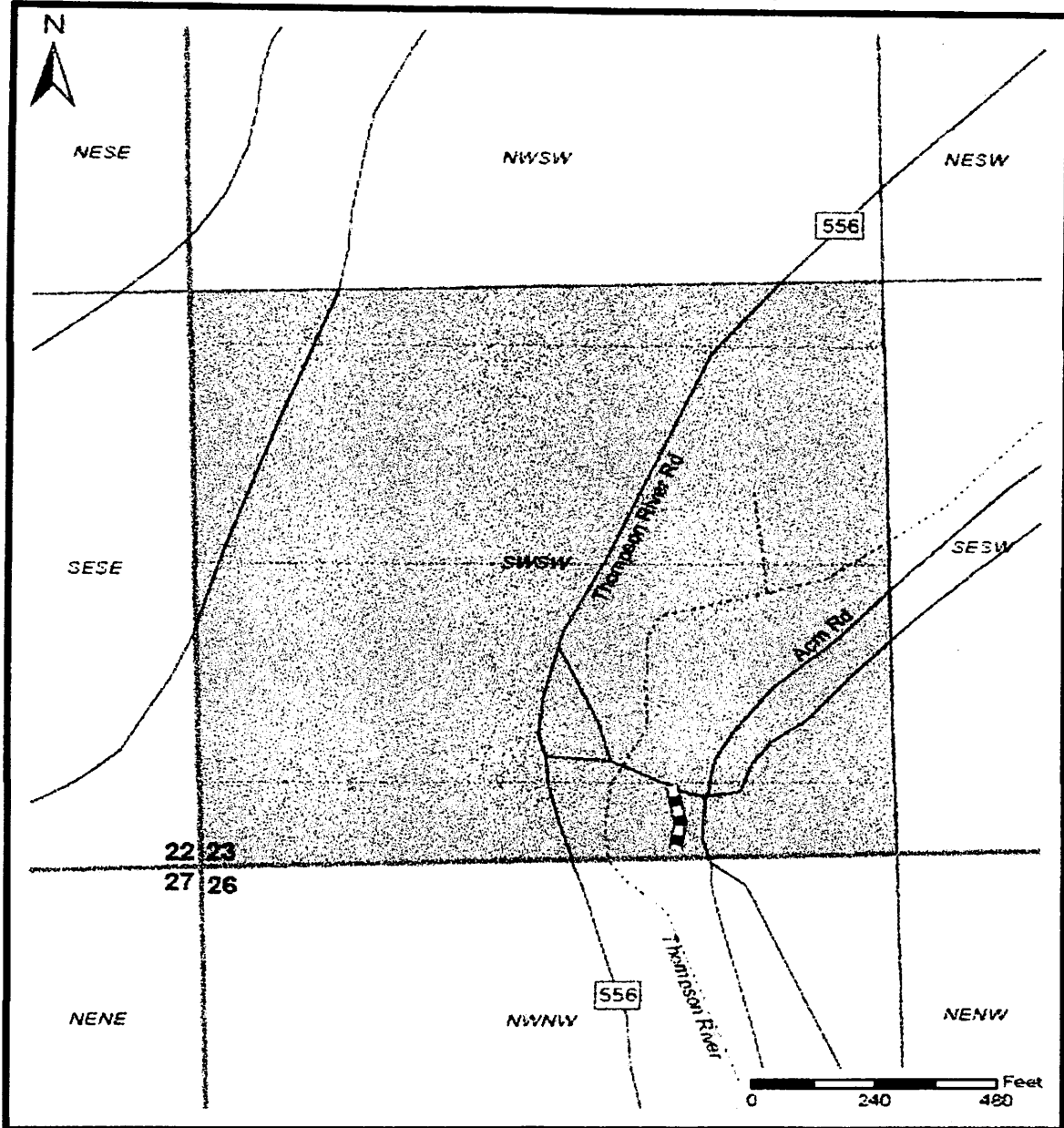


EXHIBIT C2 to Right of Way Easement Agreement

Depiction of the Weyerhaeuser Burdened Property and Weyerhaeuser Road



■ ■ 60' x 190' Access Easement to Lease 3051394-Huntley Township 23 North, Range 27 West Sanders County, MT

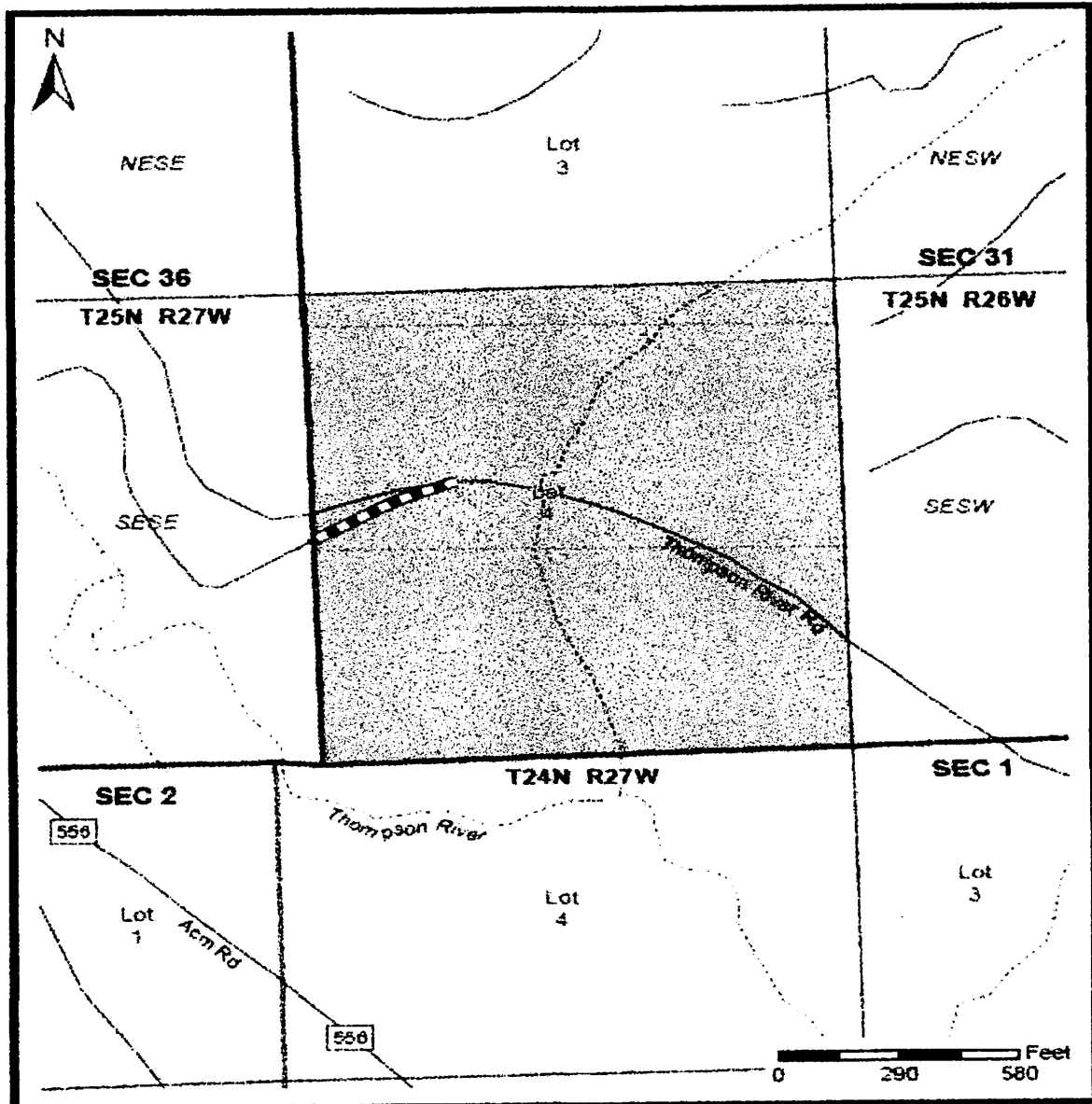
- Servient Property
- Section Line
- Rivers, Streams, Creeks
- Roads



LT Dept - NOVAKM - 11/4/2019
SandersCo_MT_Lease_3051394_Huntley.mxd

EXHIBIT C3 to Right of Way Easement Agreement

Depiction of the Weyerhaeuser Burdened Property and Weyerhaeuser Road



■ ■ 60'x 350' Access Easement to Lease 3050441-Lulack Township 25 North, Range 26 West
 Sanders County, MT

- ■ Servient Property
- ■ Township Line
- ■ Section Line
- Rivers, Streams, Creeks
- Roads

LT Dept - NOVAKM - 11/4/2018
 SandersCo_MT_Lease_3050441_Lulack.mxd



State of Montana
Employment Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-370

Status: **Active**
Expires: **03/31/2026**

This certificate verifies licensure as:

CERTIFIED GENERAL APPRAISER

With endorsements of:

* *REAL ESTATE APPRAISER MENTOR*

HOGAN REAL ESTATE APPRAISAL GROUP, LLC
NICHOLAS J HOGAN
7901 SADDLEBOW TRAIL
MISSOULA, MT 59808



Montana Department of
LABOR & INDUSTRY

RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol>

Renew online at <https://ebiz.mt.gov/pol> by signing in with your username and password.

The renewal cycle for your board opens 60 days prior to the expiration date on your current license.

Renew your license prior to your expiration date to avoid being charged a late fee(s).

Remember to maintain your online account information with a password, security question and a valid email address. You can update your account information by accessing the 'Account Management' link when logged in.

APPRAISER QUALIFICATIONS - NICHOLAS J. HOGAN, MAI

APPRAISAL AND RELATED BUSINESS EXPERIENCE:

December 2022 to present: Owner and chief appraiser, Hogan Real Estate Appraisal Group, LLC, specializing in real estate appraisal and consulting with emphasis noted below.

January 1994 to December 2022: Staff Appraiser for Hall-Widdoss & Co., P.C. specializing in real estate appraisal and consulting with emphasis on multi-family residential, Section 42 LIHTC, assisted living facilities, farm and ranch, conservation easements, partial interests, and complex commercial valuation. Currently licensed in Montana, Idaho and Wyoming. Work includes value estimates for loan purposes, conservation easements, litigation support, estate planning, marketing, condemnation, accounting requirements and feasibility analysis.

EDUCATION:

University of Montana – Bachelor of Science in Business Administration (12/92)

Appraisal Institute Courses and Seminars

- 110 Appraisal Principles
- 120 Appraisal Principles
- 310 Basic Income Capitalization
- 510 Advanced Income Capitalization
- 520 Highest and Best Use/Market Analysis
- 530 Advanced Sales Comparison & Cost Approaches
- 540 Report Writing and Valuation Analysis
- Conservation Easement & Partial Interests
- Yellow Book

Court Testimony

Montana 6th Judicial Court
District of Montana Bankruptcy Court
9th Judicial Circuit Court, Kalamazoo, MI
US Bankruptcy Court Western District of
Washington
Silver Bow County District Court

PROFESSIONAL AFFILIATIONS:

Member Appraisal Institute – MAI No. 12400
Montana General Certificate No. REA-RAG-LIC-370
Wyoming Certified Real Estate Appraiser Permit No. 1090
Idaho General Certified Appraiser No. CGA-3332

REPRESENTATIVE CLIENTS:

US & State

Federal Aviation Administration
General Services Administration
Bureau of Reclamation
US Forest Service
Office of Valuation Services
Justice Department
US Highway Administration
US Army Corp of Engineers
City of Missoula/Missoula County
City of Bozeman
Montana Department of Transportation
Montana Fish Wildlife & Parks
Missoula County

Other Clients

First Interstate Bank
The Nature Conservancy
US Bank
Bank of America
Sterling Savings Bank
Rocky Mountain Bank
Glacier Bank
Five Valleys Land Trust
Catholic Church – Diocese of Helena
Montana Environmental Trust Group