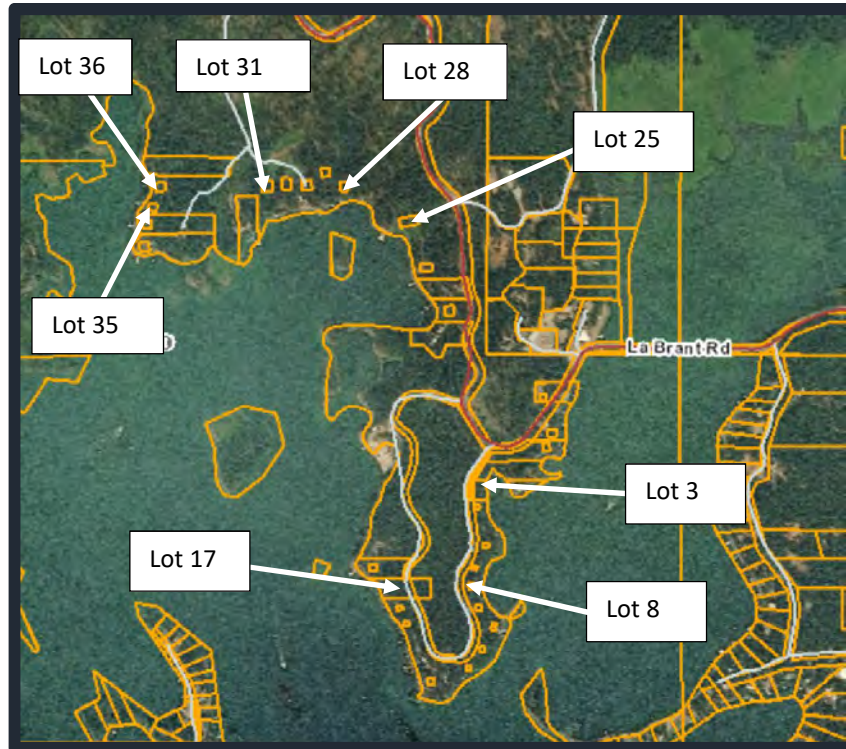


APPRAISAL REPORT OF:

**LOTS 3, 8, 17, 25, 28, 31, 35, & 36, COS # 18885
BIGFORK, FLATHEAD COUNTY, MONTANA**



PREPARED FOR:

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

MARKET VALUES AS OF:

June 26, 2019

PREPARED BY:

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



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

LETTER OF TRANSMITTAL

August 9, 2019

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

Re: Lots 3, 8, 17, 25, 28, 31, 35, & 36 of COS #18885, Section 5, Township 27 North, Range 19 West, Echo Lake, Bigfork, Flathead County, Montana

Dear Ms. Motichka:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on June 26, 2019. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. This visual inspection, review and analyses were made in order to prepare the attached summary appraisal report.

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

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

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

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

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

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

Respectfully submitted,



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



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

19-029c

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SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

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

SUBJECT PROPERTY

Property Identifications	Lots 3, 8, 17, 25, 28, 31, 35, & 36 of Certificate of Survey #18885, Section 5, Township 27 North, Range 19 West, Echo Lake, Bigfork, Flathead County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-029-0013.02
Flood Zone	Zone X, FEMA Map Panel 30029C1875G (Dated 9/28/2007 – Map Not Printed)
Zoning	SAG-5, Suburban Agricultural (5 Acre Minimum Site Area)

HIGHEST AND BEST USE(S)

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

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

Report Date	August 9, 2019
Inspection Date(s)	June 26, 2019
Effective Date of Value(s)	June 26, 2019
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 147 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 147 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 147 of Report

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

MARKETING & EXPOSURE TIME

The appraised values for the subject lots, as if vacant, are based upon 6 to 12 month marketing and exposure times. The appraised values for subject lots, as improved, are based upon 6 to 12 month marketing and exposure times. Estimated marketing and exposure times are addressed in detail in the Subject Market Analysis portion of this report.

APPRAISER INFORMATION

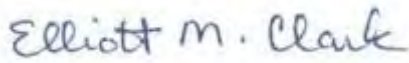
Appraiser(s)	Elliott M. Clark, MAI & Christopher D. Clark
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CERTIFICATION OF APPRAISAL

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

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

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



Dated Signed: August 9, 2019
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: August 9, 2019
Christopher D. Clark
MT REA-RAL-LIC-841

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

SCOPE OF THE APPRAISAL

The subject properties are Lots 3, 8, 17, 25, 28, 31, 35, and 36 of COS #18885, Echo Lake, Bigfork, Flathead County, Montana.

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

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

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on June 26, 2019. We measured the improvements and walked the subject sites.

Scope of Research

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

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

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

Extraordinary Assumption(s)

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

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

Hypothetical Conditions

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

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

Highest & Best Use

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

Appraisal Process

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

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

Environmental

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

General Data Sources

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

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

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County
3	981	18885	S05/T27N/R19W	Flathead
8	976	18885	S05/T27N/R19W	Flathead
17	982	18885	S05/T27N/R19W	Flathead
25	977	18885	S05/T27N/R19W	Flathead
28	978	18885	S05/T27N/R19W	Flathead
31	801	18885	S05/T27N/R19W	Flathead
35	979	18885	S05/T27N/R19W	Flathead
36	980	18885	S05/T27N/R19W	Flathead

INTENDED USE & INTENDED USERS OF THE APPRAISAL

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

Lot #	Sale #	Lessee
3	981	N/A - Owned by MT DNRC
8	976	Richard D. & Deborah Ellen Northcott
17	982	N/A - Owned by MT DNRC
25	977	Kevin & Jeannette Zemp
28	978	Leisha & Ronald Cook
31	801	N/A - Owned by MT DNRC
35	979	Ryan James
36	980	Randall Fitzner

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

PURPOSE OF THE APPRAISAL

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

DATE OF PROPERTY VIEWINGS

June 26, 2019

EFFECTIVE DATE OF MARKET VALUES

June 26, 2019

PROPERTY RIGHTS APPRAISED

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

DEFINITION OF MARKET VALUE

Market value is defined in the following manner:

*"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, knowledgeably and assuming the price is not affected by undue stimulus."*¹

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 each acting in what he considers his own best interest;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and

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.

¹ Office of the Comptroller of the Currency - Comptroller's Manual for National Banks, March 1990, 12CFR, parts 34.

STATEMENT OF OWNERSHIP & USE HISTORY

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

Lot #	Sale #	Lessee	Last Transfer Document
3	981	N/A - Owned by MT DNRC	N/A
8	976	Richard D. & Deborah Ellen Northcott	Quitclaim Deed (Document #200800004782) Recorded 2/22/2008
17	982	N/A - Owned by MT DNRC	N/A
25	977	Kevin & Jeannette Zemp	Quitclaim Deed (Document #200800021157) Recorded 7/25/2008
28	978	Leisha & Ronald Cook	Quitclaim Deed (Document #201700019498) Recorded 08/11/2017 - Lessee Reported Price of Leasehold Improvements at \$70,000
31	801	N/A - Owned by MT DNRC	Tax Deed (Document #201300027970) Recorded 10/31/2013
35	979	Ryan James	Quitclaim Deed (Document #201700010814) Recorded 5/30/2017 - Lessee Reported Price of Leasehold Improvements at \$7,500
36	980	Randall Fitzner	Quitclaim Deed (Document #201600024170) Recorded 10/31/2016

USE/MARKETING HISTORIES

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

Lot #	Sale #	Lessee	House Built	Listing History of Improvements via Area MLS
3	981	N/A - Owned by MT DNRC	1960	N/A
8	976	Richard D. & Deborah Ellen Northcott	2006 (Mobile Home Considered Real Property)	N/A
17	982	N/A - Owned by MT DNRC	N/A	N/A
25	977	Kevin & Jeannette Zemp	1950 (Renovated)	N/A
28	978	Leisha & Ronald Cook	1976	N/A
31	801	N/A - Owned by MT DNRC	1958	N/A
35	979	Ryan James	1955	N/A
36	980	Randall Fitzner	1976 (Renovated)	N/A

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

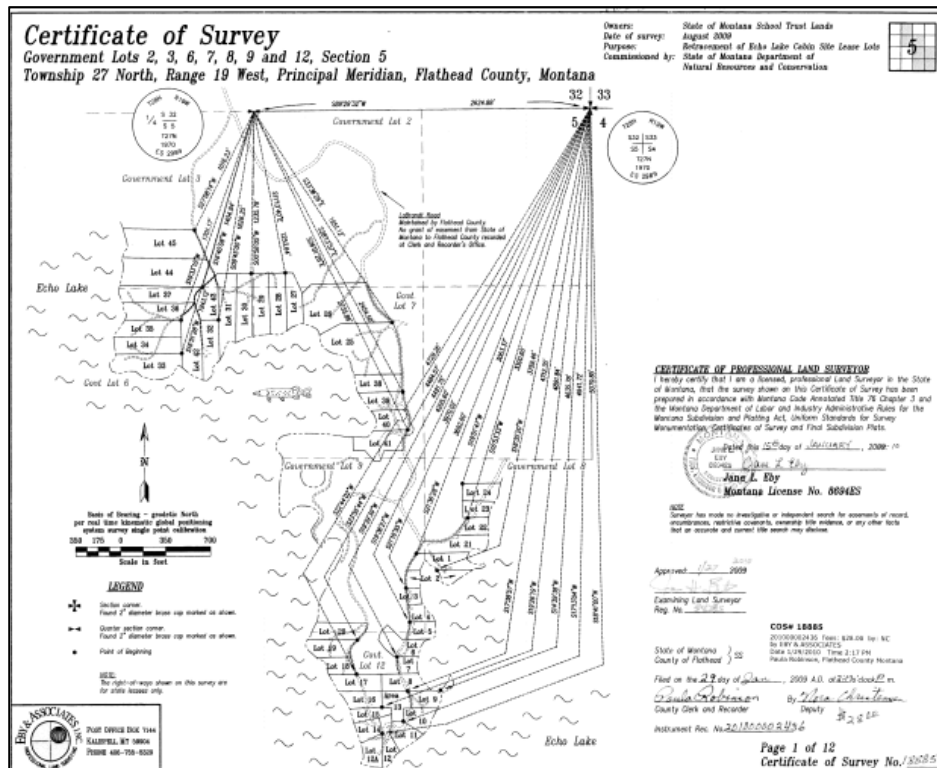
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Lots 3, 8, 17, 25, 28, 31, 35, and 36 of Certificate of Survey # in Section 5, Township 27 North, Range 19 West, in Flathead County, Montana. The subject site sizes are below;

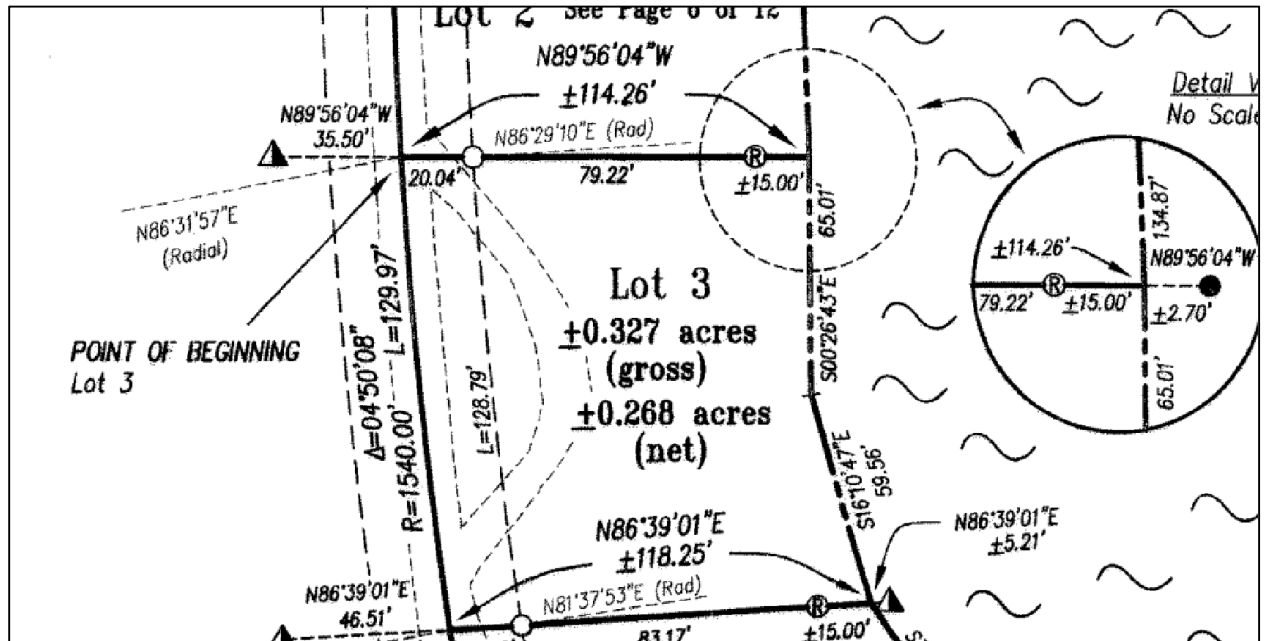
Lot #	Sale #	Gross Acres	Net Acres
3	981	0.327	0.268
8	976	1.124	0.990
17	982	1.124	0.993
25	977	4.537	4.051
28	978	1.434	1.434
31	801	1.866	1.766
35	979	1.471	1.392
36	980	1.485	1.236

The locations of the Subject Lots are depicted on Page 1 of COS#18885 below;

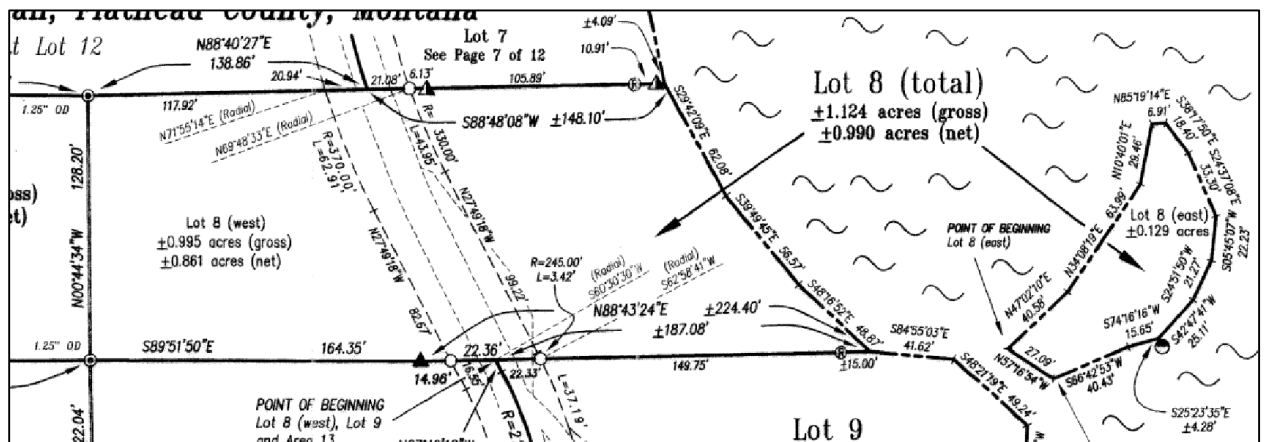


Enlarged views of each site as part of COS #18885 are included on the following pages.

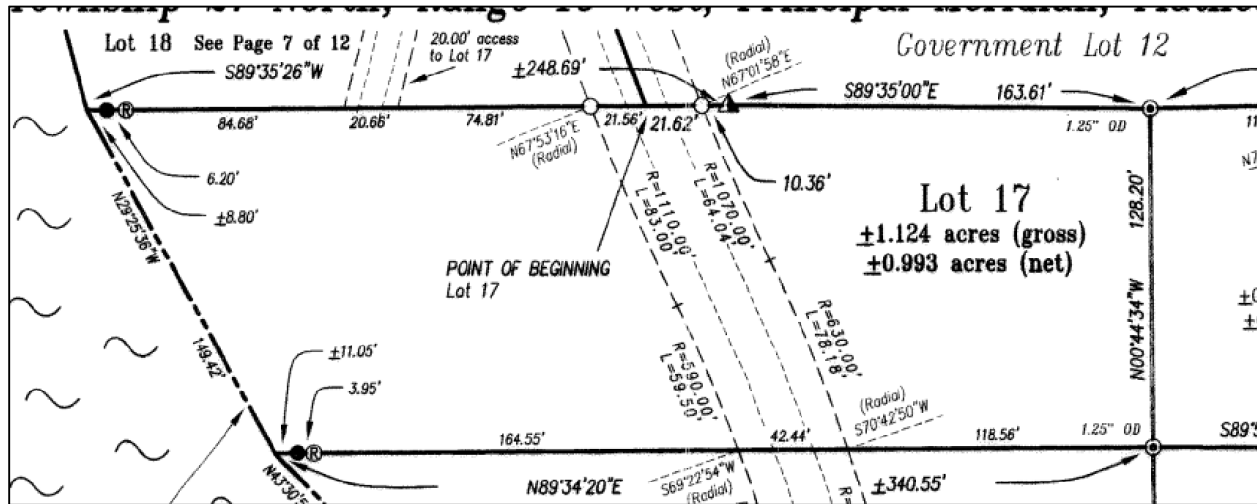
LOT 3
Enlarged View of Page 7 of COS #18885



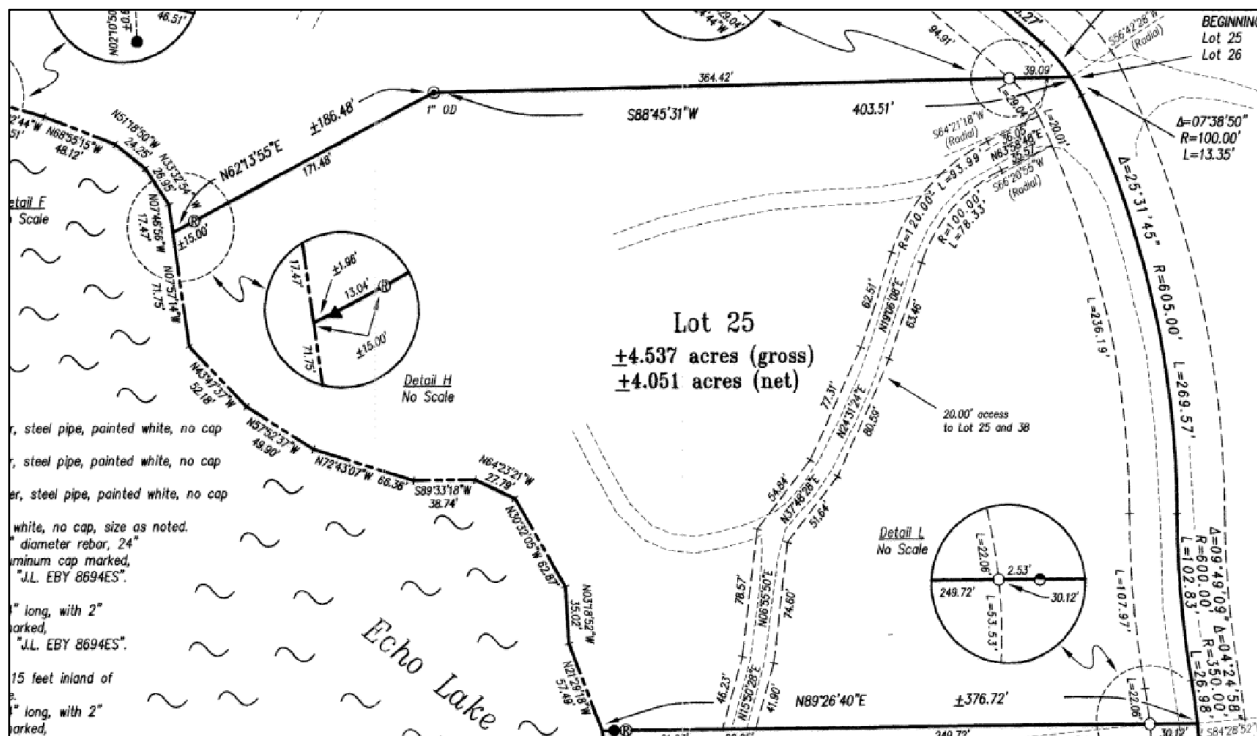
LOT 8
Enlarged View of Page 8 of COS #18885



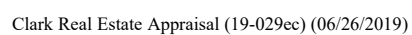
LOT 17
Enlarged View of Page 8 of COS #18885



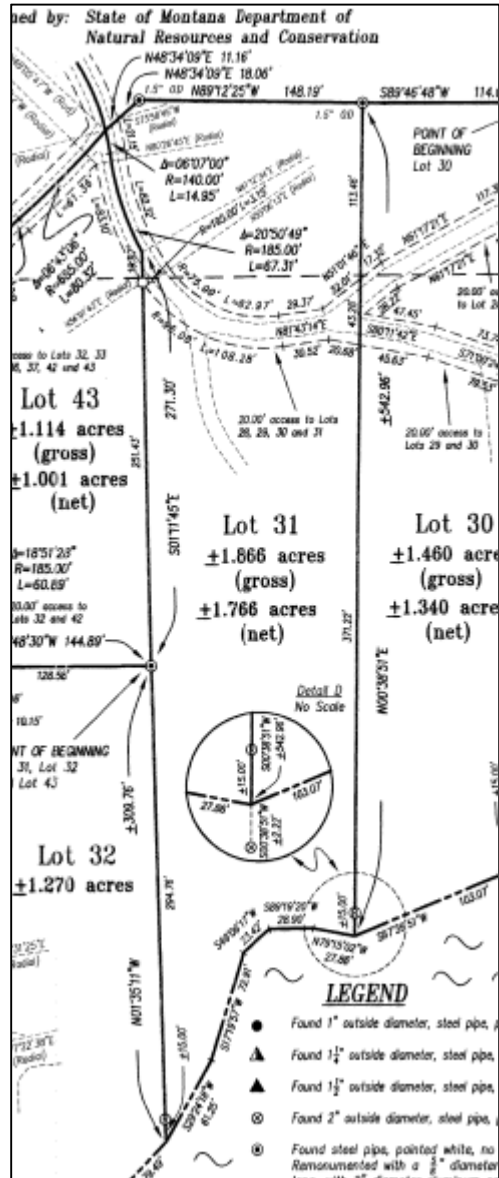
LOT 25
Enlarged View of Page 4 of COS #18885



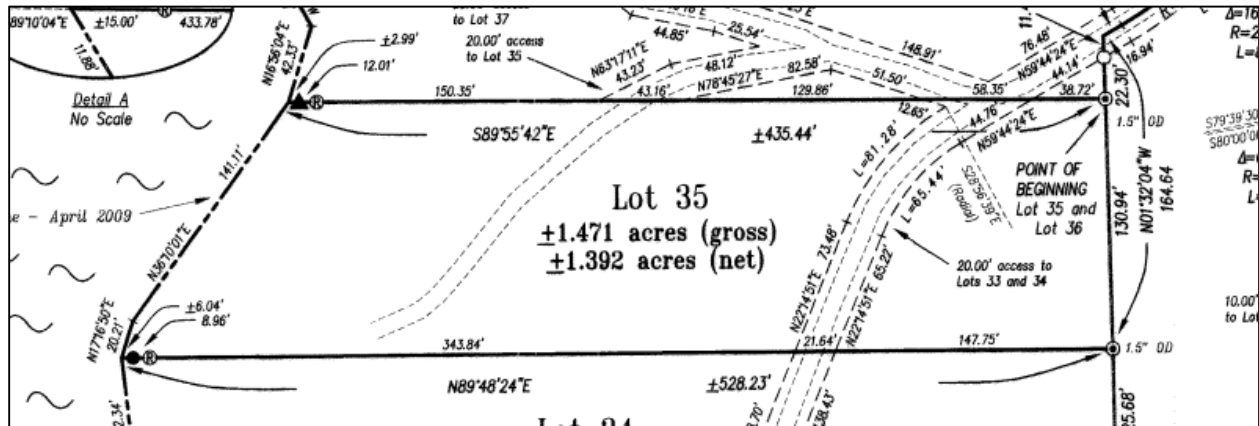
Enlarged View of Page 4 of COS #18885



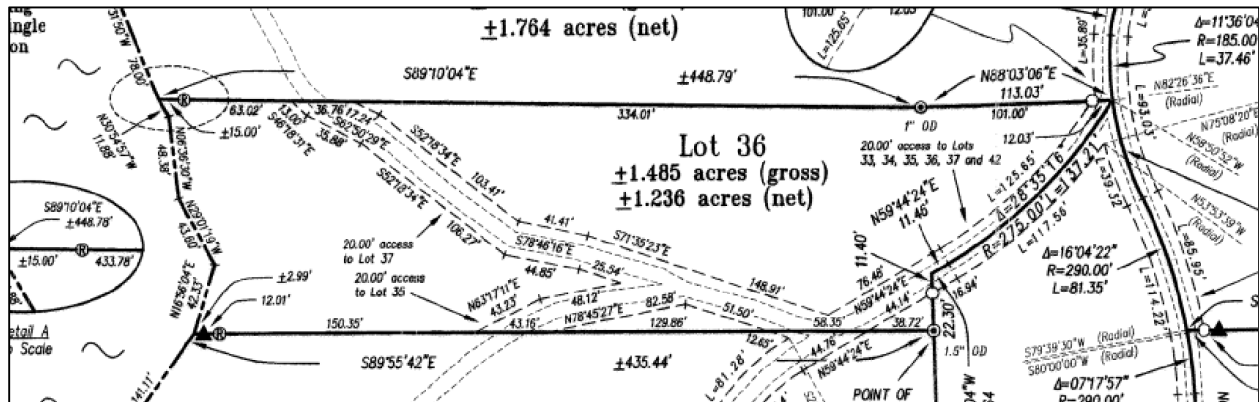
LOT 31
Enlarged View of Page 3 of COS #18885



LOT 35
Enlarged View of Page 3 of COS #18885



LOT 36
Enlarged View of Page 3 of COS #18885



ACCESS AND VIEWS

The subject properties have vehicular access from driveways off of Echo Cabin Loop or La Brant Road. The subject lots all have frontage along Echo Lake. Access and water frontage for each site is described on the table below;

Lot #	Sale #	Address	Water Frontage	Access
3	981	1874 Echo Cabin Loop	124.57 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Portion of Road Within Lot)
8	976	1854 Echo Cabin Loop	167.52 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Echo Cabin Loop Bisects Lot)
17	982	Echo Cabin Loop	149.42 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Echo Cabin Loop Bisects Lot)
25	977	1760 La Brant Road	462.10 Feet of Frontage Along Echo Lake	Driveway from La Brant Road (Portion of Road Within Lot & Driveway Accessing Lot 38 Within this Lot)
28	978	1736 LaBrant Road	136.44 Feet of Frontage Along Echo Lake	Driveway from La Brant Road
31	801	1721 La Brant Road	214.34 Feet of Frontage Along Echo Lake	Driveway from La Brant Road (Driveway Accessing Lots 28, 29, & 30 Runs Within this Lot)
35	979	1672 La Brant Rd	161.32 Feet of Frontage Along Echo Lake	Driveway from La Brant Road (Driveway Accessing Lots 33 & 34 Runs Within this Lot)
36	980	1664 La Brant Rd	146.19 Feet of Frontage Along Echo Lake	Driveway from La Brant Road (Driveway Accessing Lots 33, 34, 35 & 37 Runs Within this Lot)

Note: The Front Footage of the island area is not included for Lot 8 because this area is not necessarily accessible all year.

IMPROVEMENTS

Subject Lots 3, 8, 25, 28, 31, 35 and 36 included improvements. The improvements on these subject lots are described on the tables below and on the following page.

Sale #	981	976	977	978
Lot #	3	8	25	28
Residence SF	392	1,952	153	371
Construction Type	Wood Frame	Manufactured Home	Wood Frame	Wood Frame
Foundation	Pier	Basement (1,312 SF Finished Living Area - 2 BR/1BA)	Concrete Slab	Pier
Quality	Fair	Good	Average	Average
Condition	Fair	Good	Average	Average
Year Built	1960	2006	1950 (Renovated)	1976
# of Bedrooms	0	3	0	1
# of Bathrooms	0	2	0	1
Porches	404 SF Deck	348 SF Patio, 310 SF Deck, & 348 SF Deck	N/A	506 SF Deck & 78 SF Detached Deck
Outbuildings	None/None	2 Car Garage (Attached) & 160 SF Storage Building	224 SF Bunk House	80 SF Storage Building
Well/Septic	None/None	Well/Septic	None/None	Well/Septic
Landscaping	Native Vegetation	Lawn/Native Vegetation	Lawn/Native Vegetation	Lawn/Native Vegetation

Sale #	801	979	980
Lot #	31	35	36
Residence SF	357	400	792
Construction Type	Wood Frame	Wood Frame	Wood Frame
Foundation	Pier	Pier	Pier
Quality	Fair	Average	Average
Condition	Fair	Average	Good
Year Built	1958	1955 (Renovated)	1976 (Renovated)
# of Bedrooms	0	0	2
# of Bathrooms	0	1	1
Porches	194 SF Screened Porch	120 SF Covered Porch, 512 SF Deck, & 240 SF Screened Porch	264 SF Deck & 28 SF Covered Patio
Outbuildings	None	281 SF Bunk House, 96 SF Storage Building, 96 SF Sleeping Loft in Storage Building	336 SF Garage & 16 SF Outhouse
Well/Septic	None/None	Lake Water/Septic	Well/Septic
Landscaping	Native Vegetation	Lawn/Native Vegetation	Lawn/Native Vegetation

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

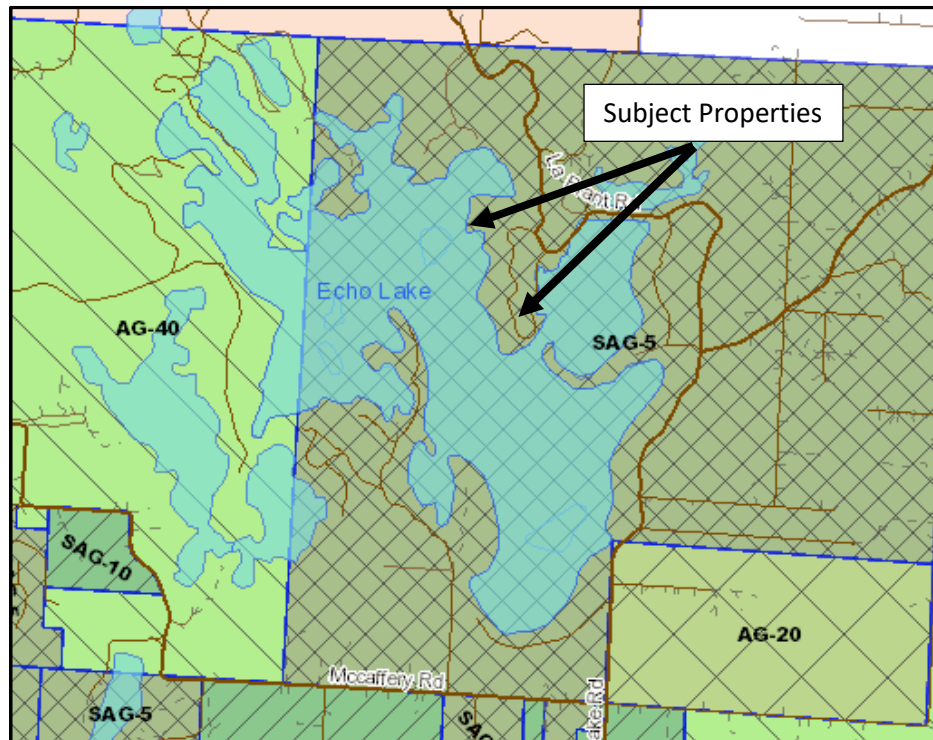
We were provided with Land Status Reports by the Montana Department of Natural Resources. These reports detail recorded easements relative to each subject property. The easements are summarized on the table below;

Lot #	Sale #	Lessee	Access	Easement Affecting Property
3	981	N/A - Owned by MT DNRC	Driveway from Echo Cabin Loop (Portion of Road Within Lot)	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
8	976	Richard D. & Deborah Ellen Northcott	Driveway from Echo Cabin Loop (Echo Cabin Loop Bisepts Lot)	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
17	982	N/A - Owned by MT DNRC	Driveway from Echo Cabin Loop (Echo Cabin Loop Bisepts Lot)	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
25	977	Kevin & Jeannette Zemp	Driveway from La Brant Road (Portion of Road Within Lot & Driveway Accessing Lot 38 Within this Lot)	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
28	978	Leisha & Ronald Cook	Driveway from La Brant Road	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
31	801	N/A - Owned by MT DNRC	Driveway from La Brant Road (Driveway Accessing Lots 28, 29, & 30 Runs Within this Lot)	Various Easements for Road Access to Private Lot Owners, Easement to Flathead Electric for Distribution Pole Line, & Easement to Northwestern Telephone systems for Buried Telephone Cable &/or Buried Telephone Line
35	979	Ryan James	Driveway from La Brant Road (Driveway Accessing Lots 33 & 34 Runs Within this Lot)	Various Easements for Road Access to Private Lot Owners & Easement to Flathead Electric for Distribution Pole Line
36	980	Randall Fitzner	Driveway from La Brant Road (Driveway Accessing Lots 33, 34, 35 & 37 Runs Within this Lot)	Various Easements for Road Access to Private Lot Owners & Easement to Flathead Electric for Distribution Pole Line

The easements and Rights-of-Way associated with Lota 3 and 28 are typical for similar area properties and are not considered to have an impact on marketability. The driveway easements and/or road bisections associated with Lots 8, 17, 25, 31, 35, and 36 are considered to have impacts on marketability. Based upon observation and/or comments by the respective Lessees, Lots 25, 28, 31, 35, & 36 are accessed by relatively long driveways which require additional maintenance. If additional easements, restrictions, or encroachments other than those noted in this report are present on the subject properties, the values concluded in this report may be affected.

ZONING

The subject properties are in the SAG-5, Suburban Agricultural zoning district of Flathead County. A map depicting the zoning district for the subject properties and surrounding properties is on the following page.



The intent of the SAG-5 zoning district is below;

“A district to provide and preserve smaller agricultural functions and to provide a buffer between urban and unlimited agricultural uses, encouraging separation of such uses in areas where potential conflict of uses will be minimized, and to provide areas of estate type residential development.”

Allowable uses in this zoning district are; agricultural/horticultural/silvicultural use, Class A and Class B manufactured home, cluster housing, day care home, dwelling, single-family, dwelling unit, accessory, guest house, home occupation, homeowners park and beaches, livestock, nursery, landscaping materials, park and publicly owned recreational facility, produce stand, public transportation shelter station, public utility service installation, and private stable.

Uses which may be permitted with a conditional use permit are; airfield, aircraft hangars, airport/landing field, animal hospital, veterinary clinic, bed and breakfast establishment, camp and retreat center, caretaker's facility, cellular tower, cemetery, mausoleum, columbarium, crematorium, church and other place of worship, community center building operated by a non-profit agency, community residential facility, contractor's storage yard, dwelling, family hardship, electrical distribution station, extractive industry, golf course, golf driving range, kennel, manufactured home park, recreational facility, RV park, riding academy and rodeo arena, primary and secondary school, stable, temporary building or structure, water and sewage treatment plant, and water storage facility.

The minimum lot area is 5 acres. The minimum lot width is no greater than 3 times the average width unless the average width is more than 300 feet. Building setbacks are 20 feet along the front,

side, side corner, and rear. The maximum building height is 35 feet. The permitted lot coverage area is 25%.

The subject lots are less than 5 acres in size. It is assumed for report purposes that the subject lots are legal in spite of nonconformance with the zoning district.

ASSESSMENT/REAL PROPERTY TAXES

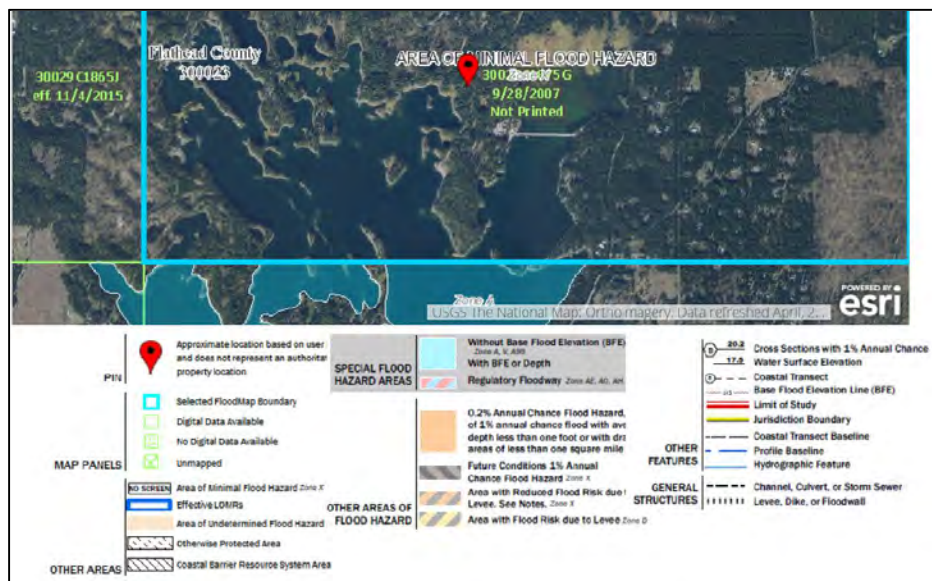
The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2018 tax bills and taxable market values for the **subject improvements** (as per the Montana Department of Revenue)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

Tax Bills for Improvements					
Sale #	Lot #	Lessees	Assessor # for Improvements	2018 Taxable Market Value	2018 Tax Bill Amount
3	981	N/A - Owned by MT DNRC	E001320	N/A	N/A
8	976	Richard D. & Deborah Ellen Northcott	0007008	\$2,740	\$24.30
17	982	N/A - Owned by MT DNRC	N/A	N/A	N/A
25	977	Kevin & Jeannette Zemp	0239090	\$124,450	\$999.15
28	978	Leisha & Ronald Cook	0725545	\$31,080	\$346.69
31	801	N/A - Owned by MT DNRC	N/A	N/A	N/A
35	979	Ryan James	0797605	\$44,030	\$437.48
36	980	Randall Fitzner	0594175	\$75,690	\$660.81

***Note:** It appears that the 2018 Taxable Market Value for Lot 25 includes consideration for buildings that are not on this property.*

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Flathead County GIS flood mapping feature for the area, the subject lots are not in areas of flood hazard. According to FEMA map panel (30029C1875G), none of the subject lots include any area within the 100 Year Floodplain. We recommend verifying floodplain location prior to construction on the subject lots. An exhibit depicting the FEMA map panel is below;

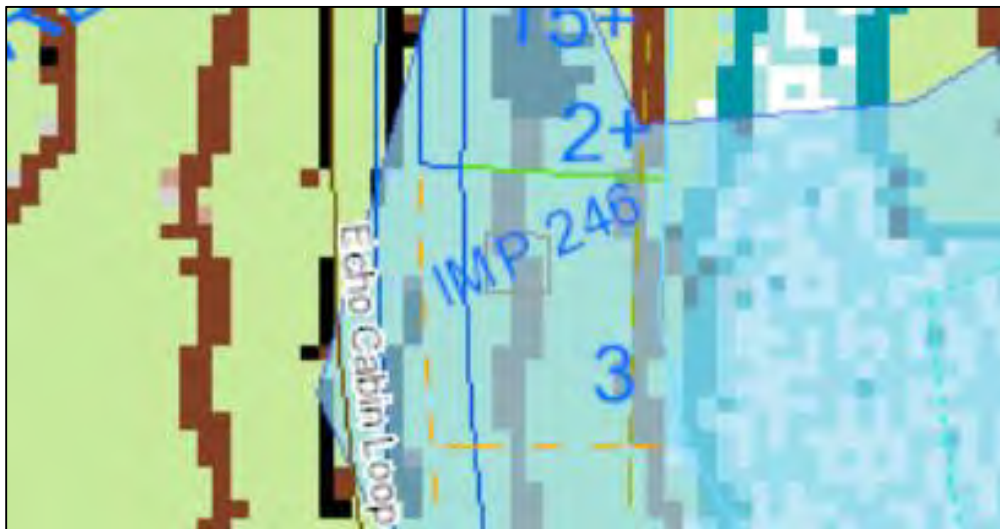


The subject lots all slope down to some degree toward Echo Lake. General topography descriptions for each lot are below;

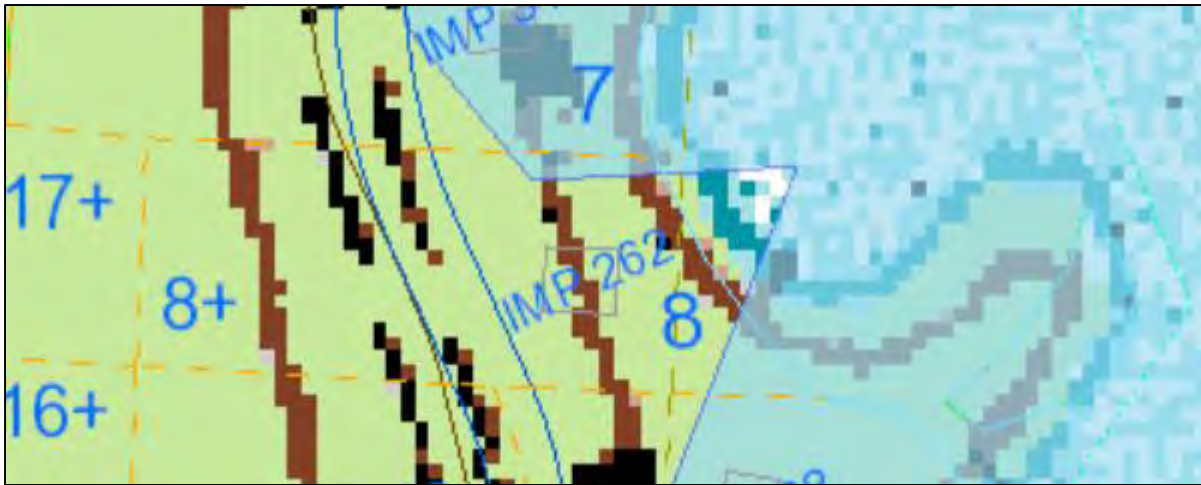
Lot #	Sale #	Lessee	Topography
3	981	N/A - Owned by MT DNRC	Sloping
8	976	Richard D. & Deborah Ellen Northcott	Sloping with Level Areas
17	982	N/A - Owned by MT DNRC	Steeply Sloping with Level Areas
25	977	Kevin & Jeannette Zemp	Sloping with Level Areas & Wetlands
28	978	Leisha & Ronald Cook	Sloping
31	801	N/A - Owned by MT DNRC	Sloping
35	979	Ryan James	Sloping with Level Areas
36	980	Randall Fitzner	Sloping with Level Areas

Enlarged views of USGS topography maps for each subject lot from the Flathead County GIS are below and on the following pages.

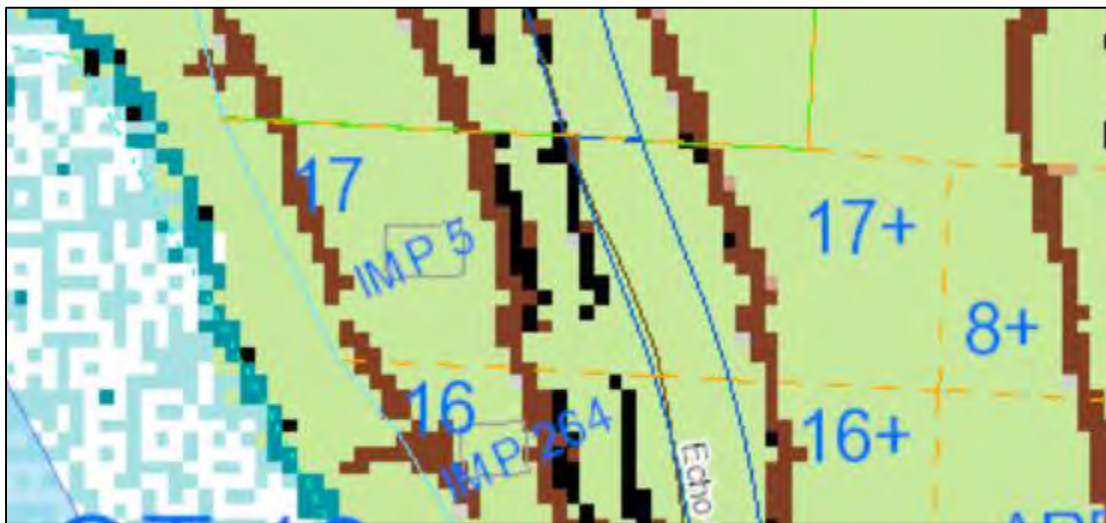
Lot 3



Lot 8



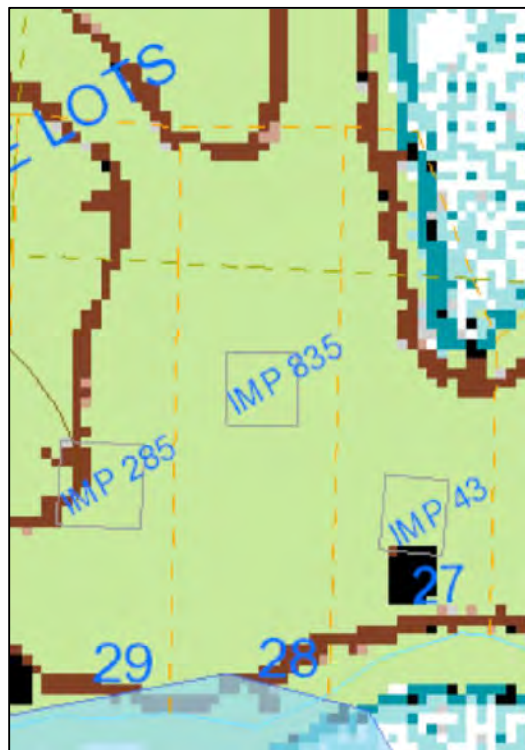
Lot 17



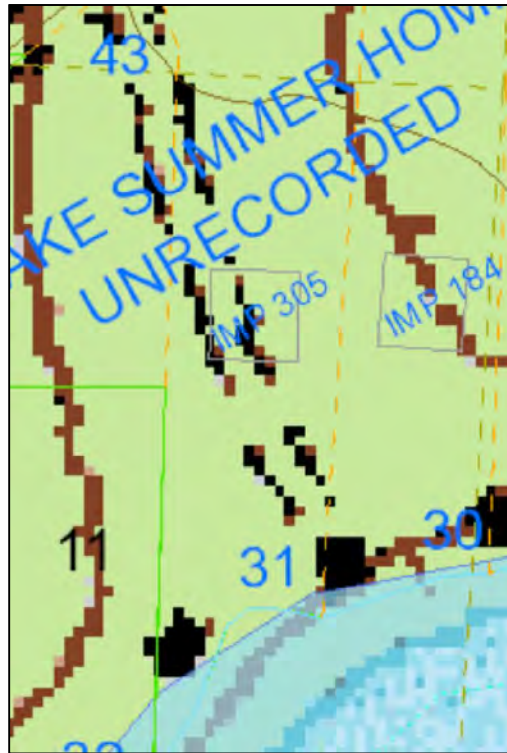
Lot 25



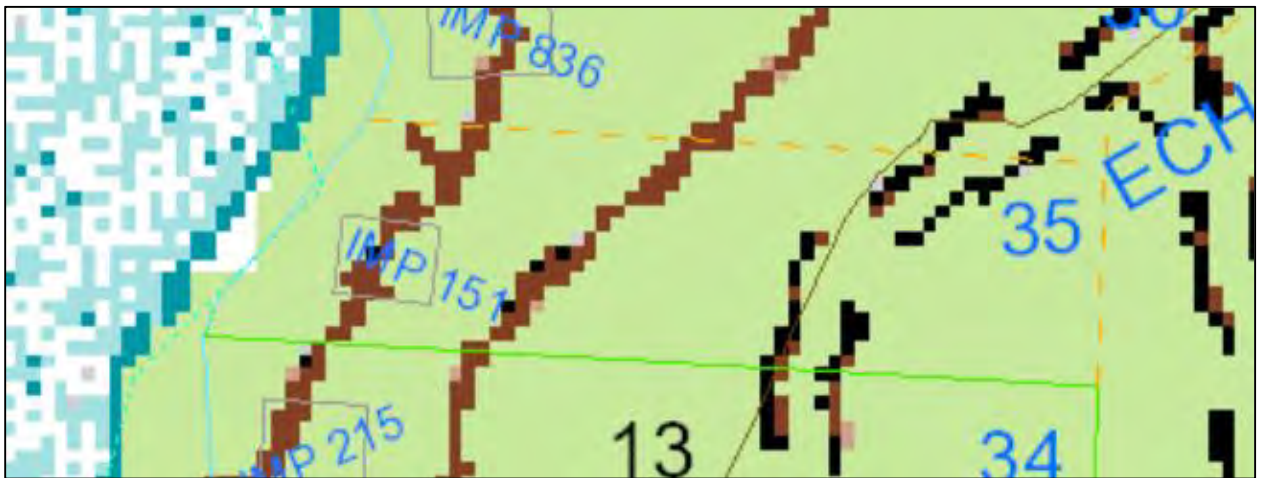
Lot 28



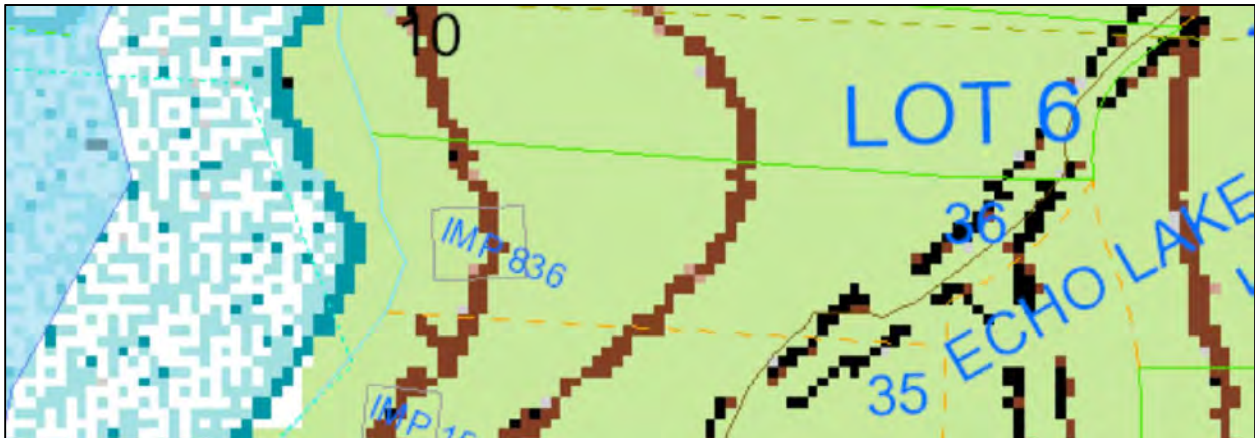
Lot 31



Lot 35



Lot 36



It appears that drainage and storm water runoff are adequate and/or properly designed and engineered for the subject sites.

The subject lots include native vegetation and/or landscaping.

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

UTILITIES

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

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
3	981	N/A - Owned by MT DNRC	No	None	Water Right 76LJ-10798-00	
8	976	Richard D. & Deborah Ellen Northcott	Yes	Well	Water Right 76LJ-23348-00	Septic Permit on File with Flathead County Issued 12/5/2006
17	982	N/A - Owned by MT DNRC	No	None	Water Right 76LJ-23353-00 & 76LJ-37942-00	
25	977	Kevin & Jeannette Zemp	No	None	Water Right 76LJ-37940-00 & 76LJ-26826-00	Older Septic Permit on File with Flathead County Issued 6/15/1983
28	978	Leisha & Ronald Cook	Yes	Well	Water Right 76LJ-23361-00	Septic Permit on File with Flathead County Issued 5/15/2001
31	801	N/A - Owned by MT DNRC	No	None	Water Right 76LJ-10797-00	
35	979	Ryan James	Yes	Lake	Water Right 76LJ-10795-00	No Septic Permit on File
36	980	Randall Fitzner	Yes	Well	Water Right 76LJ-37945-00 & 76LJ-26829-00	Septic Permit on File with Flathead County Issued 8/22/2006

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

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

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS
LOT 3 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

File No.:

Parcel No.: Echo Lake Lot 3

Property Address: 1874 Echo Cabin Loop

City: Bigfork

County:

State: MT

Zip Code: 59911

Owner:

Client:

Client Address:

Appraiser Name:

Inspection Date:

SKETCH

The sketch shows a floor plan with the following dimensions and layout:

- Kitchen:** 14' wide by 28' deep.
- Living Area:** 14' wide by 28' deep, sharing the 28' depth with the Kitchen.
- Deck:** 16' wide by 12' deep, attached to the bottom of the Living Area.
- Closets (C):** Two small closets, each 6' wide, located at the bottom left of the Living Area.
- Overall Dimensions:** The total width is 28' and the total depth is 30' (14' + 16').

[Click here to open sketch](#)

AREA CALCULATIONS SUMMARY					AREA CALCULATIONS BREAKDOWN					
Code	Description	Factor	Net Size	Perimeter	Net Total	Name	Base x	Height x	Width =	Area
G-41	First Floor	1.0	392.0	84.0	392.0	First Floor	28.0	14.0	=	392.0
P/P	Deck	1.0	404.0	120.0	404.0					
Net LIVABLE		cnt	1 (rounded)	392						
						1 total items		(rounded)		392

LOT 3 - SUBJECT PHOTOGRAPHS



Cabin on Lot 3 Looking West from Lake Frontage



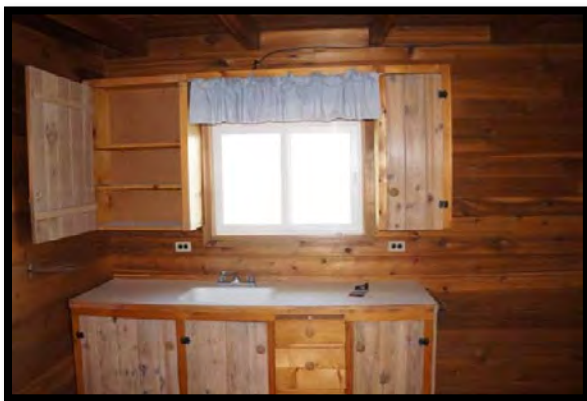
South and West Sides of Cabin



North Side of Cabin



West Side of Cabin



Kitchen



Living Area

ADDITIONAL PHOTOGRAPHS



Woodstove



Deck



Post & Pier Foundation



Northeast Property Boundary Marker Looking East



View South along East Property Boundary



View North along Echo Lake Frontage

ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking East



View North along East Property Boundary



View of Echo Lake from Deck



Southwest Property Boundary Marker Looking East

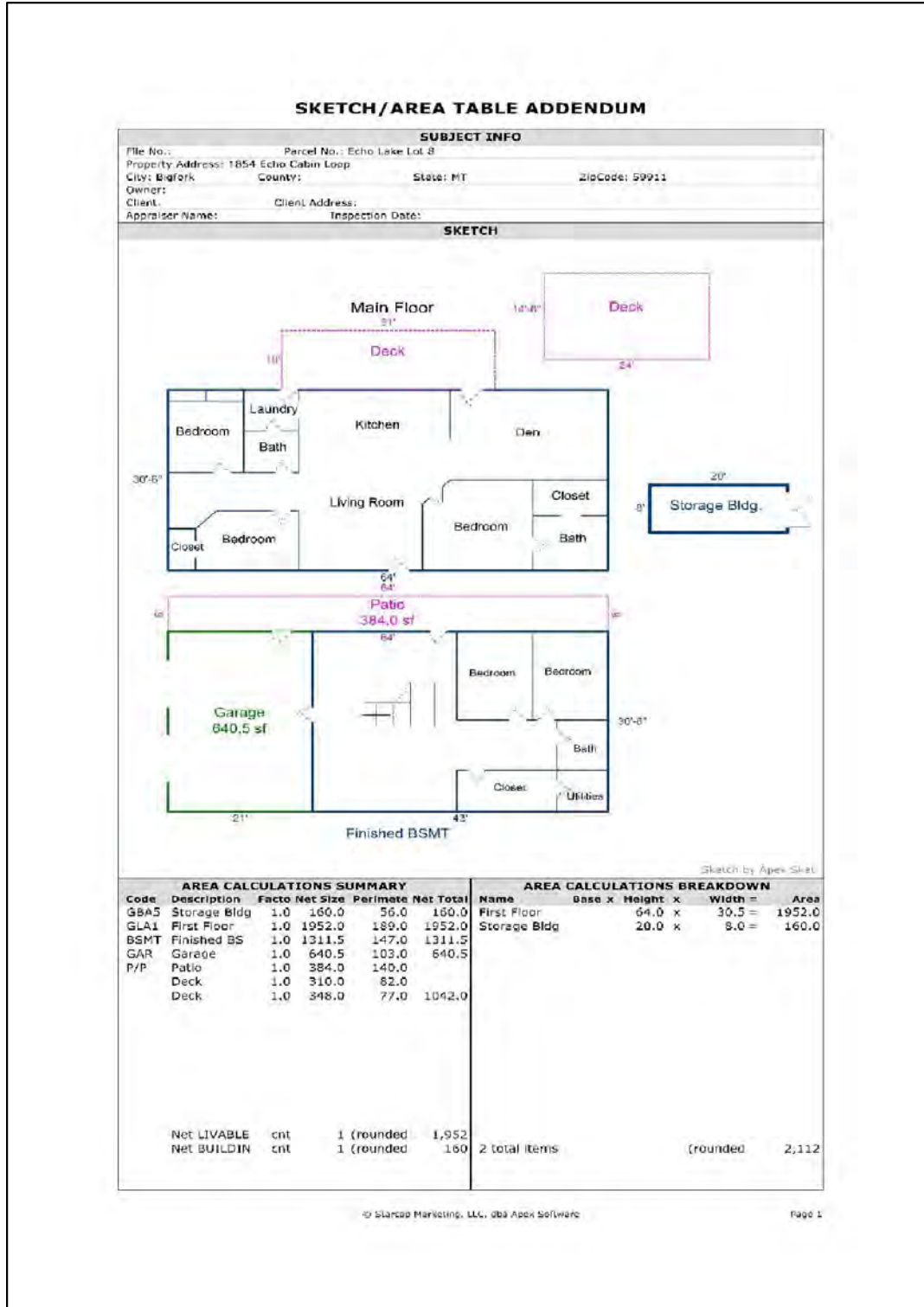


Approximate Northwest Property Boundary Looking East



Driveway to Lot 3 from Echo Cabin Loop

LOT 8 - BUILDING SKETCH



LOT 8 - SUBJECT PHOTOGRAPHS



Residence on Lot 8 Looking East from Echo Cabin Loop



North Side of Residence and Garage



North Side of Residence and Garage



South Side of Residence



Deck

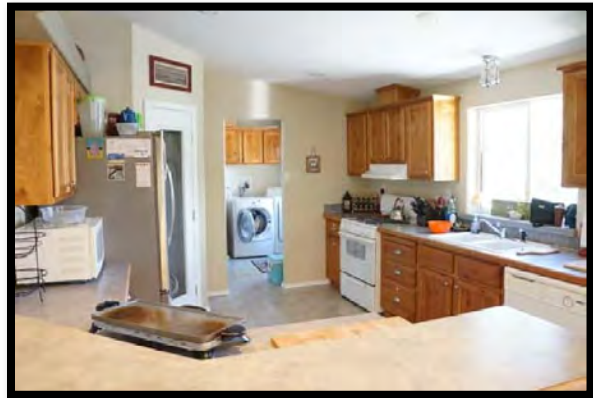


View of Improvements on Lot 8 from Dock

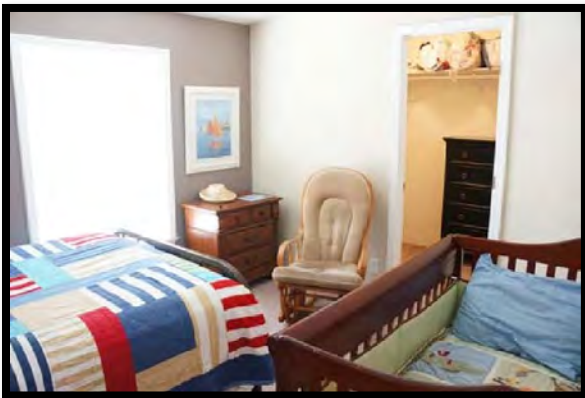
ADDITIONAL PHOTOGRAPHS



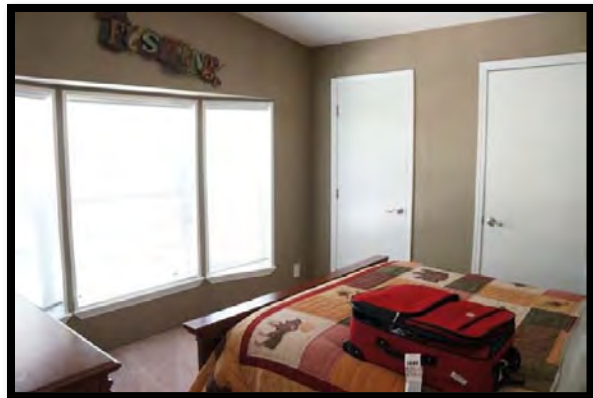
Living Room



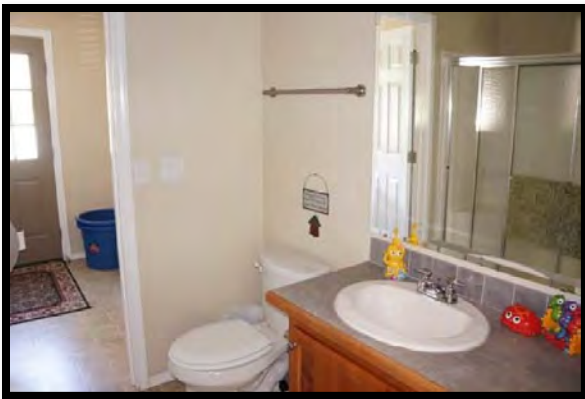
Kitchen



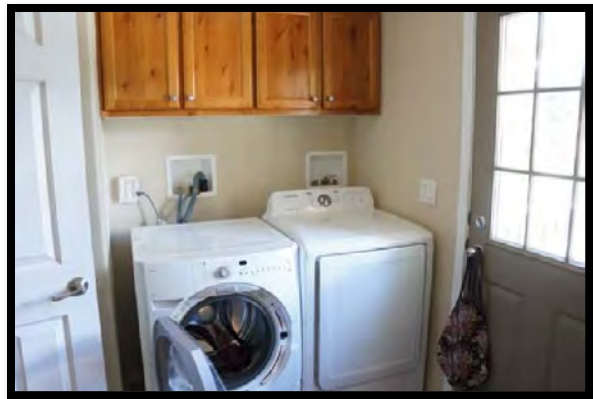
Bedroom



Bedroom



Bathroom



Laundry Room

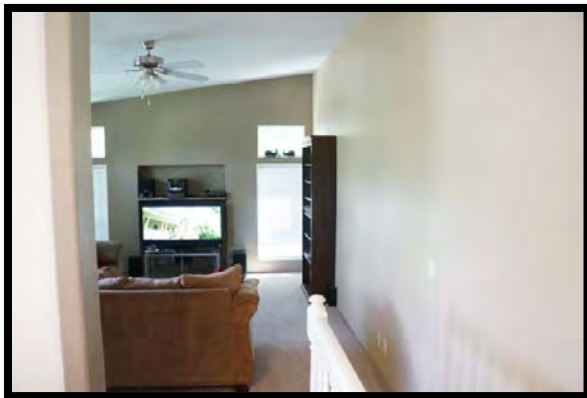
ADDITIONAL PHOTOGRAPHS



Master Bedroom



Master Bathroom



Den



Living Area in Walk-Out Basement



Living Room in Basement

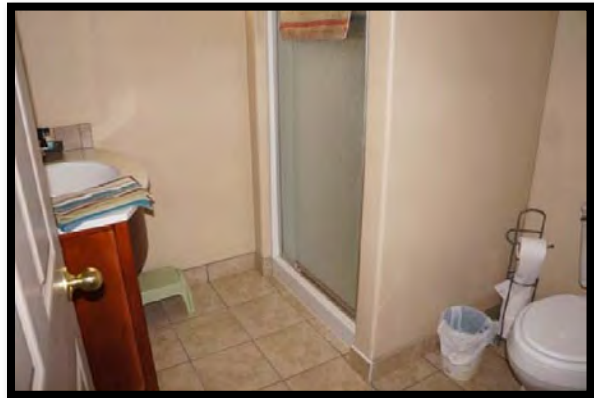


Bedroom in Basement

ADDITIONAL PHOTOGRAPHS



Bedroom in Basement



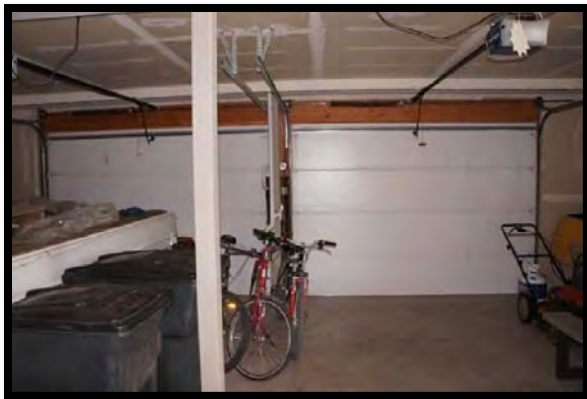
Bathroom in Basement



Water Heater and Pump Tank



Storage Closet



Garage



Storage Building

ADDITIONAL PHOTOGRAPHS



Storage Building Interior



Deck at Lakefront



Floating Pier and Dock



View of Echo Lake from Deck



Peninsula at Southeast end of Property



Lot 8 from Peninsula

ADDITIONAL PHOTOGRAPHS



View of Residence from Portion of Lot West of Echo Cabin Loop



Picnic Area on West Portion of Lot 8



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking East



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking East
*Peninsula Boundary Marker Not Found



Southeast Property Boundary Market Looking North
*Peninsula Boundary Marker Not Found



Echo Cabin Loop Looking North



Echo Cabin Loop Looking South

LOT 17 - SUBJECT PHOTOGRAPHS



View East of Lot 17 Interior from Echo Loop Road



View of Echo Lake from Lot 17 Looking West



Northwest Property Boundary Marker Looking West



View South along Lake Frontage



Southwest Property Boundary Marker Looking West



View North along West Property Boundary

ADDITIONAL PHOTOGRAPHS



View North along Echo Lake Frontage



Lot 17 from Lakefront Looking East



Lot 17 Interior Looking West from East Portion of Lot



Echo Cabin Loop Road Looking North



Echo Cabin Loop Road Looking South



Northeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



View South along East Property Boundary



Southeast Property Boundary Marker Looking West



Upper Portion of Lot 17 Interior Looking West

SKETCH/AREA TABLE ADDENDUMPage 1

LOT 25 - SUBJECT PHOTOGRAPHS



Northwest Side of Cabin



Southwest End of Cabin



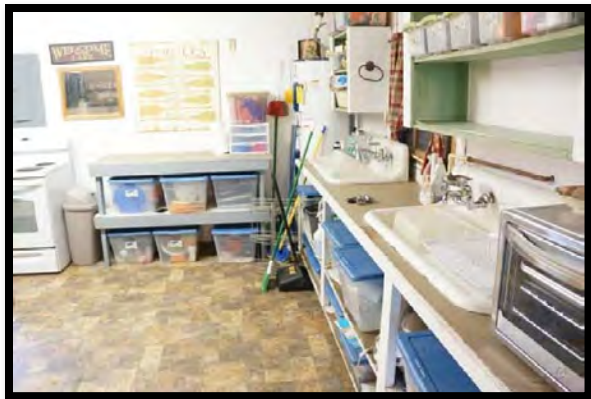
Northwest Side of Cabin



Northeast End of Cabin



Southeast Side of Cabin



Kitchen

ADDITIONAL PHOTOGRAPHS



Kitchen



Living Area/Storage



Living Area/Storage



Bunk House



Bunk House Interior



View of Echo Lake from Lot 25

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking West



Echo Lake Frontage Looking Northwest



Echo Lake Frontage Looking Southeast



Approximate Southwest Corner of Property



Firepit Area along Lakefront



Lot 25 Interior Looking West near LaBrant Road

ADDITIONAL PHOTOGRAPHS



View West along North Property Boundary

LOT 28 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO

File No.:

Parcel No.: Echo Lake Lot 28

Property Address: 1736 LaBrant Road

City: Bigfork

County:

State: MT

ZipCode: 59911

Owner:

Client:

Client Address:

Appraiser Name:

Inspection Date:

SKETCH

The sketch shows a main house with a Kitchen, Bath, Shower, Living Room, and Bedroom. A Deck is attached to the side, and a Storage Building is located to the right. Another Deck is shown separately at the bottom left. Dimensions are provided for various parts of the structure.

Sketch by Apex Sketch

AREA CALCULATIONS SUMMARY

Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA5	Storage Bldg.	1.0	80.0	36.0	80.0
GLA1	First Floor	1.0	371.2	78.4	371.2
P/P	Deck	1.0	505.8	165.2	
	Detached Deck	1.0	78.4	35.6	584.2

Net LIVABLE

cnt

1

(rounded)

371

Net BUILDING

cnt

1

(rounded)

80

COMMENT TABLE 1

COMMENT TABLE 2

COMMENT TABLE 3

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Page 1

LOT 28 - SUBJECT PHOTOGRAPHS



Cabin on Lot 28 Looking South



West Side of Cabin



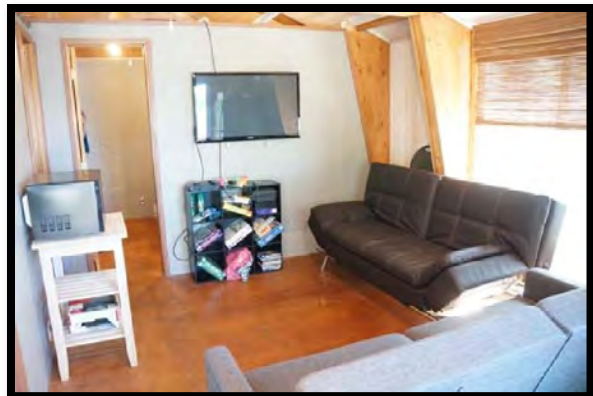
East Side of Cabin and Storage Building



Cabin from Deck Looking Northeast



Deck Looking South



Living Room

ADDITIONAL PHOTOGRAPHS



Kitchen



Bedroom



Bathroom



Deck in Yard



View of Echo Lake from Deck



Cabin on Lot 28 from Lakefront

ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking West



View North along East Property Boundary



View West along South Property Boundary



View East along South Property Boundary



View North along West Property Boundary



Property Boundary Marker near Northwest Corner of Property

ADDITIONAL PHOTOGRAPHS

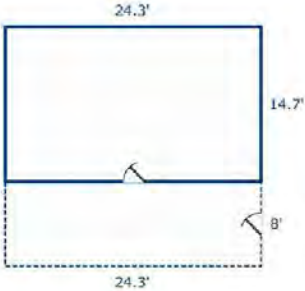


Driveway to Lot 28



Lot 28 Interior Looking South from North Portion of Property

LOT 31 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM											
SUBJECT INFO											
File No.:	Parcel No.: Echo Lake Lot 31										
Property Address: 1712 LaBrant Road											
City: Bigfork	County:	State: MT	ZipCode: 59911								
Owner:											
Client:	Client Address:										
Appraiser Name:	Inspection Date:										
SKETCH											
											
Sketch by Apex Sketch											
AREA CALCULATIONS SUMMARY											
Code	Description	Factor	Net Size	Perimeter	Net Totals						
GLA1	First Floor	1.0	357.2	78.0	357.2						
P/P	Screened Porch	1.0	194.4	64.6	194.4						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Net LIVABLE</td> <td style="text-align: center;">cnt</td> <td style="text-align: center;">1</td> <td style="text-align: center;">(rounded)</td> <td style="text-align: center;">357</td> </tr> </table>						Net LIVABLE		cnt	1	(rounded)	357
Net LIVABLE		cnt	1	(rounded)	357						
COMMENT TABLE 1											
COMMENT TABLE 2			COMMENT TABLE 3								

LOT 31- SUBJECT PHOTOGRAPHS



Cabin on Lot 31



East Side of Cabin



West Side of Cabin



South Side of Cabin



Cabin and Lot 31 Interior Looking Southwest

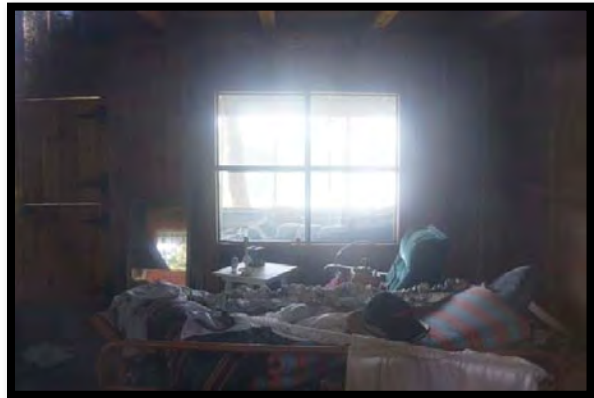


Storage Building

ADDITIONAL PHOTOGRAPHS



Cabin Interior



Cabin Interior



SE Property Boundary Marker Looking South toward Echo Lake



Echo Lake Looking South



Lake Frontage Looking East



Lake Frontage Looking West

ADDITIONAL PHOTOGRAPHS



Driveway to Lot 31



North Portion of Lot 31



Property Boundary Marker Near Northwest Corner of Property

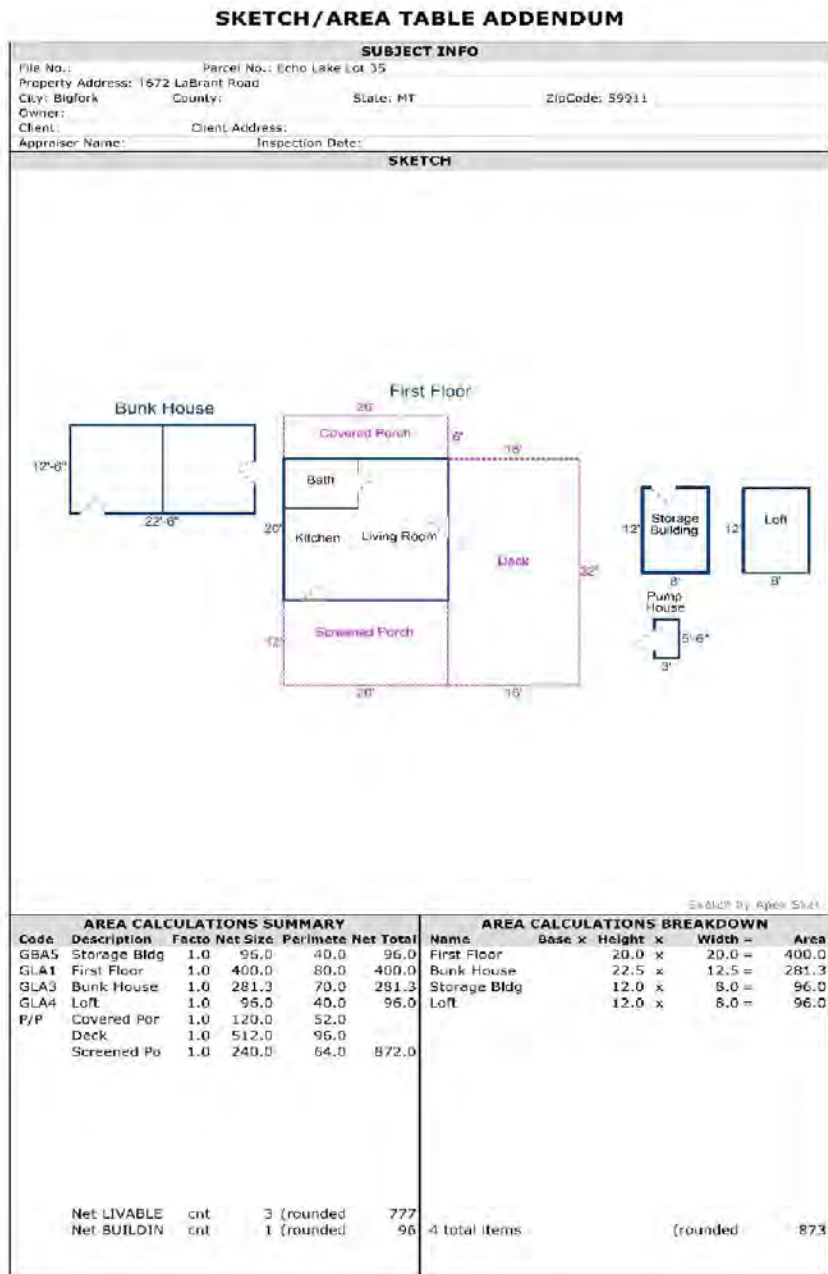


Northeast Property Boundary Marker



Driveway to Lot 31

LOT 35 - BUILDING SKETCH



LOT 35 - SUBJECT PHOTOGRAPHS



Cabin on Lot 35 Looking West



Cabin from Lakefront Looking East



North Side of Cabin



Firepit Looking toward South Side of Cabin



Living Area



Kitchen

ADDITIONAL PHOTOGRAPHS



Bathroom



Bunk House



Bunk House



Bunk Room 1

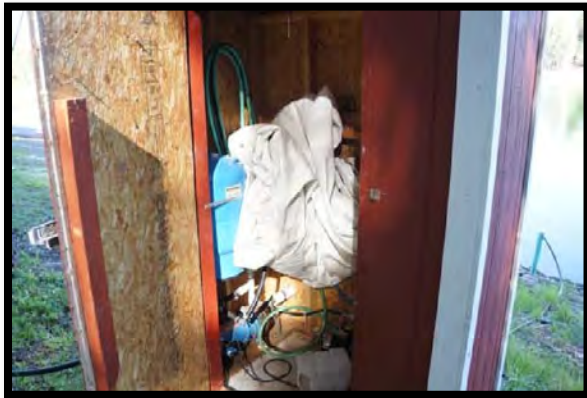


Bunk Room 2



Pump House

ADDITIONAL PHOTOGRAPHS



Pump House Interior



Storage Building



Storage Building Interior



View of Echo Lake from Lot 35



Pier and Dock



View East along South Property Boundary

ADDITIONAL PHOTOGRAPHS



Echo Lake Frontage Looking North



Northwest Property Boundary Marker Looking East



View South along West Property Boundary



Power Lines Bisecting Property



Northeast Property Boundary Marker



Southeast Property Boundary Marker

ADDITIONAL PHOTOGRAPHS



East Portion of Lot 35 Looking West toward Echo Lake



Driveway to Lot 35

LOT 36 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Echo Lake Lot 36				
Property Address: 1564 LaBrant Road	City: Bigfork County: State: MT Zip Code: 59911				
Owner:	Client Address:				
Client:	Inspection Date:				
Appraiser Name:					

SKETCH

First Floor

Sketch by: Apex Skel

AREA CALCULATIONS SUMMARY					AREA CALCULATIONS BREAKDOWN					
Code	Description	Factor	Net Size	Perimeter	Net Total	Name	Base x	Height x	Width =	Area
GLA1	First Floor	1.0	792.0	120.0	792.0	First Floor	24.0 x	24.0 x	24.0 =	576.0
GAR	Garage	1.0	336.0	76.0	336.0		18.0 x	12.0 x	216.0 =	216.0
OTH	Outhouse	1.0	16.0	16.0	16.0					
P/P	Deck	1.0	264.0	68.0	264.0					
	Covered Pat	1.0	28.0	22.0	292.0					
Net LIVABLE ent 1 (rounded) 792					2 total items (rounded) 792					

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Page 1

LOT 36 - SUBJECT PHOTOGRAPHS



Cabin on Lot 36



North Side of Cabin



East Side of Cabin



Lot 36 Looking East from Dock

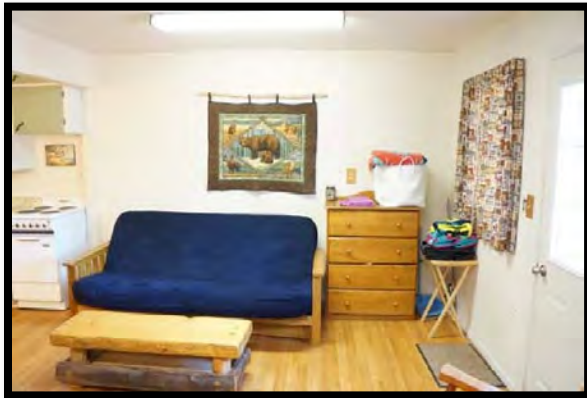


South Side of Cabin and Deck

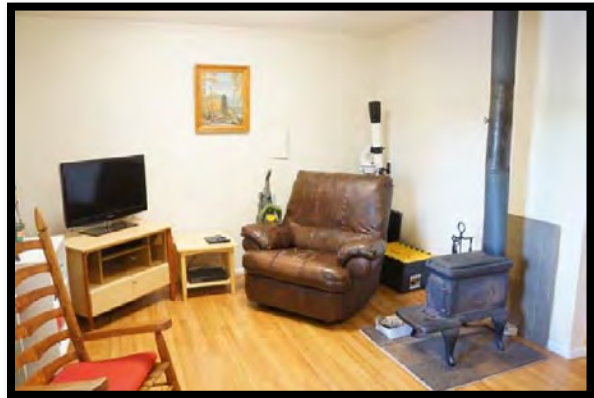


Kitchen

ADDITIONAL PHOTOGRAPHS



Living Area



Living Area



Bedroom



Bedroom



Garage



Garage

ADDITIONAL PHOTOGRAPHS



Outhouse



Power Lines Bisecting Property



View of Echo Lake from Lot 36



View South along Lake Frontage



Firepit Area on Lot 36



Marsh Area on East Portion of Lot 36

ADDITIONAL PHOTOGRAPHS



Southwest Property Boundary Marker



Driveway to Lot 36



Southeast Property Boundary Marker

SUBJECT MARKET ANALYSIS

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

Subject Productivity Analysis

General Property Description

The subject properties were described in detail in prior sections of this report. The subject sites range in size from 0.327 up to 4.537 in gross acres. All have frontage along Echo Lake. The subject lot front footages range from 124.57 up to 462.10. All of the subject lots with the exception of Lot 17 include residences.

Area Land Use Trends

Many surrounding properties with frontage along Echo Lake include residential improvements. Surrounding improved properties are utilized for recreational/residential purposes.

There are numerous lakes in Flathead County. Some area lakes include little privately owned land with few or no lot transfers each year. Area lakes with available private property would attract similar market participants as the lots along the subject lake. Most of the significant area lakes (sorted by size) are included on the table below;

Flathead Valley Area Lakes		
Lake Name	Size/Acres	Elevation/Feet
Abbott Lake	41	3,012
Spoon Lake	60	3,241
Blanchard Lake	143	3,178
Beaver Lake	144	3,257
Lake Five	235	3,261
Rogers Lake	239	3,998
Foys Lake	241	3,300
Lake Blaine	382	2,998
Echo Lake	695	2,998
McGregor Lake	1,522	3,998
Ashley Lake	2,850	3,998
Bitterroot Lake	2,970	3,998
Whitefish Lake	3,315	2,988
Flathead Lake	122,885	2,890

Properties in the subject competitive set are considered to be home sites on similar sized area lakes. Flathead Lake is substantially larger than other area lakes. Home sites along Flathead Lake would appeal to different market participants than home sites on Echo Lake. Whitefish Lake is a relatively small area lake; however, market participants seeking property on Whitefish Lake would not be similar to those seeking property along Echo Lake. This is due to the pricing of sites with frontage

along Whitefish Lake. Privately owned home sites with frontage on the remaining lakes would be considered part of the competitive set for the subject sites.

Potential Users of Subject Property

The potential users of the subject lots and improvements would be market participants seeking to own recreational/residential lakefront property on somewhat similar lakes in the Flathead Valley. The market participants seeking properties along Flathead Lake and Whitefish Lake are considered dissimilar to those seeking properties on Echo Lake.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted searches of the area MLS for sales of vacant and improved properties along area lakes with site sizes of less than 10.00 acres. We removed any sales with frontage along Flathead Lake and Whitefish Lake.

Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of our searches are below and on the following page;

Lakefront Lot Sales

Sales of sites (or sites with minimal improvements) with frontage along similar lakes in Flathead County that closed since 2016 are included on the table on the following page.

Lakefront Lot Sales Analysis										
Address	City	Lake	Front Feet	Site Acres	Sale Date	Sales Price	Value of Improvements	Sales Price Less Improvement Value	Price/FF	Days on Market
804 Abbot Village	Kalispell	Abbot Lake	96.00	0.77	2018	\$270,000	\$10,000	\$260,000	\$2,708	214
828 Abbott Village	Kalispell	Abbot Lake	95.97	0.57	2018	\$210,000	\$0	\$210,000	\$2,188	76
4050 N Ashley Lake Rd	Kalispell	Ashley Lake	225.20	6.10	2016	\$375,000	\$0	\$375,000	\$1,665	356
5622 N Ashley Lake Rd	Kila	Ashley Lake	100.00	1.14	2016	\$216,000	\$0	\$216,000	\$2,160	134
3527 N Ashley Lake Rd	Kalispell	Ashley Lake	40.00	2.00	2016	\$105,000	\$0	\$105,000	\$2,625	170
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	132.00	1.65	2016	\$340,000	\$0	\$340,000	\$2,576	53
4018 N Ashley Lake Rd	Kalispell	Ashley Lake	135.00	1.35	2017	\$295,000	\$0	\$295,000	\$2,185	139
3145 N Ashley Lake Rd	Kalispell	Ashley Lake	211.00	0.94	2017	\$115,000	\$0	\$115,000	\$545	1,241
4022 N Ashley Lake Rd	Kalispell	Ashley Lake	140.00	1.30	2017	\$485,000	\$150,000	\$335,000	\$2,393	580
3918 N Ashley Lake Rd	Kalispell	Ashley Lake	160.00	0.61	2017	\$315,000	\$0	\$315,000	\$1,969	106
4569 Ashley Lake Rd	Kalispell	Ashley Lake	118.00	3.49	2017	\$399,000	\$0	\$399,000	\$3,381	445
4885 Ashley Lake Rd	Kalispell	Ashley Lake	101.00	0.60	2018	\$192,000	\$0	\$192,000	\$1,901	56
5400 N Ashley Lake Rd	Kalispell	Ashley Lake	145.00	1.89	2018	\$440,000	\$0	\$440,000	\$3,034	280
4521 N Ashley Lake Rd	Kalispell	Ashley Lake	95.00	0.23	2018	\$169,500	\$0	\$169,500	\$1,784	31
122 Kelly Ct	Marion	Bitterroot Lake	150.00	1.24	2016	\$330,000	\$0	\$330,000	\$2,200	80
68 Bitterroot Cover Ct	Marion	Bitterroot Lake	131.61	1.08	2016	\$330,000	\$5,000	\$325,000	\$2,469	100
1524 Pleasant Valley Rd	Marion	Bitterroot Lake	129.00	1.01	2017	\$285,000	\$0	\$285,000	\$2,209	144
1030 N Bitterroot Rd	Marion	Bitterroot Lake	155.15	1.45	2018	\$340,000	\$0	\$340,000	\$2,191	692
1524 Pleasant Valley Rd	Marion	Bitterroot Lake	129.00	1.01	2018	\$309,000	\$0	\$309,000	\$2,395	96
NHN Cattail	Whitefish	Blanchard Lake	380.00	9.72	2016	\$175,000	\$0	\$175,000	\$461	176
638 Leksand Trail	Whitefish	Blanchard Lake	51.40	0.75	2018	\$120,000	\$0	\$120,000	\$2,335	48
636 Echo Chalet Dr	Bigfork	Echo Lake	125.00	1.00	2016	\$371,000	\$0	\$371,000	\$2,968	409
1170 Echo Lake Rd	Bigfork	Echo Lake	100.00	0.47	2018	\$295,000	\$0	\$295,000	\$2,950	361
185 Weaver Ln	Kalispell	Lake Blaine	150.00	2.04	2018	\$362,500	\$0	\$362,500	\$2,417	292
634 Belton Stage Rd	West Glacier	Lake Five	242.00	196.00	2016	\$790,000	\$0	\$790,000	\$3,264	59
810 Ross Point	West Glacier	Lake Five	215.00	0.79	2017	\$310,000	\$0	\$310,000	\$1,442	616
NHN Paradise Loop	Marion	McGregor Lake	192.44	2.05	2016	\$350,000	\$5,000	\$345,000	\$1,793	30
12710 US Hwy 2	Marion	McGregor Lake	200.00	1.22	2016	\$229,000	\$0	\$229,000	\$1,145	168
930 McGregor Ln	Marion	McGregor Lake	139.00	1.34	2018	\$337,000	\$0	\$337,000	\$2,424	111
1060 Lake Dr	Columbia Falls	Spoon Lake	237.03	1.09	2018	\$165,000	\$0	\$165,000	\$696	280
1100 Lake Dr	Columbia Falls	Spoon Lake	110.57	1.07	2019	\$165,000	\$30,000	\$135,000	\$1,221	28

Of the lakes included, there were 11 lakefront lot sales in 2016, 7 in 2017, and 12 in 2018, and 1 in 2019 Year-to-Date. Two of the sales located included frontage along Echo Lake.

Based upon analysis of available data, once the front footage exceeds the normal or typical range for an area, the price per front generally decreases to some degree.

Lakefront Home Sales

Residential home sale and listing data on recreational lakes of Flathead County (not including home sales with frontage on Flathead Lake or Whitefish Lake) is on the table below;

Lakefront Home Sales Analysis				
Smaller Recreational Lakes - Flathead County				
Year	# Home Sales	Days on Market	Low Sales Price*	High Sales Price*
2016	15	237	\$200,000	\$975,000
2017	20	269	\$285,000	\$1,800,000
2018	22	253	\$200,000	\$1,300,000
2019 Year-to-Date	7	120	\$165,000	\$675,000
Actives	30	30	\$309,000	\$1,800,000
*Prices Noted for Actives are List Prices				

Competitive Supply

There were 16 active listings of lots with less than 10 acres and frontage along smaller lakes in Flathead County as of the report effective date. The average list price was \$2,313 per front foot. The marketing time for the active listings was approximately 272 days.

There were 27 active listings of homes on smaller area lakes in Flathead County and with 10 acres or less for sale as of the report effective date. The marketing time for the active home listings was approximately 198 days.

Interaction of Supply and Demand

Based upon the average sales volume for 2016, 2017, and 2018, there is an approximately 1.6 year supply of vacant lots on smaller area lakes for sale. Downward price pressure is likely for the active listings to sell within typical historical marketing times.

Based upon sales volumes per year in 2016, 2017 and 2018, there is an approximate 1.4 year supply of homes for sale on smaller area lakes in the search parameters identified.

Subject Marketability Conclusion

The subject sites have frontage along Echo Lake. Overall, the subject sites (as if vacant) are considered to have similar marketability compared to other properties with frontage along small area lakes.

The subject properties (as improved) are also considered to have similar marketability compared to other improved properties with frontage along small area lakes.

Estimated Marketing and Exposure Times

The 12 sales of vacant sites on similar area lakes that sold during 2018 were marketed for an average of 211 days. **Marketing times** of approximately 6 to 12 months are appropriate for the subject sites, as if vacant. If the subject sites, as if vacant, had sold on the effective date of this

report, at the appraised values concluded in this report, 6 to 12 month **exposure times** would have been reasonable.

The 22 sales of homes on similar area lakes that sold during 2018 were marketed for an average of 253 days. **Marketing times** of approximately 6 to 12 months are appropriate for the subject properties as improved. If the properties, as improved, had sold on the effective date of this report, at the appraised values concluded in this report, 6 to 12 month **exposure times** would have been reasonable.

HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

The subject lots are in the SAG-5, Suburban Agricultural zoning district of Flathead County. All permitted uses are listed in the Property Description portion of this report. Single family dwellings are one of the permitted uses.

Physically Possible

There is sufficient space on each subject site for a single family residence and related outbuildings. There is not sufficient space on each site for many of the other permitted uses. All necessary utilities are available to each site.

Financially Feasible

Most area lots are improved with single family residences. Use of the subject lots for construction of single family residences is financially feasible.

Maximally Productive

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

Highest & Best Use Conclusion

Based upon analysis of the four criteria, the highest and best for the subject lots, as if vacant, is for construction of a single family residence and related outbuildings for recreational and/or residential use.

AS IMPROVED

Subject Lot 17 does not include improvements and a highest and best use analysis as improved was not applicable to this lot.

The remaining subject lots are improved with residences and most include related outbuildings. There is market acceptance of many types of residences along small area lakes. Area lakefront residences range from very small, older, not renovated cottages, used seasonally, to newer homes utilized on a year round basis. Alteration of the subject residences for any use other than as single family homes would require a large capital expenditure. Continued use of each lot for a single family residence (recreational and/or year round residential) is the highest and best use as improved.

THE APPRAISAL PROCESS

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

APPROACHES IN THE VALUATION OF REAL PROPERTY

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

Cost Approach

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

Sales Comparison Approach

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

Income Capitalization Approach

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

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

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

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

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

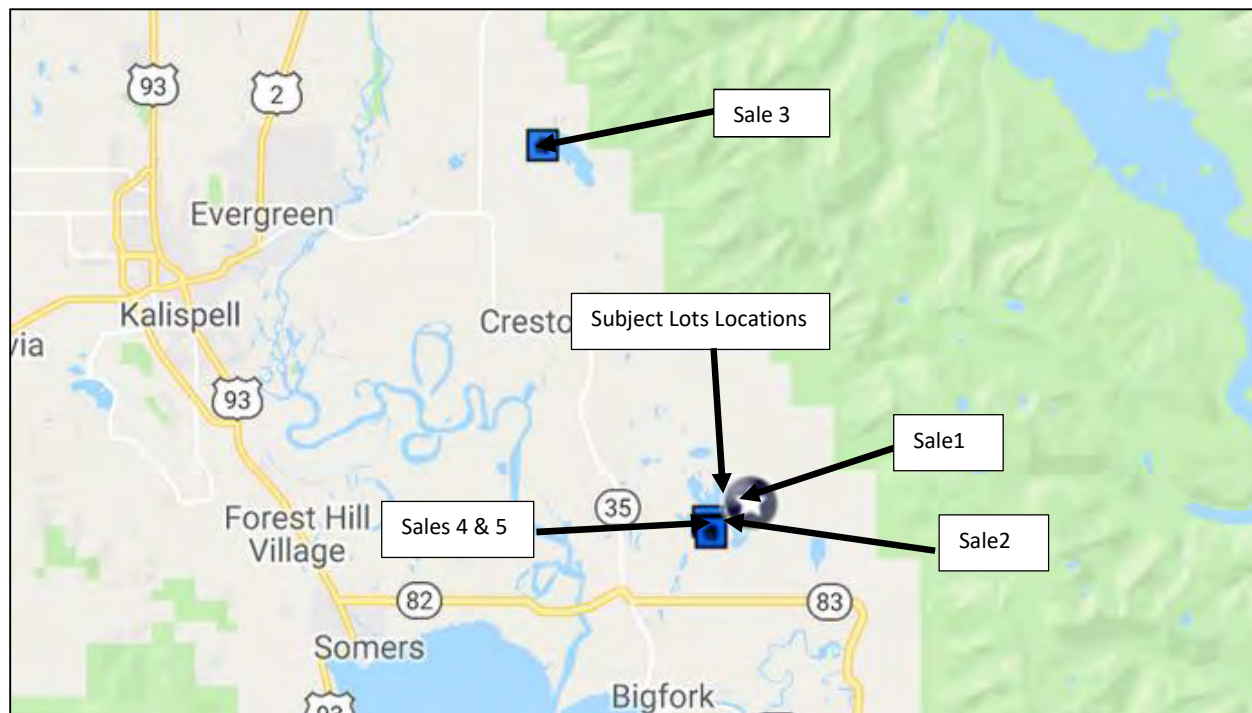
LOT SALES

We conducted a search for sales of sites with frontage along Echo Lake. Two sales (not including other those that transferred from MT DNRC to Lessees – all of which included leasehold improvements) of vacant sites or sites with minimal improvements were located with frontage along Echo Lake. Due to the limited market data located, it was necessary to expand the search to other lakes in Flathead County. A table with sales of lots on smaller lakes in Flathead County is included in the Subject Market Analysis section of this report. The five most similar and recent sales from this data were selected as comparables for the subject lots. We analyzed price per lot, price per acre, and price per front footage for the sales presented in the Subject Market Analysis. The price per front foot resulted in a closer statistical relationship than the other units of comparison. The comparables selected are described on the table below;

Sale #	Address	City	Water Frontage	Sale Date	Acres	Front Feet	Sales Price	Value of Improvements	Sales Price Less Improvements	Price Per Front Foot
1	1170 Echo Lake Rd	Bigfork	Echo Lake	2018	0.470	100.00	\$295,000	\$2,500	\$292,500	\$2,925
2	636 Echo Chalet Dr	Bigfork	Echo Lake	2016	1.090	125.00	\$371,000	\$0	\$371,000	\$2,968
3	185 Weaver Lane	Kalispell	Lake Blaine	2018	2.036	150.00	\$362,500	\$0	\$362,500	\$2,417
4	804 Abbott Village Dr	Bigfork	Abbot Lake	2018	0.770	96.00	\$270,000	\$10,000	\$260,000	\$2,708
5	828 Abbott Village Dr	Bigfork	Abbot Lake	2018	0.580	95.97	\$210,000	\$0	\$210,000	\$2,188

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


Map of Comparable Lot Sales



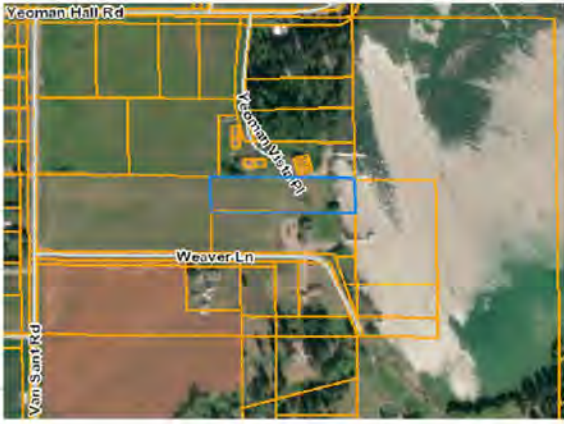
LAND SALE 1

COMPARABLE SALE INFORMATION			
		Location	1170 Echo Lake Road
		City/State	Bigfork, Montana
		County	Flathead
		Assessor Number	0935640
		Zoning	SAG-5, Suburban Ag/5 Acre Min
		Site Size: Acres	0.470
		Square Feet	20,473
		Date of Sale	March 30, 2018
		Sales Price	\$295,000
		Less Cost of Improvements*	\$2,500
Sales Price Adjusted	\$292,500		
MLS #	21702917		
ANALYSIS OF SALE			
Price per Acre	\$622,340	Price per Square Foot	\$14.29
		Price Per Front Foot	\$2,925
TRANSFER INFORMATION			
Grantor	David E. Williams & Sharon E. Williams	Grantee	Katerina A. Robinson
Type of Instrument	Warranty Deed	Document #	201800006127
Financing/Conditions	Conventional/Market	Marketing Time Verified By	361 Days on Market Scott Hollinger, Listing Agent
Legal Description	Lot 60 of Echo Acres Subdivision, Flathead County, Montana	Intended Use/Comments	Purchased for Residential / Recreational Use
Section/Township/Range	S4/T27N/R19W		
PROPERTY DETAILS			
Access	Echo Lake Road	View	Lake, Mountains
Topography	Sloping	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C1875G, this property is not in an area of elevated flood risk.	Improvements	RV Shed & Older Septic
Water	Echo Lake	Value of Improvements	\$2,500
Water Frontage/Front Feet	100.00	Miscellaneous	
Utilities	Electricity & Telephone at road.		
Report File # 18-020ec			


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location	636 Echo Chalet Drive	
	City/State	Bigfork, Montana	
	County	Flathead	
	Assessor Number	0339738	
	Zoning	SAG-5, Suburban Ag/5 Acre Min	
	Site Size: Acres	1.090	
	Square Feet	47,480	
	Date of Sale	November 10, 2016	
	Sales Price	\$371,000	
	Less Cost of Improvements*	\$0	
Sales Price Adjusted	\$371,000		
MLS #	337550		
ANALYSIS OF SALE			
Price per Acre	\$340,367	Price per Square Foot	\$7.81
		Price Per Front Foot	\$2,968
TRANSFER INFORMATION			
Grantor	Jeff McNamara & Monica McNamara	Grantee	Richard W. Botting & Sharon K. Prier
Type of Instrument	Warranty Deed	Document #	201600025165
Financing/Conditions	Conventional/Market	Marketing Time	409 Days on Market
Legal Description	Tract 1 of COS #19637 in Government Lot 4, Flathead County, Montana	Verified By	Cheri Hanson, Selling Agent
Intended Use/Comments	Purchased for Residential / Recreational Use		
Section/Township/Range	S4/T27N/R19W		
PROPERTY DETAILS			
Access	Echo Chalet Drive	View	Lake, Mountains
Topography	Some Slope	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C2310J, this property is not in an area of significant flood risk.	Improvements	None
Water	Echo Lake	Value of Improvements	\$0
Water Frontage/Front Feet	125.00	Miscellaneous	Report File # 17-013ec
Utilities	Electricity & Telephone at road.		


LAND SALE 3

COMPARABLE SALE INFORMATION			
		Location	185 Weaver Lane
			Kalispell, Montana
		County	Flathead
		Assessor Number	0935640
		Zoning	No Zoning
		Site Size: Acres	2.036
		Square Feet	88,688
		Date of Sale	April 2, 2018
		Sales Price	\$362,500
		Less Cost of Improvements*	\$0
Sales Price Adjusted	\$362,500		
MLS #	21707269		
ANALYSIS OF SALE			
Price per Acre	\$178,045	Price per Square Foot	\$4.09
		Price Per Front Foot	\$2,417
TRANSFER INFORMATION			
Grantor	Richard Layton	Grantee	Bronson Patrick Harker & Casey Lynne Harker
Type of Instrument	Warranty Deed	Document #	201800006326
Financing/Conditions	Conventional/Market	Marketing Time Verified By	292 Days on Market Steve Dooling, Listing Agent
Legal Description	Tract 2 of COS # 20463, Flathead County, Montana	Intended Use/Comments	Purchased for Residential / Recreational Use
Section/Township/Range	S27/T29N/R20W		
PROPERTY DETAILS			
Access	Driveway from County Road	View	Lake, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C1835G, this property is not in an area of elevated flood risk.	Improvements	N/A
Water	Lake Blaine	Value of Improvements	\$0
Water Frontage/Front Feet	150.00		
Utilities	Electricity & Telephone at road.	Miscellaneous	
Report File # 18-020ec			

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location	804 Abbot Village Drive	
		Bigfork, Montana	
	County	Flathead	
	Assessor Number	0280190	
	Zoning	SAG-5, Suburban Ag/5 Ac Min	
	Site Size: Acres	0.770	
	Square Feet	33,541	
	Date of Sale	April 2, 2018	
	Sales Price	\$270,000	
		Less Cost of Improvements*	\$10,000
	Sales Price Adjusted	\$260,000	
	MLS #	21710982	
ANALYSIS OF SALE			
Price per Acre	\$337,662	Price per Square Foot	\$7.75
		Price Per Front Foot	\$2,708
TRANSFER INFORMATION			
Grantor	Paul D. & Shirley M. Gochis, Frack R. Willis Jr, & Mark W. & Susan G. Sterkel	Grantee	Jacob W. Carter & Sonia J. Carter
Type of Instrument	Warranty Deed	Document #	201800006204
Financing/Conditions	Conventional/Market	Marketing Time	214 Days on Market
Legal Description	Lengthy - in appraisal work file	Verified By	Jennifer Shelley, Listing Agent
		Intended Use/Comments	Purchased for Residential / Recreational Use
Section/Township/Range	S/T29N/R20W		
PROPERTY DETAILS			
Access	Private Road - Gravel	View	Lake, Mountains
Topography	Sloping	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C2310J this property is not in an area of elevated flood risk.	Improvements	Well
Water	Abbot Lake	Value of Improvements	\$10,000
Water Frontage/Front Feet	96.00		
Utilities	Electricity & Telephone at road.	Miscellaneous	
Report File # 18-020ec			

LAND SALE 5

COMPARABLE SALE INFORMATION			
	Location	828 Abbot Village Drive	
		Bigfork, Montana	
	County	Flathead	
	Assessor Number	0563250	
	Zoning	SAG-5, Suburban Ag/5 Ac Min	
	Site Size: Acres	0.580	
	Square Feet	25,265	
	Date of Sale	December 27, 2018	
	Sales Price	\$210,000	
	Less Cost of Improvements*	\$0	
Sales Price Adjusted	\$210,000		
MLS #	21812766		
ANALYSIS OF SALE			
Price per Acre		\$362,069	
		Price per Square Foot	\$8.31
		Price Per Front Foot	\$2,188
TRANSFER INFORMATION			
Grantor	Hannelore Hahn	Grantee	Laurence C. Carter & Celia Carter
Type of Instrument	Warranty Deed	Document #	201800030816
		Marketing Time	512 Days on Market
Financing/Conditions	Cash/Market	Verified By	Shelby Nash-Hunter, Listing Agent
Legal Description	Lengthy - in appraisal work file	Intended Use/Comments	Purchased for Residential / Recreational Use
Section/Township/Range	S8/T27N/R19W		
PROPERTY DETAILS			
Access	Private Road - Gravel	View	Lake, Mountains
Topography	Sloping	Lot Dimensions	Various
Flood Plain	According to Flathead County GIS Flood Mapping, the portion of this site along the lake is within the 100 year flood plain.	Improvements	None
Water	Abbot Lake	Value of Improvements	\$0
Water Frontage/Front Feet	95.97		
Utilities	Electricity & Telephone	Miscellaneous	
			Report File # 19-023ec

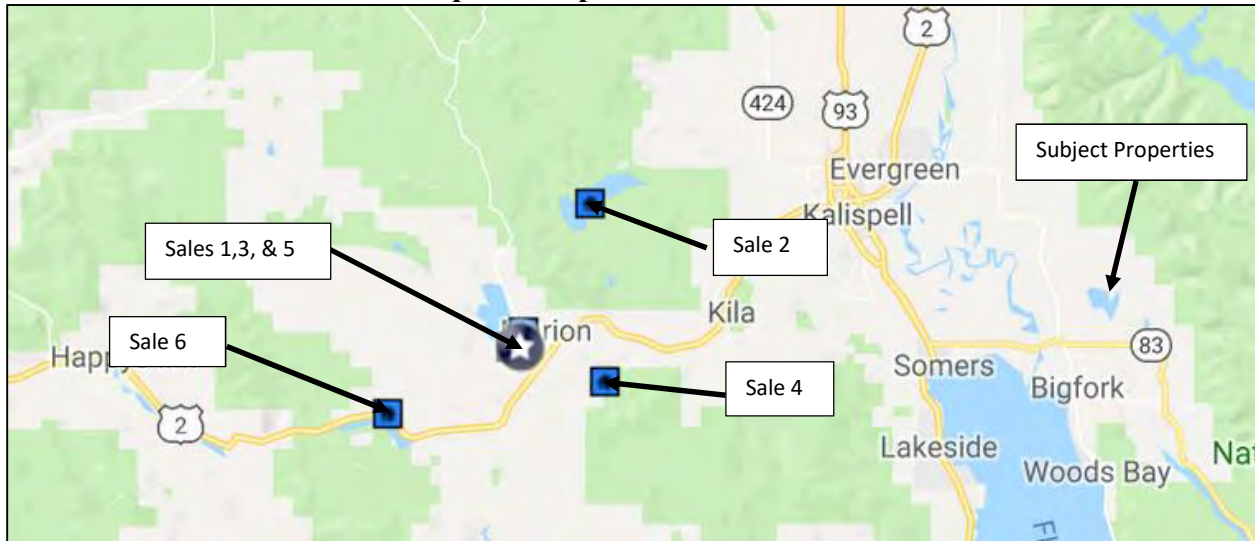
HOME SALES

We conducted a search for sales of homes on sites with frontage along smaller lakes in Flathead County. Since the subject residences vary in quality and condition it was necessary to utilize 6 improved comparable sales. The most applicable and recent comparable sales located are described on the table below;



Home Sales							
Sale #	Address	City	Water Frontage	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
1	936 Bitterroot Dr	Marion	Bitterroot Lake	2019	\$350,000	\$250,000	\$100,000
2	4429 Ashley Lake Rd	Kila	Ashley Lake	2018	\$365,000	\$240,000	\$125,000
3	1048 Kelsey Rd	Marion	Bitterroot Lake	2018	\$390,000	\$288,000	\$102,000
4	1436 Rogers Ln	Kila	Rogers Lake	2019	\$513,963	\$300,000	\$213,963
5	1148 Bitterroot Ln	Marion	Bitterroot Lake	2018	\$442,500	\$290,000	\$152,500
6	12370 Paradise Loop	Marion	McGregor Lake	2018	\$442,500	\$250,000	\$192,500

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

Map of Comparable Home Sales



HOME SALE 1



COMPARABLE SALE INFORMATION			
		Location	936 Bitterroot Drive
		City/State	Marion, Montana
		County	Flathead
		Assessor Number	0366460
		Zoning	Little Bitterroot Lake Zoning District
		Site Size: Acres	0.220
		Square Feet	9,583
		Date of Sale	May 24, 2019
		Sales Price	\$350,000
		Adjustment to Sales Price	\$0
Adjusted Sales Price	\$350,000		
MLS #	21903245		
TRANSFER INFORMATION			
Grantor	John Bianchi & Wallis A. Bianchi	Grantee	Scott P. Larkin, Stefanie C. Larkin, Richard R. Heitert, & Francoise M. Heitert
Recording Data	WD #201900009982	Marketing Time	240 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Amber Harper, Listing Agent
Legal Description	Tract 1CC, Section 16, Township 27 North, Range 24 West, Flathead County, Montana	Intended Use	Residential/Recreational
Section/Township/Range	S16/T27N/R24W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Bitterroot Lake	Sales Price	\$350,000
Front Footage	50.00	Estimated Site Value	\$250,000
Access	County Road - Asphalt	Sales Price of Improvements	\$100,000
House Square Feet	772	Improvement Price/SF	\$130
Bedroom/Bathrooms	1 BR/1 BA		
Year Built or Renovated	1965 (Renovated)		
Construction	Wood Frame		
Quality	Average		
Condition	Good		
Water/Sewer	Well & Septic		
Utilities	Electricity & Telephone		
Topography	Level		
Outbuildings	Shed		
Miscellaneous	House includes 440 SF of wood decking.		

Report File # 19-023ec



HOME SALE 2

[illegible]

HOME SALE 3



COMPARABLE SALE INFORMATION			
		Location	1048 Kelsey Road
		City/State	Marion, Montana
		County	Flathead
		Assessor Number	0971405
		Zoning	Little Bitterroot Lake Zoning District
		Site Size: Acres	0.280
		Square Feet	12,197
		Date of Sale	March 19, 2018
		Sales Price	\$390,000
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$390,000
		MLS #	21709190
TRANSFER INFORMATION			
Grantor	F. Jerome Doyle & Julie Lyn Doyle Trustees of the F. Jerome Doyle & Julie Lyn Doyle 1995 Trust	Grantee	Lyle Mark Wallner & Nicole Zoe Wallner
Recording Data	WD #201800005355	Marketing Time	960 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Dusty Dziza, Listing Agent
Legal Description	Lot 13A of the Amended Plat of South Half of Lot 13 & 14 and the Retracement of Lot 15, Kelsey's Little Bitterroot Lake Villa Sites	Intended Use	Residential
Section/Township/Range	S16/T27N/R24W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Bitterroot Lake	Sales Price	\$390,000
Front Footage	72.00	Estimated Site Value	\$288,000
Access	County Road - Paved	Sales Price of Improvements	\$102,000
House Square Feet	975	Improvement Price/SF	\$105
Bedroom/Bathrooms	2 BR/1 BA		
Year Built or Renovated	1950 (Remodeled)		
Construction	Wood Frame		
Quality	Average		
Condition	Good		
Water/Sewer	Lake Water & Septic		
Utilities	Electricity, Telephone, Internet		
Topography	Slopes down at lake		
Outbuildings	2 Car Garage & Boat House	Report File # 18-019ec	
Miscellaneous	House includes 961 SF decking.		

HOME SALE 4



COMPARABLE SALE INFORMATION																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">Location</td><td>1436 Rogers Lane</td></tr> <tr><td>City/State</td><td>Kila, Montana</td></tr> <tr><td>County</td><td>Flathead</td></tr> <tr><td>Assessor Number</td><td>0973277</td></tr> <tr><td>Zoning</td><td>RLNP</td></tr> <tr><td>Site Size: Acres</td><td>1.030</td></tr> <tr><td style="text-align: center;">Square Feet</td><td>44,867</td></tr> <tr><td>Date of Sale</td><td>April 26, 2019</td></tr> <tr><td>Sales Price</td><td>\$513,963</td></tr> <tr><td>Adjustment to Sales Price</td><td>\$0</td></tr> <tr><td>Adjusted Sales Price</td><td>\$513,963</td></tr> <tr><td>MLS #</td><td>21902984</td></tr> </table>		Location	1436 Rogers Lane	City/State	Kila, Montana	County	Flathead	Assessor Number	0973277	Zoning	RLNP	Site Size: Acres	1.030	Square Feet	44,867	Date of Sale	April 26, 2019	Sales Price	\$513,963	Adjustment to Sales Price	\$0	Adjusted Sales Price	\$513,963	MLS #	21902984
		Location	1436 Rogers Lane																								
		City/State	Kila, Montana																								
		County	Flathead																								
		Assessor Number	0973277																								
		Zoning	RLNP																								
		Site Size: Acres	1.030																								
		Square Feet	44,867																								
		Date of Sale	April 26, 2019																								
		Sales Price	\$513,963																								
		Adjustment to Sales Price	\$0																								
		Adjusted Sales Price	\$513,963																								
MLS #	21902984																										
TRANSFER INFORMATION																											
Grantor	Joseph W. Duncker & Ronnee R. Duncker	Grantee	Griffin Maurer & Rachel Maurer																								
Recording Data	WD #201900007758	Marketing Time	38 Days on Market																								
Financing/Conditions	VA/Market	Verified By	Susie Alper, Listing Agent																								
Legal Description	Certificate of Survey No. 3978, Flathead County, Montana	Intended Use	Residential/Recreational																								
Section/Township/Range	S29/T27N/R23W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
Body of Water	Rogers Lake	Sales Price	\$513,963																								
Front Footage	200.00	Estimated Site Value	\$300,000																								
Access	County Road - Gravel	Sales Price of Improvements	\$213,963																								
House Square Feet	1,733	Improvement Price/SF	\$123																								
Bedroom/Bathrooms	2 BR/2 BA																										
Year Built or Renovated	1977 (Renovated)																										
Construction	Wood Frame																										
Quality	Good																										
Condition	Good																										
Water/Sewer	Lake Water & Septic System																										
Utilities	Electricity & Telephone																										
Topography	Level																										
Outbuildings	2 Sheds/2 Car Garage																										
Miscellaneous	House includes 88 SF of Open Porch & 720 SF of Wood Decking.																										

Report File # 19-023ec

HOME SALE 5

COMPARABLE SALE INFORMATION																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Location</td><td>1148 Bitterroot Lane</td></tr> <tr><td>City/State</td><td>Marion, Montana</td></tr> <tr><td>County</td><td>Flathead</td></tr> <tr><td>Assessor Number</td><td>0654969</td></tr> <tr><td>Zoning</td><td>Little Bitterroot Lake Zoning District</td></tr> <tr><td>Site Size: Acres</td><td>0.357</td></tr> <tr><td>Square Feet</td><td>15,551</td></tr> <tr><td>Date of Sale</td><td>July 27, 2018</td></tr> <tr><td>Sales Price</td><td>\$442,500</td></tr> <tr><td>Adjustment to Sales Price</td><td>\$0</td></tr> <tr><td>Adjusted Sales Price</td><td>\$442,500</td></tr> <tr><td>MLS #</td><td>21806423</td></tr> </table>		Location	1148 Bitterroot Lane	City/State	Marion, Montana	County	Flathead	Assessor Number	0654969	Zoning	Little Bitterroot Lake Zoning District	Site Size: Acres	0.357	Square Feet	15,551	Date of Sale	July 27, 2018	Sales Price	\$442,500	Adjustment to Sales Price	\$0	Adjusted Sales Price	\$442,500	MLS #	21806423
Location	1148 Bitterroot Lane																										
City/State	Marion, Montana																										
County	Flathead																										
Assessor Number	0654969																										
Zoning	Little Bitterroot Lake Zoning District																										
Site Size: Acres	0.357																										
Square Feet	15,551																										
Date of Sale	July 27, 2018																										
Sales Price	\$442,500																										
Adjustment to Sales Price	\$0																										
Adjusted Sales Price	\$442,500																										
MLS #	21806423																										
TRANSFER INFORMATION																											
Grantor	John L. Hughes & Nancy Kathleen Hughes	Grantee	David J. Stenberg & Kimberly A. Stenberg																								
Recording Data	WD #201800015515	Marketing Time	58 Days on Market																								
Financing/Conditions	Conventional/Market	Verified By	Susan Julian, Listing Agent																								
Legal Description	Lot 16, Certificate of Survey No. 17651, Flathead County, Montana	Intended Use	Residential/Recreational																								
Section/Township/Range	S16/T27N/R24W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
Body of Water	Bitterroot Lake	Sales Price	\$442,500																								
Front Footage	58.01	Estimated Site Value	\$290,000																								
Access	County Road - Asphalt	Sales Price of Improvements	\$152,500																								
House Square Feet	932	Improvement Price/SF	\$164																								
Bedroom/Bathrooms	3 BR/2 BA																										
Year Built or Renovated	2004																										
Construction	Wood Frame																										
Quality	Average																										
Condition	Good																										
Water/Sewer	Lake Water & Septic System																										
Utilities	Electricity & Telephone																										
Topography	Level Areas with Some Slope																										
Outbuildings	1 Sheds/2 Car Garage																										
Miscellaneous	House includes 128 SF of Open Porch, 224 SF of Wood Decking, & Stone Patio. House includes 768 SF of Finished daylight basement area.																										
		Report File # 19-023ec																									

HOME SALE 6

COMPARABLE SALE INFORMATION			
		Location	12370 Paradise Loop
		City/State	Marion, Montana
		County	Flathead
		Assessor Number	0654969
		Zoning	SC, Scenic Corridor
		Site Size: Acres	1.412
		Square Feet	61,507
		Date of Sale	July 27, 2018
		Sales Price	\$442,500
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$442,500
		MLS #	21803684
TRANSFER INFORMATION			
Grantor	Osborne Trust	Grantee	Neil Kurtz & Mamie Flinn
Recording Data	WD #201800014877	Marketing Time	58 Days on Market
Financing/Conditions	Cash/Market	Verified By	Bobbie Vlasak, Listing Agent
Legal Description	Lot 1 of McGregor Lake Estates, Flathead County, Montana	Intended Use	Residential/Recreational
Section/Township/Range	S5/T26N/R25W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	McGregor Lake	Sales Price	\$442,500
Front Footage	166.49	Estimated Site Value	\$250,000
Access	County Road - Gravel	Sales Price of Improvements	\$192,500
House Square Feet	1,632	Improvement Price/SF	\$118
Bedroom/Bathrooms	2 BR/2 BA		
Year Built or Renovated	1948 (Partially Renovated)		
Construction	Wood Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Well & Septic System		
Utilities	Electricity & Telephone		
Topography	Level		
Outbuildings	2 Car Garage	Report File # 19-023ec	
Miscellaneous	House includes 744 SF Deck.		

PROPERTY VALUATIONS

LOT 3

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 3, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	0.327	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	124.57	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.327	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	124.57	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		0%	0%	0%	0%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a short driveway just off a public road. The comparables have similar ease of access and no adjustment was necessary in this category.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

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

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,925, \$2,968, \$2,417, \$2,708, and \$2,188 per front foot respectively. Land Sales 1 and 2 are most similar in amount of front footage compared to the subject and these sales are along Echo Lake. All weight is accorded the adjusted indication from Land Sales 1 and 2. The average of these indications is \$2,947. A market value of \$2,947 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

124.57 FF @ \$2,947/FF	\$367,108
Rounded To	\$367,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 3, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashley Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Fair	Average	Average	Average
		-\$10,000	-\$12,500	-\$10,200
CONDITION	Fair	Good	Average	Good
		-\$20,000	-\$12,500	-\$20,400
BATHROOMS	0	1	1	1
		-\$5,000	-\$5,000	-\$5,000
HOUSE SIZE/SF	392	772	1,075	975
		-\$22,040	-\$39,614	-\$33,814
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	None	Superior	Superior	Superior
		-\$1,000	-\$1,000	-\$15,000
TOTAL ADJUSTMENT		-\$58,040	-\$70,614	-\$84,414
NET ADJUSTMENT PERCENTAGE		-58%	-56%	-83%
ADJUSTED PRICE INDICATION		\$41,960	\$54,386	\$17,586

Discussion of Adjustments

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

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

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

Quality: The subject residence is considered to be of inferior quality compared to the comparables. Downward adjustments of 10% were considered reasonable and appropriate for the comparables in this category.

Condition: The subject residence is considered to be in inferior condition compared to the comparables. Downward adjustments of 10% per category difference in condition rating for the comparables as compared to the subject were considered reasonable and appropriate in this category.

Bathrooms: The subject residence does not include a bathroom. The improved sales each include 1 bathroom. Downward adjustments of \$5,000 per difference in bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

Outbuildings: The subject property does not include outbuildings. Downward adjustments were made for our estimates of the contributory values of outbuildings for the comparables.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$41,960, \$54,386, and \$17,586. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$37,977. A market value of \$38,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$367,000
Subject Improvements Value	<u>\$ 38,000</u>
Total Value Indication	\$405,000

LOT 8

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 8, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.124	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	167.52	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	Yes	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.124	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	167.52	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-15%	-15%	-15%	-15%	-15%
TOTAL ADJUSTMENT ADJUSTMENT		-\$439	-\$445	-\$363	-\$406	-\$328
ADJUSTED PRICE PER FRONT FOOT		\$2,486	\$2,523	\$2,054	\$2,302	\$1,860

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a short driveway just off a public road. The comparables have similar ease of access and no adjustment was necessary in this category.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is bisected by Echo Cabin Loop. This road bisection is considered to affect value. None of the comparables are bisected by a road.

We conducted a search for paired sales of lots which are bisected by roads and include frontage on area lakes in order to determine any impact on value. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisection								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisection	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisection Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisection	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisection Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisection	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisects this Property	\$1,400
							Indicated Adjustment for Road Bisection Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisection	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisects this Property	\$1,773
							Indicated Adjustment for Road Bisection Property	-62%
*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts. Bisection road considered most similar to Echo Cabin Loop.	Most Applicable
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Although the subject property is bisected by Echo Cabin Loop, there is ample area on both sides of the road for improvements and recreation. Most weight is accorded the indication from Paired Sale Set 2. Downward adjustments of 15% were considered appropriate for the comparables in this category.

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,486, \$2,523, \$2,054, \$2,302, and \$1,860 per front foot respectively. Land Sale 3 is most similar to the subject in amount of front footage. Land Sales 1 and 2 are along Echo Lake. Land Sales 1, 2, and 3 considered together provide a credible basis for a market value for the subject property. The average of these three indications is \$2,354. A market value of \$2,354 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

167.52 FF @ \$2,354/FF	\$394,342
Rounded To	\$394,000

Improvement Value Estimate

Home Sales 4, 5, and 6 are appropriate comparables for this subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 8, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION		1436 Rogers Ln	1148 Bitterroot Ln	12370 Paradise Loop
LOCATION		Kila, MT	Marion, MT	Marion, MT
SALES PRICE		\$513,963	\$442,500	\$425,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		04/26/19	07/27/18	07/20/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$513,963	\$442,500	\$425,000
LESS SITE VALUE		(\$300,000)	(\$290,000)	(\$250,000)
ADJUSTED IMPROVEMENT PRICE		\$213,963	\$152,500	\$175,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Rogers Lake	Bitterroot Lake	McGregor Lake
		\$0	\$0	\$0
QUALITY	Good	Good	Average	Average
		\$0	\$15,250	\$17,500
CONDITION	Good	Good	Good	Average
		\$0	\$0	\$17,500
BATHROOMS	2	2	2	2
		\$0	\$0	\$0
HOUSE SIZE/SF	1,952	1,733	932	1,632
		\$14,454	\$67,320	\$21,120
FINISHED BASEMENT/SF	1,312	0	768	0
		\$43,296	\$17,952	\$43,296
OUTBUILDINGS	Garage & Storage Building	Inferior	Inferior	Inferior
		\$16,800	\$17,800	\$18,800
TOTAL ADJUSTMENT		\$74,550	\$118,322	\$118,216
NET ADJUSTMENT PERCENTAGE		35%	78%	68%
ADJUSTED PRICE INDICATION		\$288,513	\$270,822	\$293,216

Discussion of Adjustments

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

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

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

Quality: The subject residence and Improved Sale 1 are similar in category. This sale required no adjustment in this category. Improved Sales 2 and 3 were considered inferior in quality compared to the subject. Upward adjustments of 10% were made to these sales in this category. This adjustment percentage is considered reflective of the actions of market participants with respect to quality.

Condition: The subject residence and Improved Sales 1 and 2 are considered similar in condition and no adjustment was necessary in this category. Improved Sale 3 was considered inferior in condition compared to the subject residence. An upward adjustment of 10% was considered reasonable and appropriate for this sale in this category.

Bathrooms: The subject residence and comparables include two bathrooms each. No adjustment was necessary in this category.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$66 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and Improved Sale 5 include finished basement areas; however, the square footages are different. Improved Sales 4 and 6 do not include finished basement areas. Adjustments of \$33 per square foot were made to the comparables in this category for differences in finished basement square footage compared to the subject. This adjustment amount equates to approximately half of the adjustment utilized for differences in above grade square footage. Market participants typically pay less for finished basement area compared to above grade square footage.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Garage	1,024	Section 12/Page 35	\$34.25	\$35,072
Storage Building	160	Section 17/Page 12	\$20.95	\$3,352
Total Cost New				\$38,424
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$9,606
Depreciated Cost Estimate				\$28,818
Rounded To				\$28,800

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$288,513, \$270,822, and \$293,216. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$284,184. A market value of \$284,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$394,000
Subject Improvements Value	<u>\$284,000</u>
Total Value Indication	\$678,000

LOT 17

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 17, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.124	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	149.42	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Steeply Sloping with Level Areas	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	Yes	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.124	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	149.42	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-20%	-20%	-20%	-20%	-20%
TOTAL ADJUSTMENT ADJUSTMENT		-\$585	-\$594	-\$483	-\$542	-\$438
ADJUSTED PRICE PER FRONT FOOT		\$2,340	\$2,374	\$1,933	\$2,167	\$1,751

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot includes steeply sloping and level areas. The comparables are more gently sloping or level in topography. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot topography.

Frontage/Access: The subject lot is accessed via a short driveway just off a public road. The comparables have similar ease of access and no adjustment was necessary in this category.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is bisected by Echo Cabin Loop. This road bisection is considered to affect value. None of the comparables are bisected by road.

We conducted a search for paired sales of lots which are bisected by roads and include frontage on area lakes in order to determine any impact on value. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisection								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisection	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisection Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisection	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisection Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisection	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisects this Property	\$1,400
							Indicated Adjustment for Road Bisection Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisection	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisects this Property	\$1,773
							Indicated Adjustment for Road Bisection Property	-62%
<i>*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing</i>								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts. Bisection road considered most similar to Echo Cabin Loop.	Most Applicable
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Although the subject property is bisected by Echo Cabin Loop, there is ample area on both sides of the road for improvements and recreation. Most weight is accorded the indication from Paired Sale Set 2. Downward adjustments of 15% were considered appropriate for the comparables in this category.

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,340, \$2,374, \$1,933, \$2,167, and \$1,752 per front foot respectively. Land Sale 3 is most similar to the subject in amount of front footage. Land Sales 1 and 2 are along Echo Lake. Land Sales 1, 2, and 3 considered together provide a credible basis for a market value for the subject property. The average of these three indications is \$2,216. A market value of \$2,216 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

149.42 FF @ \$2,216/FF	\$331,115
Rounded To	\$331,000

LOT 25

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 25, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	4.537	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	462.10	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas & Wetland Areas	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road (Longer than Typical)	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	Yes	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	4.537	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	462.10	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-70%	-70%	-70%	-70%	-70%
TOTAL ADJUSTMENT ADJUSTMENT		-\$2,048	-\$2,078	-\$1,692	-\$1,896	-\$1,532
ADJUSTED PRICE PER FRONT FOOT		\$878	\$890	\$725	\$813	\$656

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot includes sloping, level areas, and wetland areas. The comparables are do not include wetland areas. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot topography.

Frontage/Access: The subject lot is accessed via a relatively long driveway which will require shared maintenance. The comparables are accessed via short driveways from public or private roads. The comparables have superior ease of access and less risk due potential shared driveway maintenance. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This

adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot relatively long, shared driveways.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is effectively bisected by a shared driveway. This shared driveway bisection is considered to affect value. None of the comparables are bisected by shared driveways.

We conducted a search for paired sales of lots which are bisected by driveways and include frontage on area lakes in order to determine any impact on value. We did not locate any paired sales bisected by driveways but did locate paired sales bisected by roads. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisectioning								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisectioning	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisectioning Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisectioning	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisectioning Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisectioning	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisection this Property	\$1,400
							Indicated Adjustment for Road Bisectioning Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisectioning	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisection this Property	\$1,773
							Indicated Adjustment for Road Bisectioning Property	-62%
*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts.	Most Applicable of Paired Sales Located
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Most weight is accorded the indication from Paired Sale Set 2; however, a smaller downward adjustment is indicated for the subject property as a shared driveway bisection is considered to have a lower impact on value than a road bisection. Downward adjustments of 10% were considered appropriate for the comparables in this category.

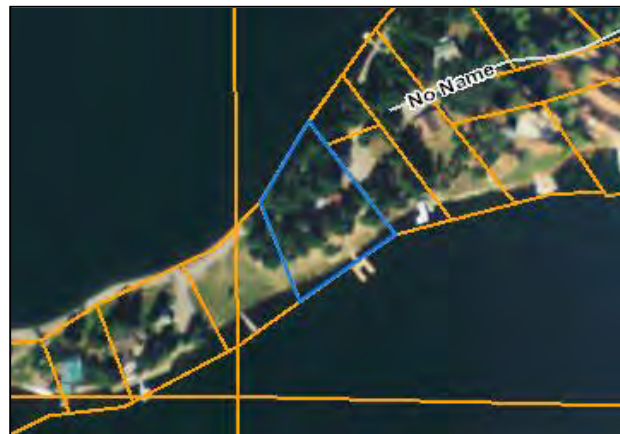
Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: The subject includes significantly greater than the typical amount of front footage for similar sites. It is our opinion that downward adjustments are necessary for all of the comparables as they include more typical amounts of front footage.

We located the 2015 sale of lot at 1010 Echo Loop Lake Road. This property has two frontages along Echo Lake. The portion of the front footage that includes the dock (see property aerial image to the left) appears to be used more significantly by the property seller.

If this sale is analyzed based upon the total frontage, the price per front decreases substantially. See calculations on the table on the following page.



1010 Echo Lake Road - Front Footage Analysis			
Adjusted Sales Price	Main Front Footage Utilized for Site	Total Front Footage	Price/FF
\$320,000	200.80		\$1,594
\$320,000		401.00	\$798
Suggested Price Per Front Foot Difference			50%

Based upon this analysis, a downward adjustment of 50% is suggested for the comparables. Since this was the most applicable indication for an adjustment located, we have applied downward adjustments to all of the comparables of 50% in this category.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$878, \$890, \$725, \$813, and \$656 per front foot respectively. Land Sales 1 and 2 are along Echo Lake. Since adjustments for differences in size were supported by available market data, all weight is accorded Land Sales 1 and 2 as they are along Echo Lake. The average of these two indications is \$884. A market value of \$884 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

462.10 FF @ \$884/FF	\$408,496
Rounded To	\$408,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 25, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashely Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Average	Good
		-\$10,000	\$0	-\$10,200
BATHROOMS	0	1	1	1
		-\$5,000	-\$5,000	-\$5,000
HOUSE SIZE/SF	153	772	1,075	975
		-\$35,902	-\$53,476	-\$47,676
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Bunk House	Inferior	Inferior	Superior
		\$8,400	\$8,400	-\$5,600
TOTAL ADJUSTMENT		-\$42,502	-\$50,076	-\$68,476
NET ADJUSTMENT PERCENTAGE		-43%	-40%	-67%
ADJUSTED PRICE INDICATION		\$57,498	\$74,924	\$33,524

Discussion of Adjustments

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

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

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

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

Condition: The subject residence is considered to be similar in condition compared to Improved Sale 2 and no adjustment was necessary for this sale in this category. Improved Sales 1 and 3 are considered superior to the subject property in this category. Downward adjustments of 10% per category difference in condition rating for the comparables as compared to the subject were considered reasonable and appropriate in this category for Improved Sales 1 and 3.

Bathrooms: The subject residence does not include a bathroom. The improved sales each include 1 bathroom. Downward adjustments of \$5,000 per difference in bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Bunk House	224	Section 12/Page 29	\$56.00	\$12,544
Total Cost New				\$12,544
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$3,136
Depreciated Cost Estimate				\$9,408
Rounded To				\$9,400

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$57,498, \$74,924, and \$33,524. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$55,315. A market value of \$55,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$408,000
Subject Improvements Value	<u>\$ 55,000</u>
Total Value Indication	\$463,000

LOT 28

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 28, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.434	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	136.44	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road (Longer than Typical)	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.434	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	136.44	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-5%	-5%	-5%	-5%	-5%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$148	-\$121	-\$135	-\$109
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$2,820	\$2,296	\$2,573	\$2,079

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a relatively long driveway which will require shared maintenance. The comparables are accessed via short driveways from public or private roads. The comparables have superior ease of access and less risk due potential shared driveway maintenance. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot relatively long, shared driveways.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

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

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$2,820, \$2,296, \$2,573, and \$2,079 per front foot respectively. Land Sales 2 and 3 are most similar to the subject in amount of front footage. Land Sales 1 and 2 are along Echo Lake. Land Sales 1, 2, and 3 considered together provide a credible basis for a market value for the subject property. The average of these three indications is \$2,631. A market value of \$2,631 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

136.44 FF @ \$2,631/FF	\$358,974
Rounded To	\$359,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 28, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashley Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Average	Good
		-\$10,000	\$0	-\$10,200
BATHROOMS	1	1	1	1
		\$0	\$0	\$0
HOUSE SIZE/SF	371	772	1,075	975
		-\$23,258	-\$40,832	-\$35,032
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Storage Building	Inferior	Inferior	Superior
		\$500	\$500	-\$13,500
TOTAL ADJUSTMENT		-\$32,758	-\$40,332	-\$58,732
NET ADJUSTMENT PERCENTAGE		-33%	-32%	-58%
ADJUSTED PRICE INDICATION		\$67,242	\$84,668	\$43,268

Discussion of Adjustments

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

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

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

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

Condition: The subject residence is considered to be similar in condition compared to Improved Sale 2 and no adjustment was necessary for this sale in this category. Improved Sales 1 and 3 are considered superior to the subject property in this category. Downward adjustments of 10% per category difference in condition rating for the comparables as compared to the subject were considered reasonable and appropriate in this category for Improved Sales 1 and 3.

Bathrooms: The subject residence and comparables include 1 bathroom each. No adjustment was necessary in this category.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Building	80	Section 17/Page 12	\$20.95	\$1,676
Total Cost New				\$1,676
Less Depreciation - Age/Life - 2/20 Years = 10%				<u>-\$168</u>
Depreciated Cost Estimate				\$1,508
Rounded To				\$1,500

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$67,242, \$84,668, and \$43,268. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$65,059. A market value of \$65,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$359,000
Subject Improvements Value	<u>\$ 65,000</u>
Total Value Indication	\$424,000

LOT 31

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 31, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.866	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	214.34	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road (Longer than Typical)	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.866	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	214.34	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-15%	-15%	-15%	-15%	-15%
TOTAL ADJUSTMENT ADJUSTMENT		-\$439	-\$445	-\$363	-\$406	-\$328
ADJUSTED PRICE PER FRONT FOOT		\$2,486	\$2,523	\$2,054	\$2,302	\$1,860

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a relatively long driveway which will require shared maintenance. The comparables are accessed via short driveways from public or private roads. The comparables have superior ease of access and less risk due potential shared driveway maintenance. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot relatively long, shared driveways.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is encumbered by a shared driveway. This shared driveway is considered to affect value. None of the comparables are encumbered by shared driveways.

We conducted a search for paired sales of lots with frontage along area lakes and which are encumbered by shared driveways in order to determine any impact on value. We did not locate any paired sales with similar driveway encumbrances but did locate paired sales bisected by roads. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisecting								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisecting Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisecting Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisects this Property	\$1,400
							Indicated Adjustment for Road Bisecting Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisects this Property	\$1,773
							Indicated Adjustment for Road Bisecting Property	-62%
*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts.	Most Applicable of Paired Sales Located
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Most weight is accorded the indication from Paired Sale Set 2; however, a smaller downward adjustment is indicated for the subject property as a shared driveway encumbrance is considered to have a lower impact on value than a road bisection. Downward adjustments of 10% were considered appropriate for the comparables in this category.

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide preliminary adjusted indications of value for the subject site of \$2,486, \$2,523, \$2,054, \$2,302, and \$1,860 per front foot respectively. All weight is accorded the preliminary adjusted indication from Land Sales 1, 2, and 3 as these sales are most similar in amount of front footage and Land Sales 1 and 2 are along Echo Lake. The average of these indications at \$2,354 per front foot is the preliminary indication of value for the subject property.

Based upon analysis of sales included in the Subject Market Analysis, prices per front foot generally decrease as front footage amount increases assuming other characteristics are equal. Even though Land Sales 1, 2, and 3 are the most similar in front footage compared to the subject, these sales include a sufficiently lower amount of front footage than the subject site that some downward adjustment is considered necessary.

We did not locate paired sales data on which to credibly determine an appropriate adjustment for the front footage differences between Land Sales 1, 2, and 3 and the subject site; however, some downward adjustment is considered appropriate. We have applied a downward adjustment of 10% to the preliminary adjusted indication of \$2,354. The resulting value indication is \$2,119 ($\$2,354/\text{Front Foot} \times 90\% = \$2,119$) per front foot. The resulting value calculations are below;

214.34FF @ \$2,119/FF	\$454,186
Rounded To	\$454,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 31, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashley Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Fair	Average	Average	Average
		-\$10,000	-\$12,500	-\$10,200
CONDITION	Fair	Good	Average	Good
		-\$20,000	-\$12,500	-\$20,400
BATHROOMS	0	1	1	1
		-\$5,000	-\$5,000	-\$5,000
HOUSE SIZE/SF	357	772	1,075	975
		-\$24,070	-\$41,644	-\$35,844
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	None	Superior	Superior	Superior
		-\$1,000	-\$1,000	-\$15,000
TOTAL ADJUSTMENT		-\$60,070	-\$72,644	-\$86,444
NET ADJUSTMENT PERCENTAGE		-60%	-58%	-85%
ADJUSTED PRICE INDICATION		\$39,930	\$52,356	\$15,556

Discussion of Adjustments

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

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

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

Quality: The subject residence is considered to be of inferior quality compared to the comparables. Downward adjustments of 10% were considered reasonable and appropriate for the comparables in this category.

Condition: The subject residence is considered to be in inferior condition compared to the comparables. Downward adjustments of 10% per category difference in condition rating for the comparables as compared to the subject were considered reasonable and appropriate in this category.

Bathrooms: The subject residence does not include a bathroom. The improved sales each include 1 bathroom. Downward adjustments of \$5,000 per difference in bathroom count were made to the improved sales in this category. This adjustment amount is considered reasonable and indicative of the actions of market participants with regard to bathroom count.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

Outbuildings: The subject property does not include outbuildings. Downward adjustments were made for our estimates of the contributory values of outbuildings for the comparables.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$39,930, \$52,356, and \$15,556. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$35,947. A market value of \$36,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$454,000
Subject Improvements Value	<u>\$ 36,000</u>
Total Value Indication	\$490,000

LOT 35

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 35, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.471	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	161.32	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road (Longer than Typical)	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.471	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	161.32	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-15%	-15%	-15%	-15%	-15%
TOTAL ADJUSTMENT ADJUSTMENT		-\$439	-\$445	-\$363	-\$406	-\$328
ADJUSTED PRICE PER FRONT FOOT		\$2,486	\$2,523	\$2,054	\$2,302	\$1,860

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a relatively long driveway which will require shared maintenance. The comparables are accessed via short driveways from public or private roads. The comparables have superior ease of access and less risk due potential shared driveway maintenance. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot relatively long, shared driveways.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is encumbered by a shared driveway. This shared driveway is considered to affect value. None of the comparables are encumbered by shared driveways.

We conducted a search for paired sales of lots with frontage along area lakes and which are encumbered by shared driveways in order to determine any impact on value. We did not locate any paired sales with similar driveway encumbrances but did locate paired sales bisected by roads. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisecting								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisecting Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisecting Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisects this Property	\$1,400
							Indicated Adjustment for Road Bisecting Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisects this Property	\$1,773
							Indicated Adjustment for Road Bisecting Property	-62%
*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts.	Most Applicable of Paired Sales Located
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Most weight is accorded the indication from Paired Sale Set 2; however, a smaller downward adjustment is indicated for the subject property as a shared driveway encumbrance is considered to have a lower impact on value than a road bisection. Downward adjustments of 10% were considered appropriate for the comparables in this category.

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,486, \$2,523, \$2,054, \$2,302, and \$1,860 per front foot respectively. Land Sales 2 and 3 are most similar to the subject in amount of front footage. Land Sales 1 and 2 are along Echo Lake. Land Sales 1, 2, and 3 considered together provide a credible basis for a market value for the subject property. The average of these three indications is \$2,354. A market value of \$2,354 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

161.32 FF @ \$2,354/FF	\$379,747
Rounded To	\$380,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 35, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashley Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Average	Good
		-\$10,000	\$0	-\$10,200
BATHROOMS	1	1	1	1
		\$0	\$0	\$0
HOUSE SIZE/SF	400	772	1,075	975
		-\$21,576	-\$39,150	-\$33,350
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Bunk House, Storage Building, Loft in Storage Building	Inferior	Inferior	Superior
		\$13,800	\$13,800	-\$200
TOTAL ADJUSTMENT		-\$17,776	-\$25,350	-\$43,750
NET ADJUSTMENT PERCENTAGE		-18%	-20%	-43%
ADJUSTED PRICE INDICATION		\$82,224	\$99,650	\$58,250

Discussion of Adjustments

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

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

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

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

Condition: The subject residence is considered to be similar in condition compared to Improved Sale 2 and no adjustment was necessary for this sale in this category. Improved Sales 1 and 3 are considered superior to the subject property in this category. Downward adjustments of 10% per category difference in condition rating for the comparables as compared to the subject were considered reasonable and appropriate in this category for Improved Sales 1 and 3.

Bathrooms: The subject residence and comparables include 1 bathroom each. No adjustment was necessary in this category.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Bunk House	281	Section 12/Page 29	\$56.00	\$15,736
Storage Building	96	Section 17/Page 12	\$20.95	\$2,011
2nd Floor Storage Building	96	Section 17/Page 12	\$20.95	\$2,011
Total Cost New				\$19,758
Less Depreciation - Age/Life - 5/20 Years = 25%				<u>-\$4,940</u>
Depreciated Cost Estimate				\$14,819
Rounded To				\$14,800

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$82,224, \$99,650, and \$58,250. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$80,041. A market value of \$80,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$380,000
Subject Improvements Value	<u>\$ 80,000</u>
Total Value Indication	\$460,000

LOT 36

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 36, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION		1170 Echo Lake Rd	636 Echo Chalet Dr	168 Weaver Ln	804 Abbot Village Dr	828 Abbot Village Dr
CITY		Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$295,000	\$371,000	\$362,500	\$270,000	\$210,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	\$0	\$0	-\$10,000	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	11/10/16	04/02/18	04/02/18	12/27/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$371,000	\$362,500	\$260,000	\$210,000
SITE SIZE/GROSS ACRES	1.485	0.470	1.090	2.036	0.770	0.580
FRONT FEET ON LAKE	146.19	100.00	125.00	150.00	96.00	95.97
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$2,968	\$2,417	\$2,708	\$2,188
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Abbott Lake 41 Acres	Abbott Lake 41 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas	Sloping	Sloping	Level	Sloping	Sloping
FRONTAGE/ACCESS	Driveway from Public Road (Longer than Typical)	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road	Private Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	SAG-5	SAG-5
EASEMENTS AFFECTING USE	No	No	No	No	No	No
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.485	0.470	1.090	2.036	0.770	0.580
SITE SIZE/FRONT FEET	146.19	100.00	125.00	150.00	96.00	95.97
TOTAL PERCENTAGE ADJUSTMENT		-15%	-15%	-15%	-15%	-15%
TOTAL ADJUSTMENT ADJUSTMENT		-\$439	-\$445	-\$363	-\$406	-\$328
ADJUSTED PRICE PER FRONT FOOT		\$2,486	\$2,523	\$2,054	\$2,302	\$1,860

Discussion of Adjustments

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

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

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

Financing: The financing for the comparables were cash or cash equivalent; therefore, no adjustments were necessary comparables in category.

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

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

Market Conditions: All but one of the comparables sold in 2018. Land Sale 2 sold in 2016. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

Location/Lake Name & Size: The subject property includes frontage on Echo Lake. The comparables include frontage along relatively small lakes in Flathead County which are considered to have the most similar marketability compared to the subject lake. Two of the comparable sales are on Echo Lake. No adjustment was supported by available market data or considered necessary in this category.

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

Topography: The subject lot and comparables include areas suitable for improvements. The subject and comparables were relatively similar in topography. No adjustment was necessary in this category.

Frontage/Access: The subject lot is accessed via a relatively long driveway which will require shared maintenance. The comparables are accessed via short driveways from public or private roads. The comparables have superior ease of access and less risk due potential shared driveway maintenance. We did not locate appropriate paired sales on which to base an adjustment in this category; however, some downward adjustment was considered necessary for the comparables in this category. Downward adjustments of 5% were made to the comparables in this category. This adjustment percentage is considered reasonable and indicative of the actions of market participants relative to lot relatively long, shared driveways.

Zoning: The subject site and Land Sales 1, 2, 4, and 5 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sale 3 is not zoned. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

Easements Affecting Value: The subject site is encumbered by a shared driveway. This shared driveway is considered to affect value. None of the comparables are encumbered by shared driveways.

We conducted a search for paired sales of lots with frontage along area lakes and which are encumbered by shared driveways in order to determine any impact on value. We did not locate any paired sales with similar driveway encumbrances but did locate paired sales bisected by roads. These pairings are below;

Paired Sales Analysis - Lakefront Lots with and without Road Bisecting								
Paired Sale Set 1								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
NHN Paradise Loop	Marion	McGregor Lake	2.05	192.44	10/3/2016	\$345,000	None	\$1,793
12710 US Hwy 2	Marion	McGregor Lake	1.22	217.27	11/28/2016	\$229,000	Two Access Roads Run Through this Property	\$1,054
							Indicated Adjustment for Road Bisecting Property	-41%
Paired Sale Set 2								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price*	Road Bisecting	Price/FF
3994 N Ashley Lake Rd	Kalispell	Ashley Lake	1.65	130.00	11/21/2016	\$330,000	None	\$2,538
5622 N Ashley Lake Rd	Kila	Ashley Lake	1.14	100.00	9/8/2016	\$216,000	Property Bisected by N Ashley Lake Road	\$2,160
							Indicated Adjustment for Road Bisecting Property	-15%
Paired Sale Set 3								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
NHN Lakeside Blvd	Lakeside	Flathead Lake	0.56	130.00	8/23/2013	\$375,000	None	\$2,885
7070 & 7074 US Hwy 93 S	Lakeside	Flathead Lake	3.03	150.00	1/29/2013	\$210,000	US Highway 93 S Bisects this Property	\$1,400
							Indicated Adjustment for Road Bisecting Property	-51%
Paired Sale Set 4								
Sale Address	City	Name of Water Frontage	Site Size/Ac	Site/Front Footage	Sale Date	Sales Price	Road Bisecting	Price/FF
22081 MT Hwy 35	Bigfork	Flathead Lake	0.70	100.00	5/7/2013	\$465,000	None	\$4,650
NHN MT Hwy 35	Bigfork	Flathead Lake	0.66	110.00	7/1/2013	\$195,000	MT Highway 35 Bisects this Property	\$1,773
							Indicated Adjustment for Road Bisecting Property	-62%
*Sales Prices Adjusted for Improvements or Utilities as Necessary for Pairing								

Synopses of these pairings and ratings regarding applicability are included on the following page.

Synopsis of Paired Sales Analyses			
Paired Sale #	Adjustment Indication for Road Bisection of Property	Comments on Sale Similarity	Overall Applicability of Paired Sale Set
1	-41%	Sales include additional differences of site sizes, front footage amounts, and bisection by two access roads.	Less Applicability
2	-15%	Sales include additional differences of site sizes and front footage amounts.	Most Applicable of Paired Sales Located
3	-51%	Sales include additional differences of site sizes and front footage amounts and bisection by a US Highway.	Less Applicability
4	-62%	Sales include additional differences of site sizes and front footage amounts and bisection by a state highway.	Less Applicability

Most weight is accorded the indication from Paired Sale Set 2; however, a smaller downward adjustment is indicated for the subject property as a shared driveway encumbrance is considered to have a lower impact on value than a road bisection. Downward adjustments of 10% were considered appropriate for the comparables in this category.

Electricity/Telephone: The subject property and comparables have similar access to electricity and telephone service. No adjustments were necessary in this category.

Size/Acres: There is no market data suggesting that an adjustment for size is necessary for lake front sites in the size ranges of the subject and comparables. For this reason, no adjustment was made in this category.

Size/Front Foot: Differences in front footage are addressed in the Reconciliation.

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,486, \$2,523, \$2,054, \$2,302, and \$1,860 per front foot respectively. Land Sales 2 and 3 are most similar to the subject in amount of front footage. Land Sales 1 and 2 are along Echo Lake. Land Sales 1, 2, and 3 considered together provide a credible basis for a market value for the subject property. The average of these three indications is \$2,354. A market value of \$2,354 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

146.19 FF @ \$2,354/FF	\$344,131
Rounded To	\$344,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 36, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		936 Bitterroot Dr	4429 Ashley Lake Rd	1048 Kelsey Rd
LOCATION		Marion, MT	Kila, MT	Marion, MT
SALES PRICE		\$350,000	\$365,000	\$390,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/24/19	06/29/18	03/19/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$350,000	\$365,000	\$390,000
LESS SITE VALUE		(\$250,000)	(\$240,000)	(\$288,000)
ADJUSTED IMPROVEMENT PRICE		\$100,000	\$125,000	\$102,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Ashley Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Average	Good
		\$0	\$12,500	\$0
BATHROOMS	1	1	1	1
		\$0	\$0	\$0
HOUSE SIZE/SF	792	772	1,075	975
		\$1,160	-\$16,414	-\$10,614
FINISHED BASEMENT/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Garage & Outhouse	Inferior	Inferior	Superior
		\$11,200	\$11,200	-\$2,800
TOTAL ADJUSTMENT		\$12,360	\$7,286	-\$13,414
NET ADJUSTMENT PERCENTAGE		12%	6%	-13%
ADJUSTED PRICE INDICATION		\$112,360	\$132,286	\$88,586

Discussion of Adjustments

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

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

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

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

Condition: The subject residence is considered to be similar in condition compared to Improved Sales 1 and 3 and no adjustments were necessary for these sales in this category. Improved Sale 2 is considered inferior to the subject property in this category. An upward adjustment of 10% was made to this sale in this category. This adjustment is considered to be indicative of the actions of market participants with respect to condition.

Bathrooms: The subject residence and comparables include 1 bathroom each. No adjustment was necessary in this category.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$58 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject residence and comparables do not include finished basements. No adjustments were necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Garage	336	Section 12/Page 35	\$34.25	\$11,508
Outhouse	16	Lump Sum Estimate		\$2,000
Total Cost New				\$13,508
Less Depreciation - Age/Life - 2/20 Years = 10%				<u>-\$1,351</u>
Depreciated Cost Estimate				\$12,157
Rounded To				\$12,200

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$112,360, \$132,286, and \$88,586. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$111,077. A market value of \$111,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$344,000
Subject Improvements Value	<u>\$111,000</u>
Total Value Indication	\$455,000

RECAPITULATION OF VALUE INDICATIONS

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

Lot #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
3	\$367,000	\$38,000	\$405,000	6/26/2019
8	\$394,000	\$284,000	\$678,000	6/26/2019
17	\$331,000	\$0	\$331,000	6/26/2019
25	\$408,000	\$55,000	\$463,000	6/26/2019
28	\$359,000	\$65,000	\$424,000	6/26/2019
31	\$454,000	\$36,000	\$490,000	6/26/2019
35	\$380,000	\$80,000	\$460,000	6/26/2019
36	\$344,000	\$111,000	\$455,000	6/26/2019

QUALIFICATIONS OF THE APPRAISERS

ELLIOTT (ELLIE) M. CLARK, MAI

PROFESSIONAL DESIGNATIONS

MAI Designated Member of the Appraisal Institute (2004)

FORMAL EDUCATION

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

REAL ESTATE EDUCATION

Appraisal Institute

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

Institute of Financial Education

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

IAAO

1991 - Standards of Practice and Professional Ethics

Citadel Evening College

1993 - Residential Appraisal Reports Using URAR Form

William H. Sharp & Associates

1995 - The Home Inspection

Trident Technical College

1997 - Uniform Standards of Appraisal

Historic Preservation Consulting

1998 - Appraising Historic Property

The Beckman Company

2004 - The Technical Inspection of Real Estate

WORK EXPERIENCE

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

STATE LICENSES/CERTIFICATIONS

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

APPRAISAL SEMINARS ATTENDED

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

PARTIAL LIST OF CLIENTS

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

CHRISTOPHER D. CLARK

FORMAL EDUCATION

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

REAL ESTATE EDUCATION

Appraisal Institute

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

WORK EXPERIENCE

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

STATE LICENSES/CERTIFICATIONS

Montana Licensed Appraiser # REA-RAL-LIC-841

APPRAISER'S LICENSES



State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-683

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

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

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

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



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State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAL-LIC-841

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

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

This certificate verifies licensure as:
LICENSED APPRAISER

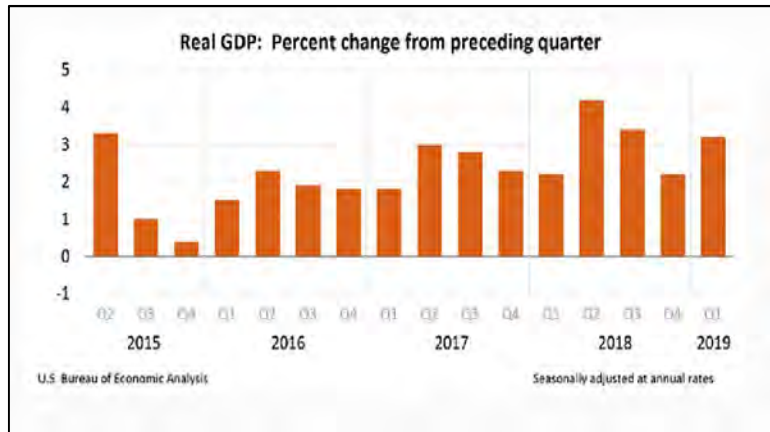


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ADDENDUM

NATIONAL ECONOMIC DATA

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



STATE ECONOMIC DATA

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

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

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

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

FLATHEAD COUNTY DATA

The subject properties are located in an unincorporated portion of Flathead County considered part of the greater Bigfork area. The general area is known as the Flathead Valley. The Flathead Valley is surrounded by various ranges of the Rocky Mountains. The three incorporated cities in Flathead County are Kalispell, the county seat, Whitefish, and Columbia Falls. There are also several unincorporated communities in the county which include; Kila, Marion, Evergreen, Bigfork, Lakeside, Somers, Hungry Horse, Martin City, and West Glacier.

Geographical Information

Flathead County is located in southwest Montana and is 5,098 square miles in size. Flathead Lake is a significant geographical feature of the Flathead Valley. Glacier National Park is located in the Flathead Valley area and is a major area tourist attraction. Additional attractions include; the Bob Marshall Wilderness, Hungry Horse Dam, Whitefish Mountain Resort, Blacktail Mountain Resort, Whitefish Lake, numerous golf courses, and many area lakes and rivers that provide year round recreation for residents and visitors.



Population

According to 2018 ESRI estimates based upon US Census data, the population of Flathead County was 101,928. The population is forecasted to increase to 110,397 or by approximately 1.67% per year by 2023.

Employment

The retail trade industry represents approximately 15% of employment in Flathead County. Approximately 13% of the workforce is employed in the accommodation and food services industries and the healthcare and social assistance industries represents 12% of employment in Flathead County. Some of the largest private employers in Flathead County include; Kalispell Regional Healthcare, Winter Sports, Inc., North Valley Hospital, Century Link, National Flood Insurance, Walmart, Super 1 Foods, Weyerhaeuser, Teletech, Allied Materials, and BNSF Railway.

Income

The median annual household income for Flathead County was estimated to be \$52,031 in 2018 based upon ESRI forecasts using US Census data. According to ESRI forecasts, the median annual household income is to increase by approximately 2.59% per year through 2023.

Unemployment

According to the US Bureau of Labor and Statistics, the non-seasonally adjusted unemployment rate for Flathead County was 5.2% in December of 2018. This is below the December 2017 unemployment rate of 5.5%. Unemployment fluctuations for the county since 1990 are included on the graph on the following page.



The US recessions are noted in gray. Flathead County was labeled as the “epicenter” of the recession for the state of Montana by statewide economists for the most recent recession.

Construction & Development

Historical data for building permits issued for single family residences of all types in the three municipalities of Flathead County is on the table below;

Single Family Building Permits Issued Per Year														
City	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	% Change: 2016-2017
Kalispell	233	170	146	78	46	50	42	54	106	81	72	104	115	11%
Whitefish	80	60	22	26	14	19	36	51	75	72	48	49	57	28%
Columbia Falls	52	38	68	8	6	4	9	8	8	21	17	15	11	-27%
Total	365	268	236	112	66	73	87	113	189	174	137	168	183	9%

The twelve year high for residential single family permits in the three municipalities is 365 permits issued in 2005. Thousands of new residential subdivision lots were created in Flathead County (incorporated and unincorporated areas) during the early and mid-2000’s. Supply exceeded demand for the years immediately following the national recession. According to research by Clark Real Estate Appraisal, supply and demand moved closer to a balanced level in the municipalities in Flathead County over the past 5 years.

Healthcare

There are two primary hospitals located in the Flathead Valley. Kalispell Regional Medical Center is a 174 bed hospital located on the medical campus in Kalispell. North Valley Hospital is a 31 bed hospital located in Whitefish.

Tourism

Glacier National Park is a significant draw in Flathead County with approximately 1.8 to over 3.3 million visitors each year over the last 10 years. There are many area recreational opportunities that draw resident and nonresident travelers. These include natural amenities such as the numerous lakes, rivers, and mountain ranges and manmade amenities such as ski and mountain biking areas.

Linkages & Transportation

The three cities in Flathead County are within an easy commute of each other and are connected by US or state highways. US Highway 93 is considered the most significant corridor in the Flathead Valley. The intersection of US Highway 93 and Reserve, just north of Kalispell, has become the commercial hub for the valley. There are three significant shopping centers in this area as well as two automobile dealerships, a high school, and a number of governmental offices.

Whitefish and Columbia Falls are connected by Montana Highway 40. There is ongoing commercial development along Montana Highway 40.

Columbia Falls and Kalispell are connected by US Highway 2. This corridor includes Glacier Park International Airport. Other commercial improvements along US Highway 2 between Columbia Falls and Kalispell are predominantly light industrial in nature.

The Canadian border is within a one to two hour drive from most portions of Flathead County. There is a port of entry just north of Flathead County in Eureka, Montana and another border crossing at the line dividing Glacier National Park of the United States and Waterton National Park of Canada.

Glacier Park International Airport is serviced by Delta/Skywest Airlines, Allegiant Air, Horizon Air/Alaska Airlines and United Airlines. There is a train depot in Whitefish that is a stop for Amtrak. The Burlington Northern Santa Fe Railroad freight trains run through Whitefish, Columbia Falls and Kalispell.

City and Communities

The larger cities and communities in Flathead County are summarized on the table below;

FLATHEAD COUNTY - CITIES AND COMMUNITIES				
	Population		% Change 2000 - 2010	Market Overview
	2000 Censu	2010 Censu		
Kalispell	14,223	19,927	40.1%	County Seat. Regional Business Center including Medical Center, Retail Hub & Community College. Centrally located with convenient access to many recreational opportunities.
Columbia Falls	3,645	4,688	28.6%	Gateway to Glacier National Park. Located along Flathead River. Historically industrial in nature. Meadow Lake Resort is located in Columbia Falls.
Whitefish	5,032	6,357	26.3%	Resort community located near Whitefish Lake, Whitefish River and Whitefish Mountain Ski Resort. Population increases in summer due to numerous vacation and second home owners.
Evergreen	6,215	7,616	22.5%	Unincorporated area adjacent to the city limits of Kalispell. Area consists of residential, retail and light industrial type properties.
Somers and Lakeside Area	2,235	3,778	69.0%	Communities located along Flathead Lake primarily bedroom communities for Kalispell. Population increases in summer months due to numerous vacation and second home owners.
Bigfork Area	1,421	4,270	200.5%	Resort community located along Flathead Lake featuring numerous restaurants, specialty shops, art galleries and a theater. There is an 18 hole championship golf course in this area. Main economic base is tourism.

BIGFORK ECONOMIC DATA

The subject properties have Bigfork addresses but are outside of Bigfork “proper”. Bigfork is an unincorporated community located in the southern portion of Flathead County along the shores of Flathead Lake. Bigfork was founded in 1901 and is considered a resort and retirement community with tourism as the main economic base. The “Village of Bigfork” is situated along the bay of the Swan River as it flows into Flathead Lake. The western style village is comprised of restaurants offering casual and fine dining, bars, unique retail shops, and art galleries. The Bigfork Summer Playhouse located on Electric Avenue is considered one of the Northwest’s finest repertory theaters. Area services include schools, banks, restaurants, hotels, grocery stores, churches, clinics and retail and service type businesses.



Recreation

The Bigfork area provides outdoor enthusiasts with an abundance of nature and recreational activities. Flathead Lake is a significant attraction for tourists and Montana residents. The lake is 28 miles long



and up to 15 miles wide. Water activities on Flathead Lake include; fishing, cruises, sailing, boating and water sports. The Swan River is known for fly fishing, whitewater rafting and kayaking. Echo Lake and Swan Lake are smaller freshwater lakes located near Bigfork. Nearby mountains provide opportunities for hiking, camping, biking, snowmobiling and snow skiing. Wilderness areas located near Bigfork include Glacier National Park, the Swan Wilderness, Jewel Basin, and Bob Marshall Wilderness which offer many recreational opportunities. Whitefish Mountain Resort and Blacktail Ski

Resort are close by and offer winter activities including snowboarding, downhill and cross-country skiing. The Eagle Bend Golf Course is a semi-private 27-hole championship course available for the golf enthusiasts.

Population and Income

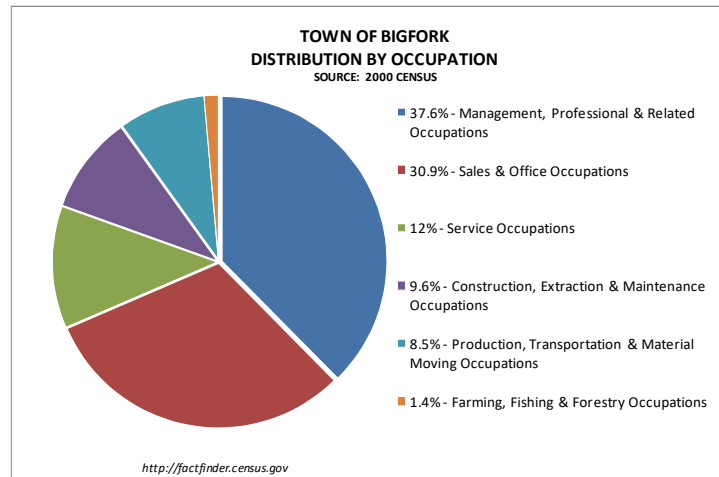
According to the 2000 US Census, the population of the Bigfork Census Designated Place boundaries was 3,608, and the population increased to 4,270 by the 2010 US Census. This indicates an annual rate of change in population from 2000 to 2010 of +1.83% per year. Current estimates (2018) put the population at 5,155, which is a 20.7% increase from 2010. The ESRI forecast projects the population to increase to 5,752 by 2023, representing an 11.6 % increase over the next five years.

According to ESRI forecasts based upon US Census data, the median household income in Bigfork was approximately \$55,322 in 2018 and is projected to increase significantly to \$71,846 by 2023,

representing a 29.9% increase over the next five years. This compares with Flathead County, which had an estimated median household income of \$52,031 in 2018, with a projected increase to \$58,765 by 2023, which represents a 12.9% increase.

Employment

Major employment is in the nearby cities of Kalispell, Columbia Falls, and Whitefish. Local business such as restaurants, retail businesses and hotels employ seasonal workers during the summer months. Eagle Bend Golf Club and Marina Cay are two of the larger area employers with a high number of seasonal workers. The occupations with the greatest number of workers in the Bigfork area are management, professional and related occupations (37.6%), and sales and office occupations (30.9%). The chart provided depicts the distribution of occupations in Bigfork.



Linkages and Transportation

Montana Highway 35 is the main corridor through Bigfork running along the east shores of Flathead Lake connecting Columbia Falls and Kalispell to Polson and Missoula (located in Lake and Missoula counties respectively). MT Highway 35 connects with US Highway 2 which provides access to Glacier National Park situated approximately 45 miles north of Bigfork. Montana Highway 35 intersects with Montana Highway 82 which travels along the north end of Flathead Lake and intersects with US Highway 93 which provides access to Kalispell and Whitefish.

Commercial Real Estate

Since the economy in Bigfork is tied to tourism and the second home market, most businesses in the Bigfork Village fluctuate based upon the overall health of these market segments. There was increased commercial development in the Village between 2003 and 2006 compared to prior years. Several buildings on or near Electric Avenue were renovated or demolished. The demolished improvements were replaced with new buildings containing retail and office space.

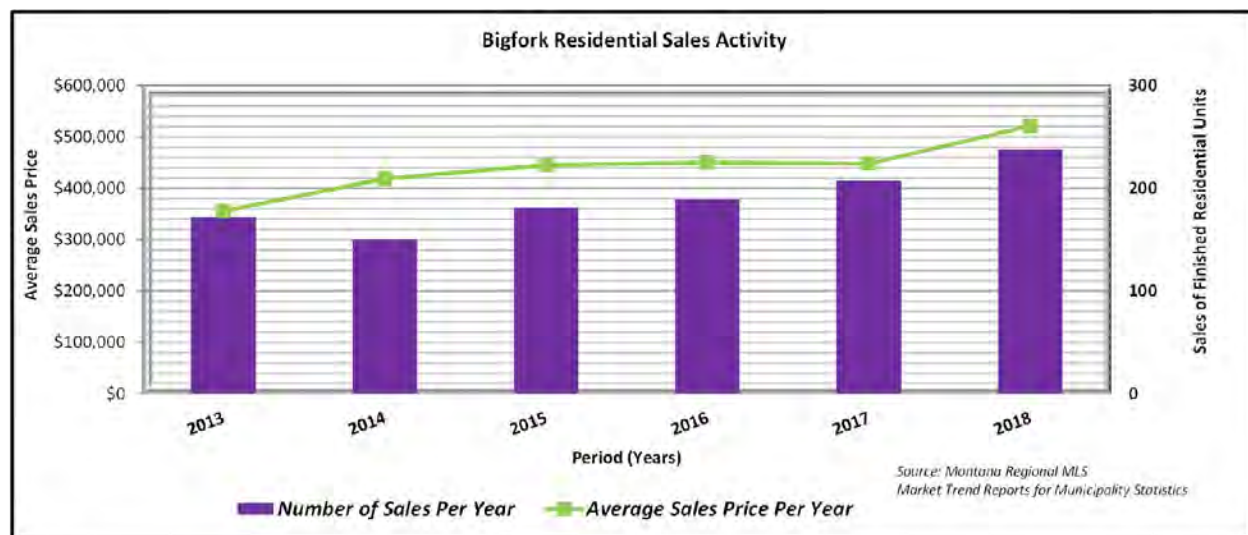
Improved commercial properties along the Montana Highway 35 corridor includes neighborhood shopping centers, a grocery store, bank branches, convenient stores, hotels, specialty shops, professional offices, restaurants and retail/service type businesses. Commercial properties located south of the village on Montana Highway 35 include hotels, professional offices, restaurants, churches, specialty shops and retail/service type businesses. A brewery/restaurant completed in 2015 just outside of the Village of Bigfork along Holt Drive near the intersection of Holt Drive and Montana Highway 35.

Commercial new construction in Bigfork slowed during and in the years following the national recession. More vacancies in new commercial buildings were noted during the years following the recession than in prior years. The commercial market in Bigfork appears to be improving.

Residential Real Estate

Bigfork is best described as a resort and bedroom community. Many area homes are second or vacation homes. As with commercial development, residential development (specifically residential subdivision development and construction of new residential condominium units) increased substantially between 2003 and 2006. Also, as with commercial development, construction began slowing in 2007 as signs of overbuilding and decreased demand became evident. Market conditions for residential properties in Bigfork declined as a result of oversupply and the national recession. However, market conditions for the residential market in Bigfork have rebounded in recent years.

The chart below includes sales volume and sales price for single family residences in Bigfork. Average home sales prices and sales volume have increased since 2013. The average residential sales price has increased each year since 2013 and annual demand has increased each year since 2014.



Conclusion

There are relatively few large employers in Bigfork, and the year-round population is fairly small. Much of the commercial development during the past decade was tied to real estate and new subdivision development. Businesses occupying space related to real estate in area buildings included real estate agencies, builders, and architects. The slowdown in the residential real estate market negatively affected the area commercial market.

The Bigfork area will likely continue to be an attractive destination for second home buyers and retirees due to the proximity of Flathead Lake and the abundance of recreational opportunities. The second home market is tied to the national economy. The national second home market has been improving over the past several of years. Market conditions are forecasted to continue to improve in Bigfork.

SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS

(Page 1 of 6)

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

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

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board), and the Department of Natural Resources and Conservation (DNRC). The intended users are State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), and Lessees Richard D. & Deborah Ellen Northcott; Kevin & Jeannette Zemp; Leisha & Ronald Cook; Ryan James; and Randall Fitzner. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject properties and is intended for use in the decision-making process concerning the potential sale of said subject properties.

DEFINITIONS:

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

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

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

PROPERTY RIGHTS APPRAISED:

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

EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:

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

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:

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

The legal descriptions and other characteristics of the Lessee's property that are known by the Lessee will be provided to the appraiser. However, the appraiser should verify, as best as possible, any information provided. Further, should any adverse conditions be found by the appraiser in the course of inspecting the property, or

through researching information about the property, neighborhood and market, those conditions shall be communicated to the clients and may change the scope of work required.

ASSIGNMENT CONDITIONS:

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

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

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

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

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

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

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

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

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

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

1. Include a total market value of the property, with the hypothetical condition that land and improvements are in fee simple ownership, with one owner.
2. Include a separate market value for the state-owned cabin or home site (land), under the hypothetical condition of it being vacant raw land exclusive of real property improvements.

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

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

Supplemental Appraisal Instructions: 2019 Echo Lake Appraisals

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

Subject Properties Located in Flathead County:

Sale #	Acres	Legal Description
976	1.124 ±	Lot 8, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
977	4.537 ±	Lot 25, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
978	1.434 ±	Lot 28, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
979	1.471 ±	Lot 35, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
980	1.485 ±	Lot 36, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
981	0.327 ±	Lot 3, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
982	1.124 ±	Lot 17, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County
801	1.866 ±	Lot 31, Echo Lake, COS 18885, T27N-R19E, Sec. 5 Flathead County

DNRC Contact Information:

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

Lessees:

(see DNRC contact for lessee information)

Sale 978 Richard D. & Deborah Ellen Northcott	Sale 977 Kevin & Jeannette Zemp	Sale 978 Leisha & Ronald Cook	Sale 979 Ryan James
Sale 980 Randall Fitzner	Sale 081 DNRC	Sale 082 DNRC	Sale 801 DNRC

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

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

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

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

FLATHEAD COUNTY SALES



Echo Lake
T27N-19W, Sec. 5, Flathead County

