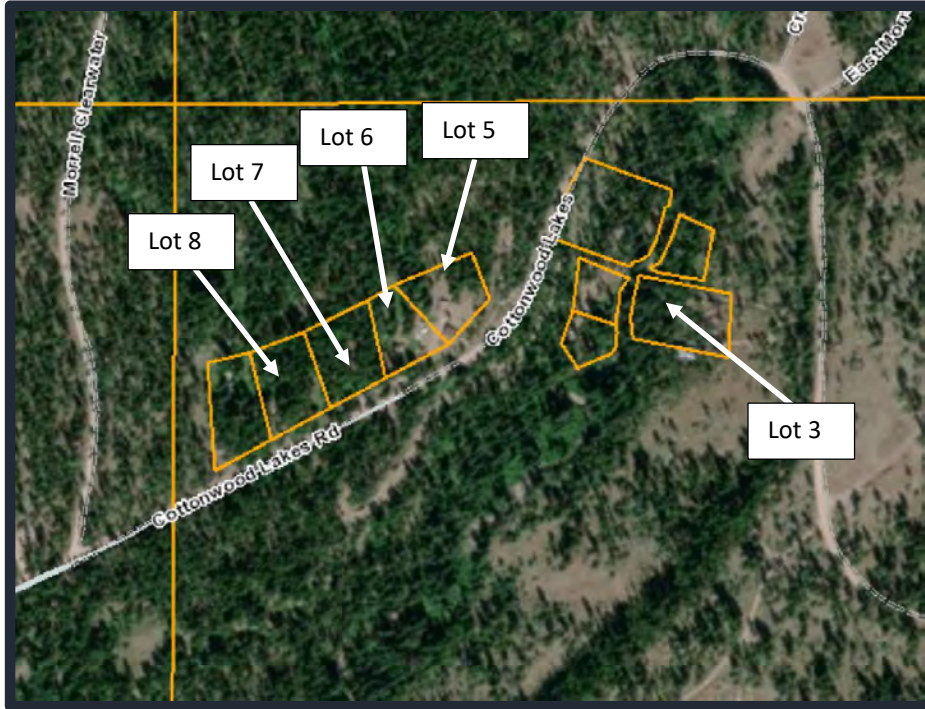


APPRAISAL REPORT OF:

**LOTS 3, 5, 6, 7, & 8 OF COS # 660RT
SEELEY LAKE, POWELL 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. Renee Kelley, Program Specialist**

MARKET VALUES AS OF:

July 14, 2020

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

September 18, 2020

Ms. Renee Kelley, Program Specialist
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, 5, 6, 7 & 8, COS #660RT, Section 36, Township 17 North, Range 15 West, Seeley Lake, Powell County, Montana

Dear Ms. Kelley:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on July 14, 2020. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. The property viewings, reviews, and analyses were made in order to prepare the attached summary appraisal report.

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

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

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


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

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

20-045ec

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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	Conclude Market Values/Potential Sale Purposes
Property Owner(s)	Sites: State of Montana/Improvements: Individual Lessees

SUBJECT PROPERTY

Property Identifications	Lots 3, 5, 6, 7 & 8 of COS #660RT, Section 36, Township 17 North, Range 15 West, Powell County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-077-0001.00
Flood Zone	Map Not Printed, FEMA Map Panel 3000590325B, Dated 4/15/1981
Zoning	District No. 3 (160 Acre Minimum Residential Lot Size)

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	September 18, 2020
Inspection Date(s)	July 14, 2020
Effective Date of Value(s)	July 14, 2020
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 125 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 125 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 125 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 the subject properties, as improved, are based upon a 4 to 6 month marketing and exposure times. Estimated marketing and exposure times are addressed in detail in the Subject Market Analysis portion of this report.

APPRAISER INFORMATION

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

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions, and conclusions.
- Elliott M. Clark, MAI and Christopher D. Clark have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- Clark Real Estate Appraisal has performed no services, as appraisers or in any other capacity, regarding the subject properties 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: September 18, 2020
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: September 18, 2020
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, 5, 6, 7, and 8 of COS #660RT, Morrell Creek, Seeley Lake, Powell County, Montana.

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

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

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on July 14, 2020. We measured the improvements on the subject lots and walked the lots.

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, Powell County Records, and the area Multiple Listing Service.

Area trends in development were researched based upon information from various offices of Powell and Missoula Counties; 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 2020-2021 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 2020-2021 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.

Use of **Hypothetical Conditions** can affect assignment results.

Highest & Best Use

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

Appraisal Process

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

All three approaches to value were considered for the valuation of the subject properties as improved. Most market participants interested in purchasing 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 values of 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 properties will be reported and any impact on the values will be discussed.

General Data Sources

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

- Powell County – Various Offices
- Missoula 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	1087	660RT	S36/T17N/R15W	Powell
5	1088	660RT	S36/T17N/R15W	Powell
6	1089	660RT	S36/T17N/R15W	Powell
7	1090	660RT	S36/T17N/R15W	Powell
8	1091	660RT	S36/T17N/R15W	Powell

INTENDED USE & INTENDED USERS OF THE APPRAISAL

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

Lot #	Sale #	Lessee
3	1087	Diane M. McKay
5	1088	Timothy D. Hoag
6	1089	Macintosh Realty, LLC
7	1090	Robin Rau et al.
8	1091	Thomas & Sandra Knuchel

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

July 14, 2020

EFFECTIVE DATE OF MARKET VALUES

July 14, 2020

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.

DEFINITIONS OF MARKET VALUE

At the request of the client, the following definitions of market value are utilized in this report.

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
- (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.

Current Fair Market Value as defined in MCA 70-30-313 is the price that would be agreed to by a willing and informed seller and buyer, taking into consideration, but not limited to, the following factors:

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

¹ Office of the Comptroller of the Currency - Comptroller's Manual for National Banks, March 1990, 12CFR, Section 34.42h

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 available online via Powell County, Montana are identified below;

Lot #	Sale #	Lessee	Last Transfer Document
3	1087	Diane M. McKay	Unknown
5	1088	Timothy D. Hoag	Unknown
6	1089	Macintosh Realty, LLC	Unknown
7	1090	Robin Rau et al.	Unknown
8	1091	Thomas & Sandra Knuchel	Unknown

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. Homes were constructed on all of the subject lots. The house construction date and any recent listing information for the improvements via the area MLS for each property are below;

Lot #	Sale #	House Built	Listing History of Improvements via Area MLS
3	1087	2004	N/A
5	1088	1978 (Updated)	N/A
6	1089	1988	N/A
7	1090	1940	N/A
8	1091	1956	N/A

According to our research, none of the improvements on the subject lots were available for sale via the area MLS as of the report effective date.

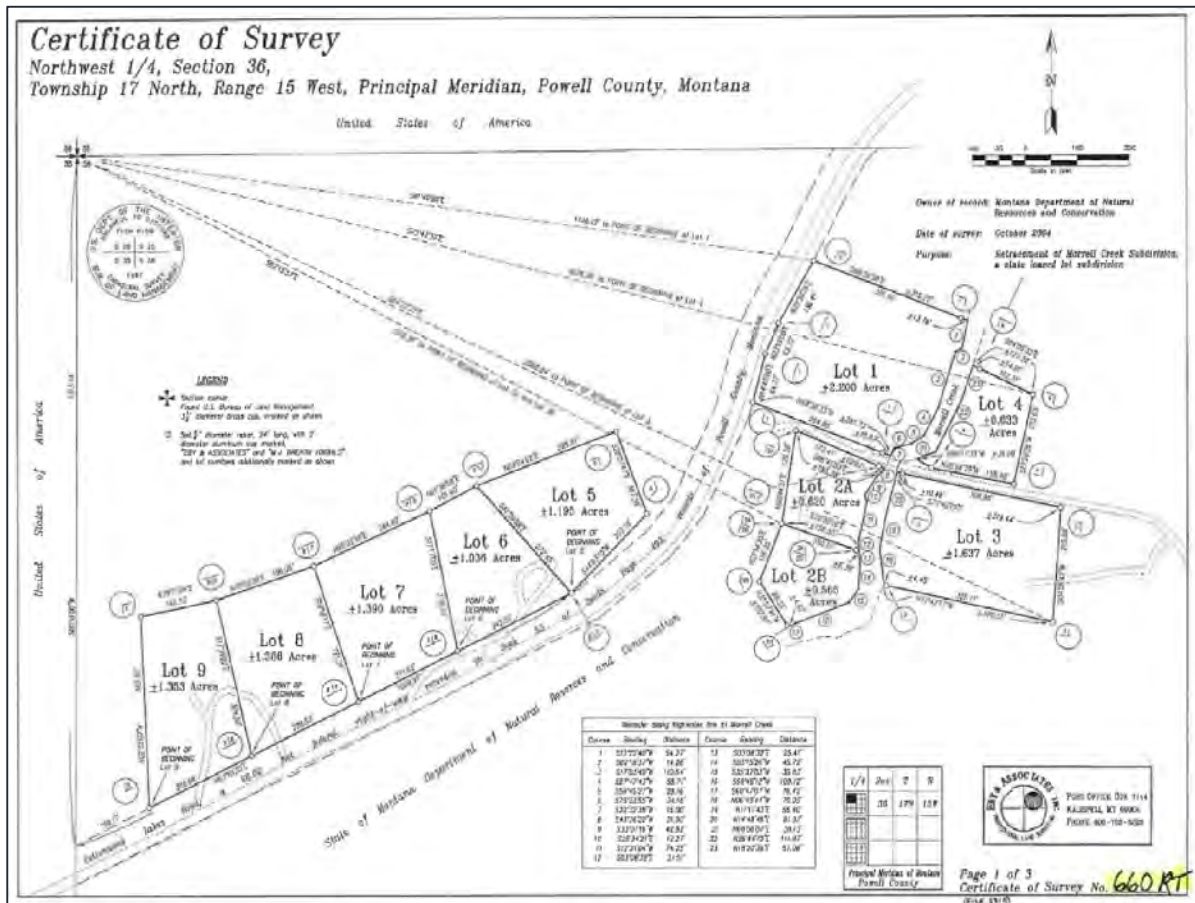
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Lots 3, 5, 6, 7 & 8 of Certificate of Survey #660RT in Section 36, Township 17 North, Range 15 West, in Powell County, Montana. The subject site sizes are below;

Lot #	Sale #	Gross Acres
3	1087	1.637
5	1088	1.195
6	1089	1.036
7	1090	1.390
8	1091	1.386

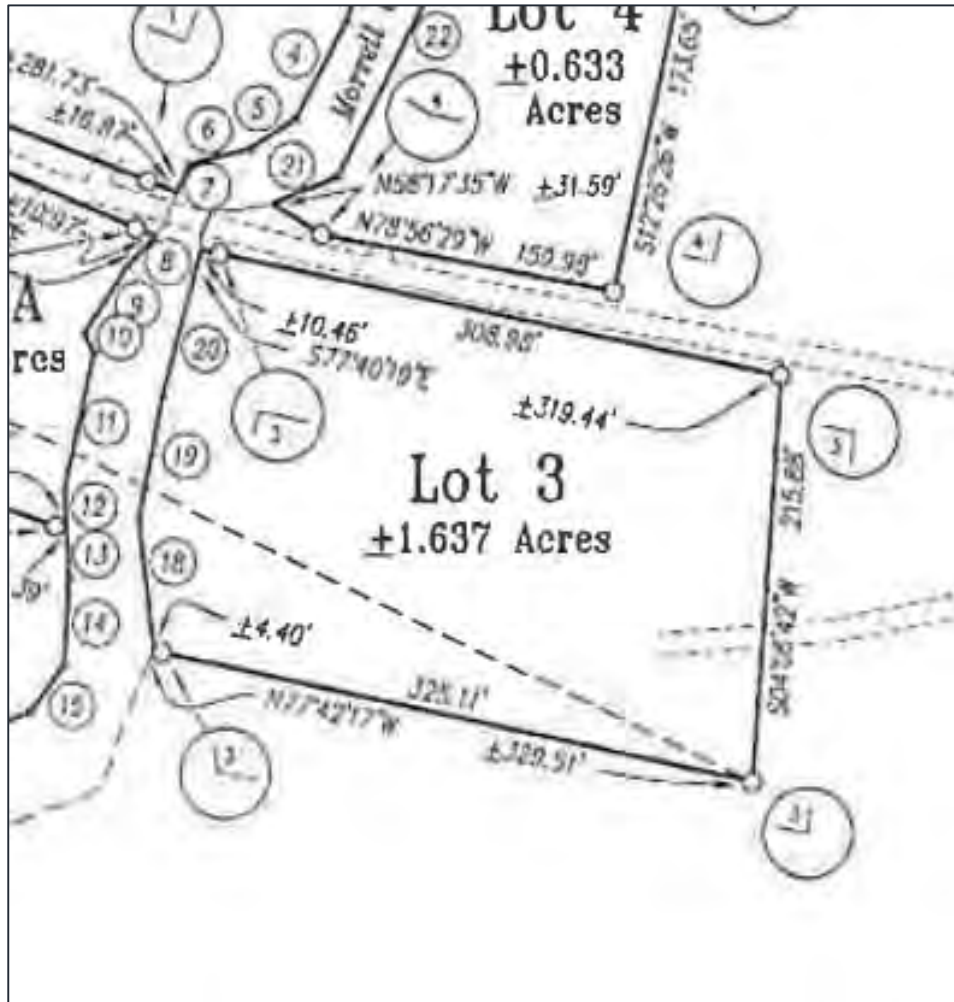
Page 1 of Certificate of Survey No. 660RT depicting all five subject lots is below;



Enlarged views of each site as part of COS #660RT are included on the following pages.

LOT 3

Enlarged View of Page 1 of COS #660RT



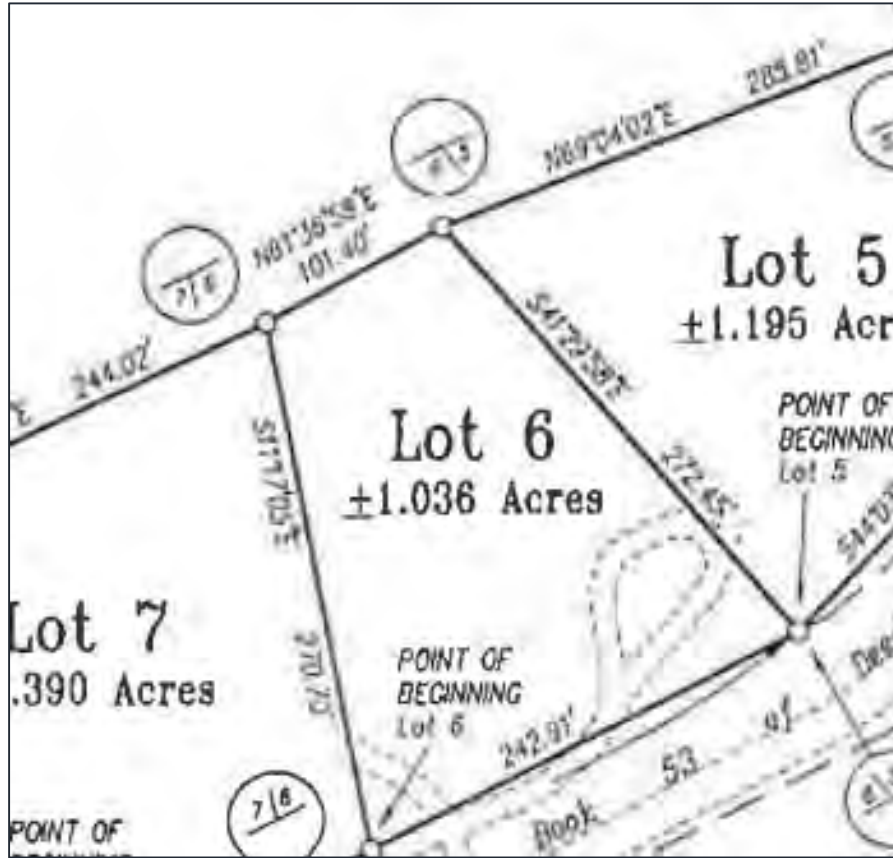
LOT 5

Enlarged View of Page of COS #660RT



LOT 6

Enlarged View of Page 1 of COS #660RT



LOT 7

Enlarged View of Page 1 of COS #660RT



LOT 8

Enlarged View of Page 1 of COS #660RT



ACCESS AND VIEWS

The subject properties have vehicular access from driveways or roads off of Cottonwood Lakes Road. Access and water frontage for each site is described on the table below;

Lot #	Sale #	Lessee	Address	Water Frontage	Access
3	1087	Diane M. McKay	359 Highlander Hollow Way	217.82 Feet of Frontage Along Morrell Creek	Driveway from Cottonwood Lakes Road
5	1088	Timothy D. Hoag	18290 Cottonwood Lakes Rd	None	Driveway from Cottonwood Lakes Road Across Adjacent Lot 6
6	1089	Macintosh Realty, LLC	18294 Cottonwood Lakes Rd	None	Driveway from Cottonwood Lakes Road (Driveways for Lots 5 and 7 Cross this Lot)
7	1090	Robin Rau et al.	18340 Cottonwood Lakes Rd	None	Driveway from Cottonwood Lakes Road Across Adjacent Lot 6
8	1091	Thomas & Sandra Knuchel	18414 Cottonwood Lakes Rd	None	Driveway from Cottonwood Lakes Road

Vehicular access to all five subject properties is seasonal. The subject portion of Cottonwood Lakes Road is not maintained in the winter.

IMPROVEMENTS

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

Sale #	1087
Lot #	3
Residence SF	1,960
Construction Type	Log Construction
Foundation	Piers
Quality	Average
Condition	Average
Year Built	2004
# of Bedrooms	0
# of Bathrooms	0
Porches	None
Outbuildings	170 SF Greenhouse, 64 SF Outhouse with Shower, 240 SF Storage Building, 144 SF Storage Building, 2309 SF Storage Building, 1112 SF Storage Building, & 315 SF Open Storage
Well/Septic	None/None
Landscaping	Landscaping/Pond

Sale #	1088
Lot #	5
Residence SF	960
Construction Type	Wood Frame
Foundation	Concrete
Quality	Average
Condition	Good
Year Built	1978 (Updated in Past 4-5 Years)
# of Bedrooms	2
# of Bathrooms	1
Porches	200 SF Patio/ 30 SF Covered Stoop
Outbuildings	245 SF Attached Garage, 1,200 SF Detached Garage (with 390 SF Finished Apartment), & 49 Sf Greenhouse
Well/Septic	Shallow Well/Septic
Landscaping	Lawn

Sale #	1089
Lot #	6
Residence SF	1,527
Construction Type	Cob Construction
Foundation	Concrete
Quality	Average
Condition	Average
Year Built	1988
# of Bedrooms	3
# of Bathrooms	1
Porches	331 Sf Deck
Outbuildings	108 SF Pump House & 560 Sf Storage Building
Well/Septic	Well/Septic
Landscaping	Lawn

Sale #	1090
Lot #	7
Residence SF	1,451
Construction Type	Wood Frame
Foundation	Pier
Quality	Average
Condition	Average
Year Built	1940
# of Bedrooms	2
# of Bathrooms	0
Porches	399 SF Deck & 178 SF Deck
Outbuildings	153 SF Pole Building, 200 SF Storage Building, 2 Outhouses, & 192 SF Shed
Well/Septic	Sahllow Well/None
Landscaping	Lawn

Sale #	1091
Lot #	8
Residence SF	376
Construction Type	Log Construciton
Foundation	Piers
Quality	Average
Condition	Average
Year Built	1956
# of Bedrooms	1
# of Bathrooms	0
Porches	126 Sf Screened Porch
Outbuildings	30 SF Outhouse
Well/Septic	None/None
Landscaping	None

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

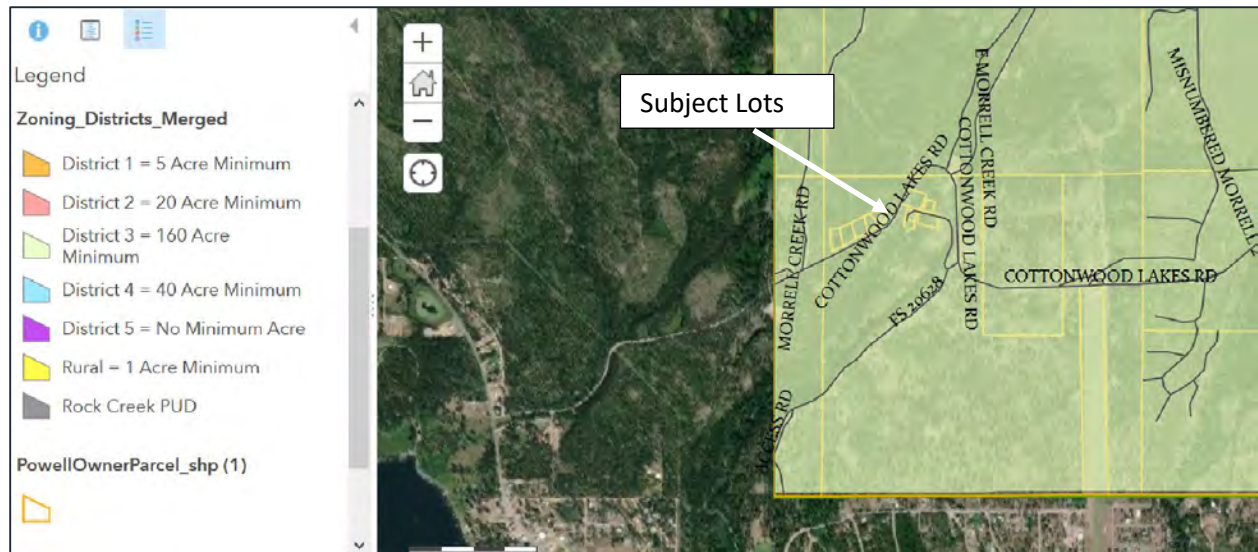
Reservations and encumbrances affecting the subject lots provided by Montana DNRC are on the table below;

Lot #	Sale #	Lessee	Address	Access	Easement Affecting Property
3	1087	Diane M. McKay	359 Highlander Hollow Way	Driveway from Cottonwood Lakes Road	Easement to Northern Pacific Railway for a Road
5	1088	Timothy D. Hoag	18290 Cottonwood Lakes Rd	Driveway from Cottonwood Lakes Road Across Adjacent Lot 6	Easement to Northern Pacific Railway for a Road
6	1089	Macintosh Realty, LLC	18294 Cottonwood Lakes Rd	Driveway from Cottonwood Lakes Road (Driveways for Lots 5 and 7 Cross this Lot)	Easement to Northern Pacific Railway for a Road & Easements for Ingress and Egress Including Utilities for the Benefit of Lots 5 & 7
7	1090	Robin Rau et al.	18340 Cottonwood Lakes Rd	Driveway from Cottonwood Lakes Road Across Adjacent Lot 6	Easement to Northern Pacific Railway for a Road
8	1091	Thomas & Sandra Knuchel	18414 Cottonwood Lakes Rd	Driveway from Cottonwood Lakes Road	Easement to Northern Pacific Railway for a Road

The easements and Rights-of-Way associated with the Subject Lots 3, 4, 5, 7 and 8 are typical for similar area properties and are not considered to have an impact on marketability. The driveway easements for Subject Lot 6 are considered to negatively impact the marketability of this property. If additional easements, restrictions, or encroachments other than those noted in this report are present on the subject properties, the values concluded in this report may be affected.

ZONING

The subject properties are in District No. 3 (160-acre minimum residential lot size) for Powell County. New lots created for residential uses shall be 160 acres or larger. This is a land use district of predominately agricultural and timber operations, outdoor recreational activities and low density residence use. Residential developments that are not consistent with agricultural or timber operations are discouraged. A map depicting the zoning for the subject properties is below.



Permitted land uses (no Development Certificate required) in this district are; agricultural uses, residential accessory structures and agricultural accessory structures, and home occupation.

The only permitted land use requiring a Development Certificate in this district is for a single family residential structure with expansion of existing non-residential uses by less than ½ larger than the original permitted use.

Conditional land uses (CUP required) are; new non-residential uses or expansion of such uses, expansion of existing nonresidential structures or uses by more than ½ except for agricultural accessory structures, multi-family dwelling units, and more than one new residential structure on one parcel.

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 2018 taxable market values as determined by the Montana Department of Revenue were provided by MT DNRC and are included on the table below for information purposes.

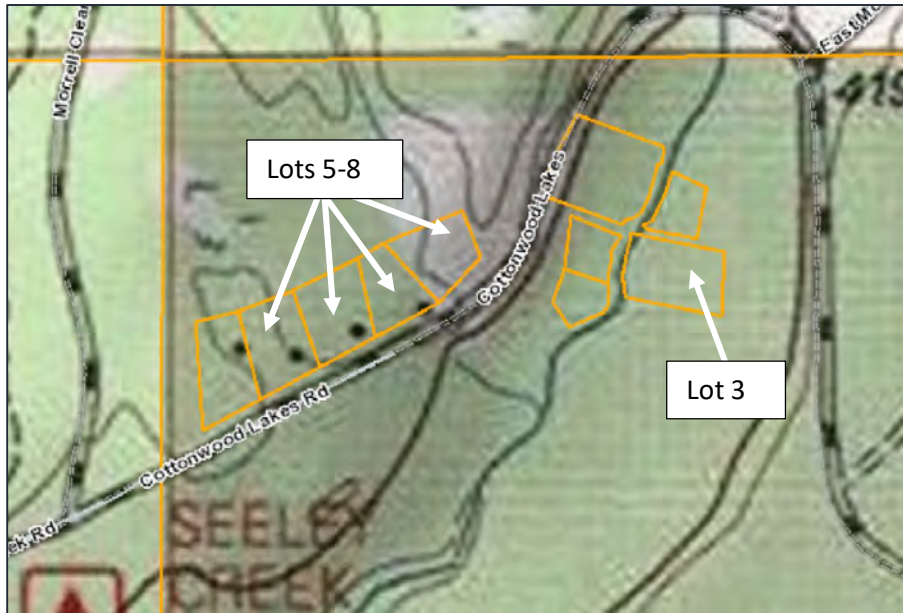
The improvements on each site are taxable. The 2020 taxable market values for the **subject improvements** (as per the Montana Department of Revenue) are on the table below;

Tax Information						
Sale #	Lot #	Lessees	2018 Taxable Market Value for Site as Vacant	Assessor # for Improvements	2020 Taxable Market Value for Improvements	2019 Tax Bill Amount for Improvements
1087	3	Diane M. McKay	\$22,465	0000300110	\$52,620	Not Available
1088	5	Timothy D. Hoag	\$18,731	0000302700	\$82,220	Not Available
1089	6	Macintosh Realty, LLC	\$17,249	0000310900	\$138,480	Not Available
1090	7	Robin Rau et al.	\$20,440	0000316700	\$132,280	Not Available
1091	8	Thomas & Sandra Knuchel	\$20,406	0000311100	\$45,050	Not Available

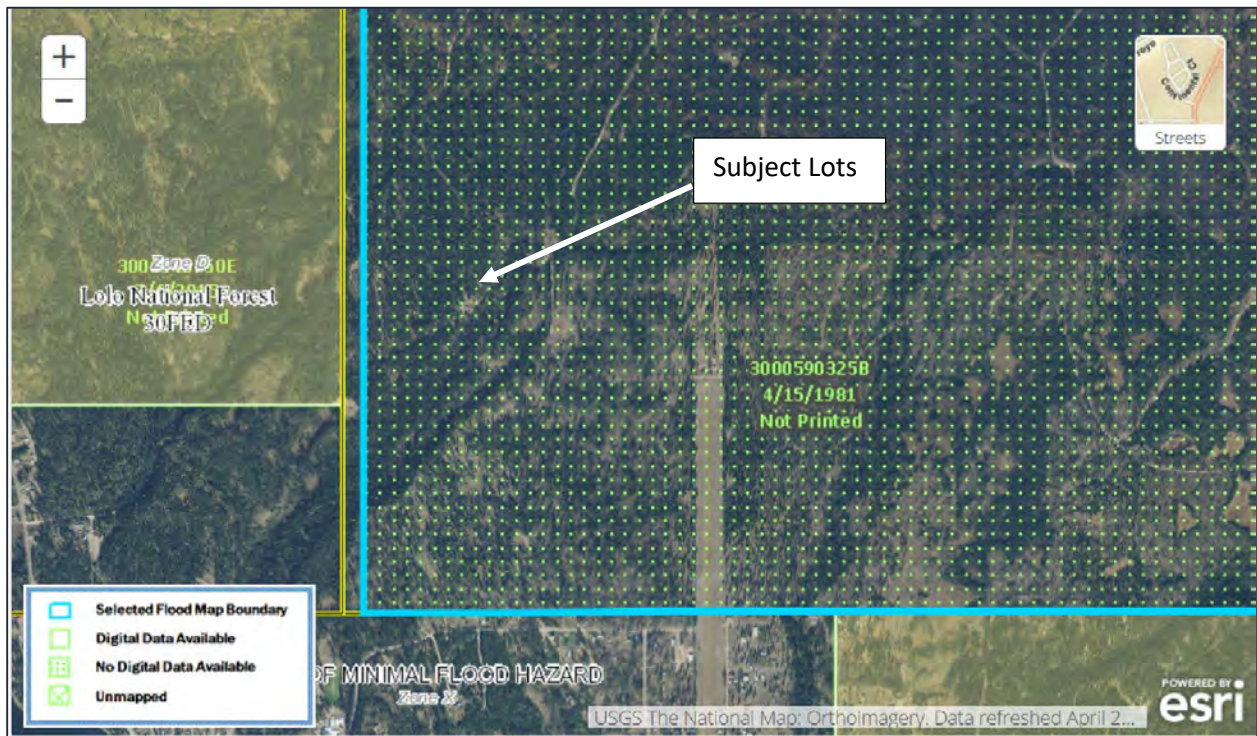
Copies of the most recent tax bills for the improvements on the subject lots were not available online via Powell County, Montana.

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

A topographic map from the Montana Department of Revenue Cadastral Mapping depicting the subject lots is on the following page.



According to FEMA, the flood map is not printed for the subject property.



The subject lots include native vegetation and/or some landscaping.

We have not been provided with a soil study for the subject sites. We assume the soil can accommodate the type of construction, which is typically seen in the subject area. We have not been

provided with environmental audits for the subject sites and assume there are no toxic or hazardous materials and no groundwater contamination on or in the subject lots. Should any of these conditions be present, the values concluded in this report may be affected.

UTILITIES

The subject lots have no 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
1087	3	Diane M. McKay	No	None	None
1088	5	Timothy D. Hoag	Yes	Well (Shallow)	None
1089	6	Macintosh Realty, LLC	Yes	Well	Yes (2)
1090	7	Robin Rau et al.	No	Well (Shallow)	Yes (1)
1091	8	Thomas & Sandra Knuchel	No	None	Yes (1)

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

The subject lots are legally and physically suited for residential improvements assuming septic systems are permissible.

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 3 BUILDING SKETCH (PAGE 1)

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.:			
Property Address: Morrell Creek Cabin Site #3				
City: Seeley Lake	County: Powell	State: MT	zipCode: 59858	
Owner:				
Client: MT DNRC	Client Address:			
Appraiser Name: Clark Real Estate Appraisal	Inspection Date:			

SKETCH

Sketch by Apex Sketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	1148.2	138.3	1148.2		
GLA2	2nd Floor	1.0	546.4	94.8	546.4		
GLA4	Loft	1.0	265.0	66.5	265.0		
OTH	Greenhouse	1.0	170.0	54.0	54.0		
	Outhouse	1.0	64.0	32.0	64.0		
<div style="display: flex; justify-content: space-between; align-items: center;"> Net LIVABLE cnt 3 (rounded) 1,960 </div>						COMMENT TABLE 2	
						COMMENT TABLE 3	

 © Starcorp Marketing, LLC, dba Apex Software Page 1

BUILDING SKETCH (PAGE 2)

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.:				
Property Address: Morrell Creek Cabin Site #3					
City: Seeley Lake	County: Powell	State: MT	ZipCode: 59868		
Owner:					
Client: MT DNRC		Client Address:		Inspection Date:	
Appraiser Name: Clark Real Estate Appraisal					
SKETCH					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA5	Storage Bldg.	1.0	240.0	76.0	
	Storage Bldg.	1.0	144.0	52.0	
	Storage Bldg.	1.0	2309.0	195.0	
	Storage Bldg.	1.0	1112.0	144.0	3805.0
GAR	Open Storage	1.0	315.0	88.0	315.0
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		
Net BUILDING		cnt.	4 (rounded)	3,805	

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SUBJECT PHOTOGRAPHS



Front of Residence on Lot 3



South Side of Residence



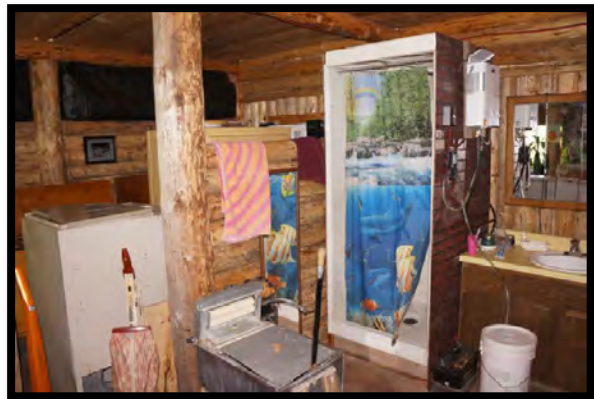
East Side of Residence



West Side of Residence



Living Room



Bathroom

ADDITIONAL PHOTOGRAPHS



Kitchen



Loft



Main Floor from Loft



Outhouse



Outhouse Interior



Storage Building

ADDITIONAL PHOTOGRAPHS



North Side of Storage Building



Greenhouse



Storage Building



Storage Building



Storage Building



Landscaping

ADDITIONAL PHOTOGRAPHS



Pond



Landscaping



Firepit



Propane Tanks



Morrell Creek Looking South



Morrell Creek Looking North

ADDITIONAL PHOTOGRAPHS



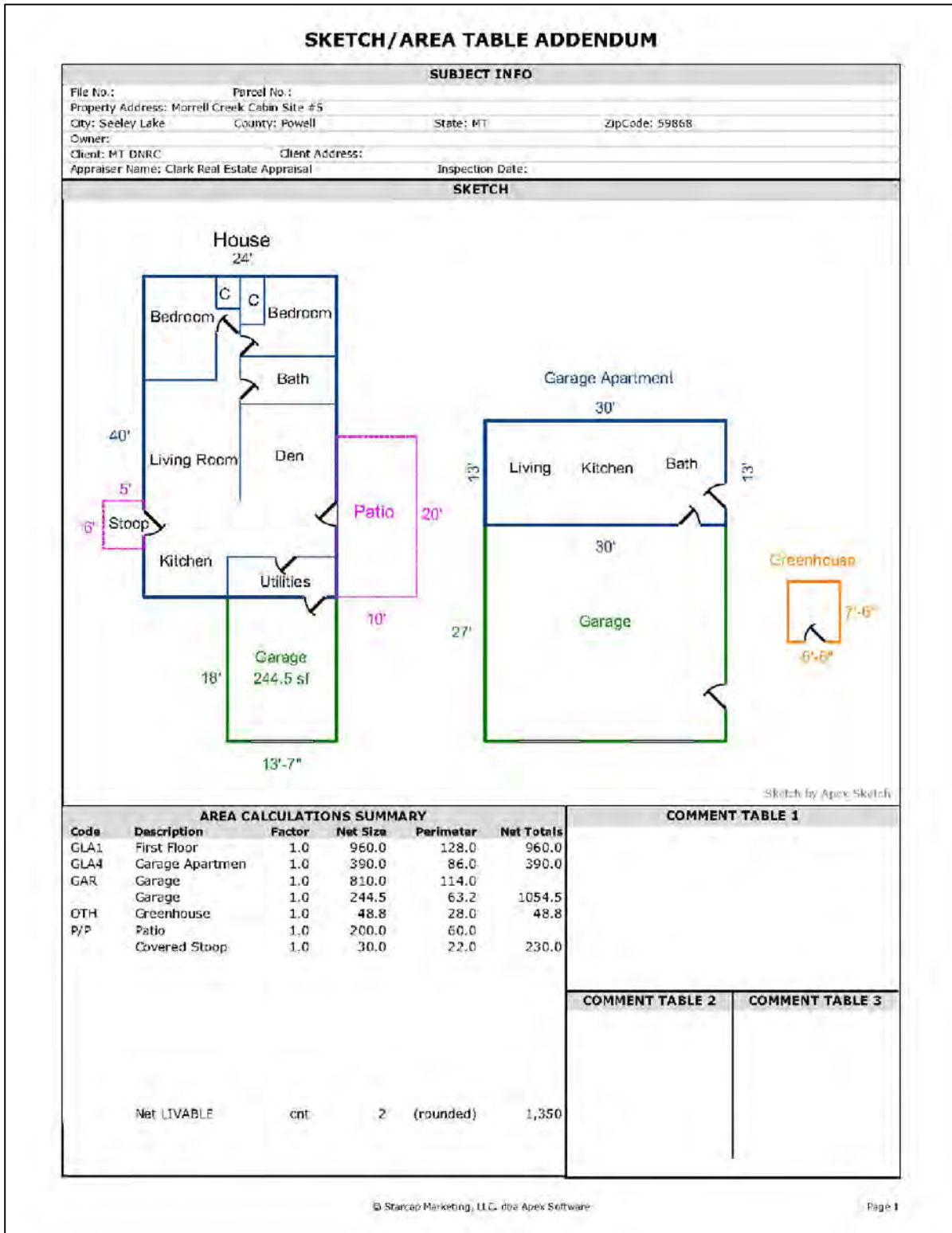
Cottonwood Lakes Road Looking East



Cottonwood Lakes Road Looking West

LOT 5

BUILDING SKETCH



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Page 1

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 5



West Side of Residence and Garage



East and North Sides of Residence



South Side of Residence



Living Room



Woodstove in Living Room

ADDITIONAL PHOTOGRAPHS



Kitchen



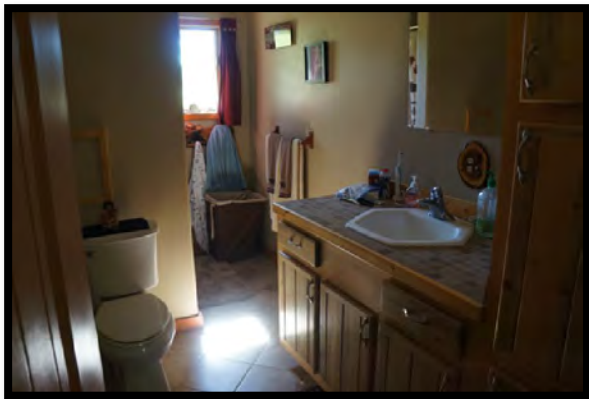
Den



Bedroom



Bedroom



Bathroom



Utility Room

ADDITIONAL PHOTOGRAPHS



Detached Garage/Apartment



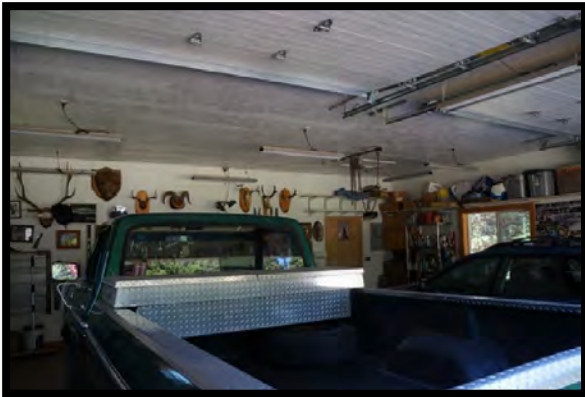
West Side of Detached Garage Building



South Side of Garage/Apartment



East Side of Garage/Apartment



Detached Garage Interior



Garage Apartment Kitchen

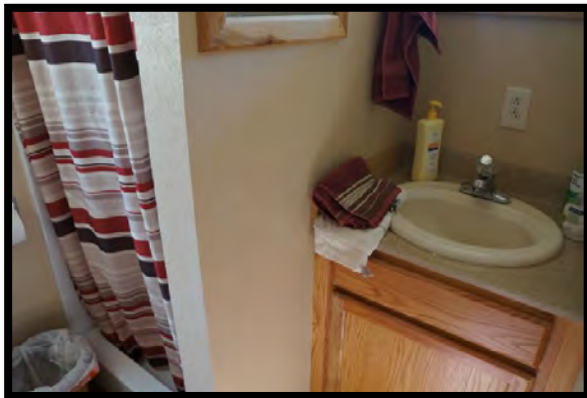
ADDITIONAL PHOTOGRAPHS



Garage Apartment Living Area



Garage/Apartment Bathroom



Garage Apartment Bathroom



Firepit on Lot 5



Lot 5 and Views Looking Southeast



Lot 5 Interior

ADDITIONAL PHOTOGRAPHS



Views from Lot 5 Looking Southeast



Southwest Property Boundary Marker Looking North



View East along South Property Boundary



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



Northeast Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northwest Property Boundary Marker



Shared Driveway Looking West toward Lot 6



Shared Driveway Looking East toward Lot 5



Lots 5 & 6 from Driveway Entrance at Cottonwood Lakes Rd.



Lot 5 and Improvements from Driveway

ADDITIONAL PHOTOGRAPHS



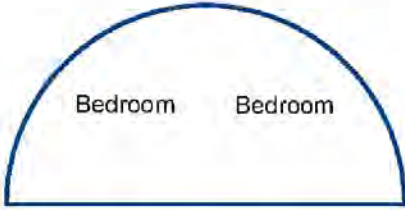



Cottonwood Lakes Road Looking East



Cottonwood Lakes Road Looking West

LOT 6 BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.:				
Property Address: Morrell Creek Cabin Site #6					
City: Seeley Lake	County: Powell	State: MT	ZipCode: 59868		
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date:		
SKETCH					
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p>2nd Floor</p>  </div> <div style="text-align: center;"> <p>9' 12'</p>  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="text-align: center;"> <p>Main Floor</p>  </div> <div style="text-align: center;"> <p>16' 35'</p>  </div> </div> <p style="text-align: right; font-size: small;">Sketch by Apex Sketch</p>					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA4	Pump House	1.0	108.0	42.0	108.0
GBA5	Storage Bldg.	1.0	560.0	102.0	560.0
GLA1	First Floor	1.0	1017.9	113.1	1017.9
GLA2	2nd Floor	1.0	508.9	92.5	508.9
P/P	Deck	1.0	331.1	144.5	331.1
Net LIVABLE		cnt	2	(rounded)	1,527
Net BUILDING		cnt	2	(rounded)	668
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		

SUBJECT PHOTOGRAPHS



Front of Residence on Lot 6



North Side of Residence



Rear of Residence



Living Room



Kitchen



Living Room, Dining Area, and Woodstove

ADDITIONAL PHOTOGRAPHS



Bedroom



Bathroom



Bathroom



Closet



Woodstove



Stairs to Second Floor

ADDITIONAL PHOTOGRAPHS



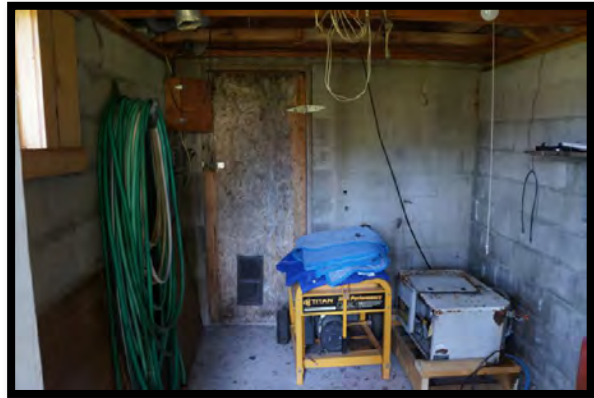
2nd Floor Bedroom



Second Floor Bedroom



Pump House



Pump House Interior



Garage/Storage Building



Garage/Storage Building

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



View North along Approximate West Boundary



View East along Approximate South Property Boundary



Southeast Property Boundary Marker Looking North



Northeast Property Boundary Marker

ADDITIONAL PHOTOGRAPHS



Shared Driveway Looking West



Shared Driveway from Cottonwood Lakes Road Looking East



Shared Driveway along South Property Boundary Looking East



Cottonwood Lakes Road Looking West

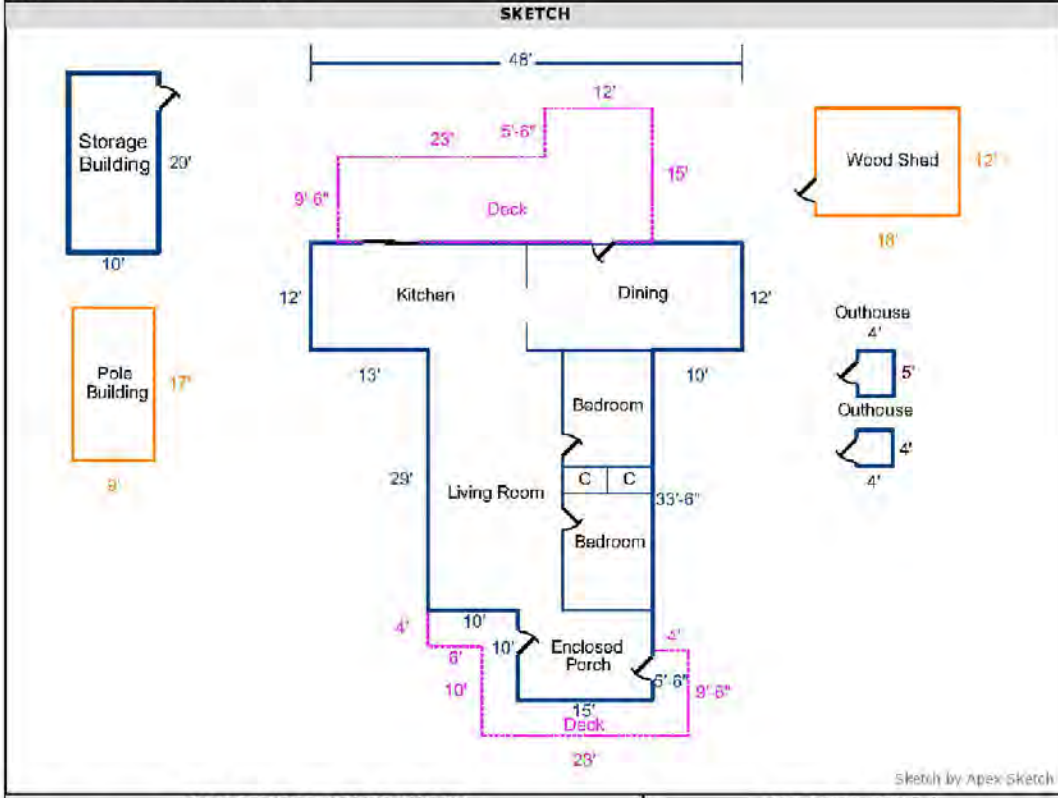


Cottonwood Lakes Road Looking East

LOT 7 BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.:			
Property Address: Morrell Creek Cabin Site #7				
City: Seeley Lake	County: Powell	State: MT	ZipCode: 59868	
Owner:				
Client: MT DNRC		Client Address:		
Appraiser Name: Clark Real Estate Appraisal		Inspection Date:		



AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA5	Storage Bldg.	1.0	200.0	60.0	200.0
GLA1	First Floor	1.0	1451.0	198.0	1451.0
OTH	Pole Building	1.0	153.0	52.0	
	Wood Shed	1.0	192.0	56.0	345.0
P/P	Deck	1.0	178.0	97.0	
	Deck	1.0	398.5	100.0	576.5
	Net LIVABLE	cnt	1 (rounded)		1,451
	Net BUILDING	cnt	1 (rounded)		200

COMMENT TABLE 1				
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">COMMENT TABLE 2</th> <th style="width: 50%;">COMMENT TABLE 3</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"> </td> <td style="height: 100px;"> </td> </tr> </tbody> </table>	COMMENT TABLE 2	COMMENT TABLE 3		
COMMENT TABLE 2	COMMENT TABLE 3			

SUBJECT PHOTOGRAPHS



North Side of Cabin on Lot 7



East Side of Cabin



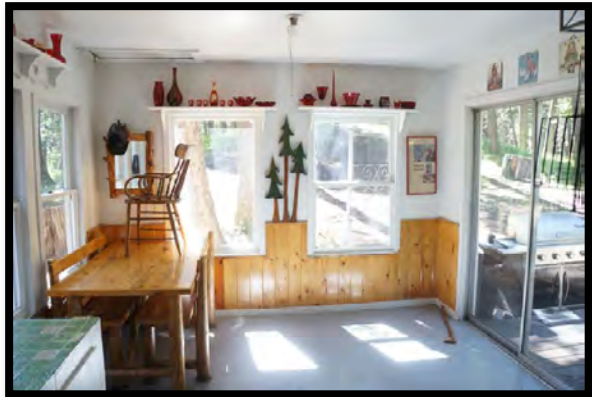
West Side of Cabin



Enclosed Porch



Kitchen



Kitchen Area

ADDITIONAL PHOTOGRAPHS



Bedroom



Bedroom



Living Room



Heater



Woodshed



Fire Pit Area

ADDITIONAL PHOTOGRAPHS



Pole Building



Storage Building



Lot 7 Interior



Seasonal Pond on Property



Northwest Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking North



View North along Approximate East Property Boundary



Cottonwood Lakes Road Looking East

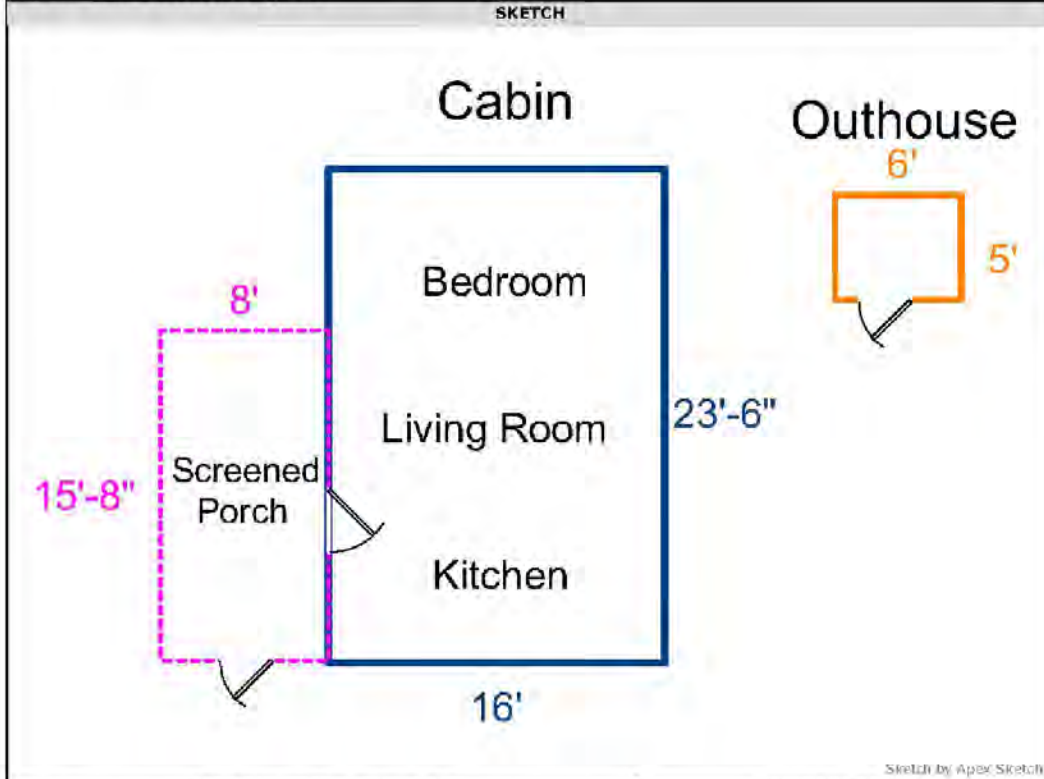


Cottonwood Lakes Road Looking West

LOT 8 BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO			
File No.:	Parcel No.:		
Property Address: Morrell Creek Cabin Sites Lot 8			
City: Seeley Lake	County: Powell	State: MT	ZipCode: 59868
Owner:			
Client: MT DNRC		Client Address:	
Appraiser Name: Clark Real Estate Appraisal		Inspection Date:	



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1		
Code	Description	Factor	Net Size	Perimeter	Net Totals			
GLA1	First Floor	1.0	376.0	79.0	376.0			
OTH	Outhouse	1.0	30.0	22.0	30.0			
P/P	Screened Porch	1.0	125.6	47.4	125.6			
Net LIVABLE						cnt	1 (rounded)	376

COMMENT TABLE 2	COMMENT TABLE 3

SUBJECT PHOTOGRAPHS



Cabin on Lot 8



North Side of Cabin



South Side of Cabin



East Side of Cabin



Screened Porch



Sleeping Area and Woodstove

ADDITIONAL PHOTOGRAPHS



Kitchen Area



Outhouse



Outhouse Interior



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking North



Northeast Property Boundary Marker Looking South



Northeast Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Driveway from Cottonwood Lakes Road

ADDITIONAL PHOTOGRAPHS



Cottonwood Lakes Road Looking East



Cottonwood Lakes Road Looking West

SUBJECT MARKET ANALYSIS

National, state, county, and local demographic and economic information is included in the Addendum of this report.

Subject Productivity Analysis

General Property Description

The subject sites range in size from 1.036 acres to 1.637 acres. Subject Lot 3 includes 217.82 feet of frontage along Morrell Creek. The remaining subject lots do not include creek frontage. The subject properties are located in the Seeley Lake area. The properties are in Powell County just outside of the boundaries of Missoula County. The subject lots are within approximately 1.5 miles from the main commercial area of Seeley Lake. The subject lots are accessed directly or indirectly from Cottonwood Lakes Road which is a seasonally accessible road. The subject properties do not have access to electrical service or land line type phone service.

Area Land Use Trends

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

Potential Users of Subject Property

The potential users of the subject properties would be market participants seeking to own recreational property suitable for off-grid type development and seasonal use in the Seeley Lake area.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted searches of the area MLS for sales (vacant and improved) similar to the subject properties. The data located is presented and discussed in the following paragraphs.

Vacant Home Sites

We conducted a search of the area MLS for sales of vacant residential sites (with no water frontage) up to 3.00 acres in size in Seeley Lake. We also conducted a search of vacant residential sites or tracts with up to 3.00 acres in size in Powell County. There were not a sufficient number of sales located in Powell County for a credible analysis. For that reason, we increased the lot size to 10.0 acres. Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the regional MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of these searches are on the following page.

Market Activity Vacant Sites							
Up to 3.00 Acres in Size - Seeley Lake - No Water Frontage				Up to 10.00 Acres in Size - Rural Powell County - No Water Frontage			
Year	# of Sales	Average Sales Price	Average Days on Market	Year	# of Sales	Average Sales Price	Average Days on Market
2016	14	\$46,289	152	2016	2	\$32,500	90
2017	21	\$47,822	432	2017	1	\$37,500	487
2018	15	\$43,893	244	2018	3	\$35,833	83
2019	10	\$60,885	322	2019	3	\$29,333	211
2020 Year-to-Date	30	\$60,833	451	2020 Year-to-Date	2	\$29,000	227
ACTIVE	37	\$88,651	416	ACTIVE	8	\$38,269	170
Average List Price Shown for Active Listings							

This data indicates that the average sales prices for sites in these search parameters has fluctuated somewhat over the past few years. It is advisable to utilize caution with statistical analysis of small data sets.

The lot sales in Seeley Lake do not include sales with seasonal access and no electrical service. Some of the sales in Powell County do include seasonal access and no electrical service.

In general, the sites in rural Powell County have historically command substantially lower prices than those in Seeley Lake.

Residential Improved Properties in Seeley Lake

There was sufficient market data regarding improved homes on sites with 3 acres or less in the community of Seeley Lake to prepare a credible analysis. This data is for sales of homes on interior sites. 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 search are below;

Seeley Lake Residential Improved Properties - Market Activity			
Homes on Interior Sites up to 3 Acres in Size			
Year	# of Sales	Average Sales Price	Average Days on Market
2016	30	\$210,795	247
2017	22	\$216,325	174
2018	27	\$253,348	198
2019	28	\$263,825	143
2020 Year-to-Date	21	\$291,524	159
ACTIVES	21	\$356,667	114
Average List Price is Shown for Actives			

This data indicates that the average home prices have increased steadily each year since 2016.

Competitive Supply

Vacant Home Sites

There 37 active listings of sites with 3.0 acres or less in Seeley Lake. The average list price for these listings was \$88,651.

There were 8 active listings of sites with 10.0 acres or less in Powell County. The average list price for these listings was \$38,269.

Residential Improved Properties in Seeley Lake

There were 21 active listings of homes on interior sites with 3 acres or less in Seeley Lake as of the report effective date. The average list price was \$356,667.

Interaction of Supply and Demand

Vacant Home Sites

Based upon the site sales that have closed in 2019 and in 2020 Year-to-Date in Seeley Lake, there is an over 1 year supply. Supply exceeds historical annual demand. The average list price is substantially higher than the average sales prices received in 2019 and 2020 Year-to-Date. There will likely be downward price pressure for the active listings.

Based upon the site sales that have closed in 2019 and in 2020 Year-to-Date in Powell County, there is an over 1 year supply. Supply exceeds historical annual demand. The average list price is substantially higher than the average sales prices received in 2019 and 2020 Year-to-Date. There will likely be downward price pressure for the active listings.

Residential Improved Properties in Seeley Lake

Based upon the average sales volume from 2019 and 2020 Year-to-Date, there is an approximately 1 year supply of residences on 3.00 acres or less on interior sites. Supply and demand are in relative balance; however, the average list price is approximately 22% higher than the average sales price received in 2020 Year-to-Date. Although the supply and demand are in relative balance, there will likely be downward price pressure for the active listings.

Subject Marketability Conclusion

Vacant Home Sites

The marketability of the subject lots is negatively impacted by the seasonal access and lack of electrical service. In general, the subject lots have inferior marketability compared to most lots in Seeley Lake that include year round vehicular access and electrical service. In general, the subject lots have the most similar marketability compared to lots located in rural areas of Powell County with seasonal access and no electrical service.

Residential Improved Properties in Seeley Lake

The residences on the subject lots are considered to have relatively similar marketability compared to homes in the Seeley Lake area with similar sizes and of similar quality and condition.

Estimated Marketing and Exposure Times

The average days on market for sales of vacant sites up to 10.0 acres in size in Powel County averaged 211 days in 2019 and 227 in 2020 Year-to-Date. Based upon this data, **marketing times** between 6 to 12 months are appropriate for the subject lots as if vacant. If these subject properties had sold as vacant on the effective date of this report, at the appraised values concluded, 6 to 12 month **exposure times** would have been reasonable.

The 28 homes sales in Seeley Lake that closed in 2019 were marketed for an average of 143 days. The 21 home sales in Seeley Lake that closed in 2020 Year-to-Date were marketed for 159 days. A **marketing time** between 4 to 6 months are appropriate for Subject Lot 4 as improved. If this subject property as improved had sold on the effective date of this report, at the appraised value concluded in this report, a 4 to 6 month **exposure time** would have been reasonable.

HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

The subject properties are in the District 3 (160-acre minimum residential lot size) for Powell County. Any new lots created are required to be 160 acres or larger. The subject lots are existing and range in size from 1.036 acres up to 1.637 acres. Single family residences are legally permissible in this zoning district with a Development Certificate.

Physically Possible

There is sufficient space on each subject site for a single family residence and related outbuildings. There is not sufficient space on each site for most other types of uses. There is no electricity in the vicinity of the subject lots.

Financially Feasible

Most lots similar in size and location to the subject properties are either vacant or are improved with off-grid type single family residences. According to our research, some residences on similar sites are occupied year round and but most are utilized seasonally for recreational purposes. Use of the subject lots for construction of off-grid type single family residences is financially feasible.

Maximally Productive

Based upon the analysis of the legally permissible, physically possible, and financially feasible uses of the subject lots, the maximally productive highest and best use for each lot as if vacant, is for construction of an off-grid type single family residence for recreational use.

SUBJECT PROPERTIES - AS IMPROVED

All of the subject lots include single family residences and most include outbuildings servicing these residences. There is market acceptance of many types of residences in the Seeley Lake area. Alteration of the subject residences for any use other than as single family residences would require large capital expenditures. Continued uses as single family residences for the subject properties are the highest and best uses 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 lot as if vacant. This is typically the most reliable approach for determining values of vacant sites.

All three approaches to value were considered for the valuation of the subject properties as improved. Most market participants interested in purchasing 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 values of 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.

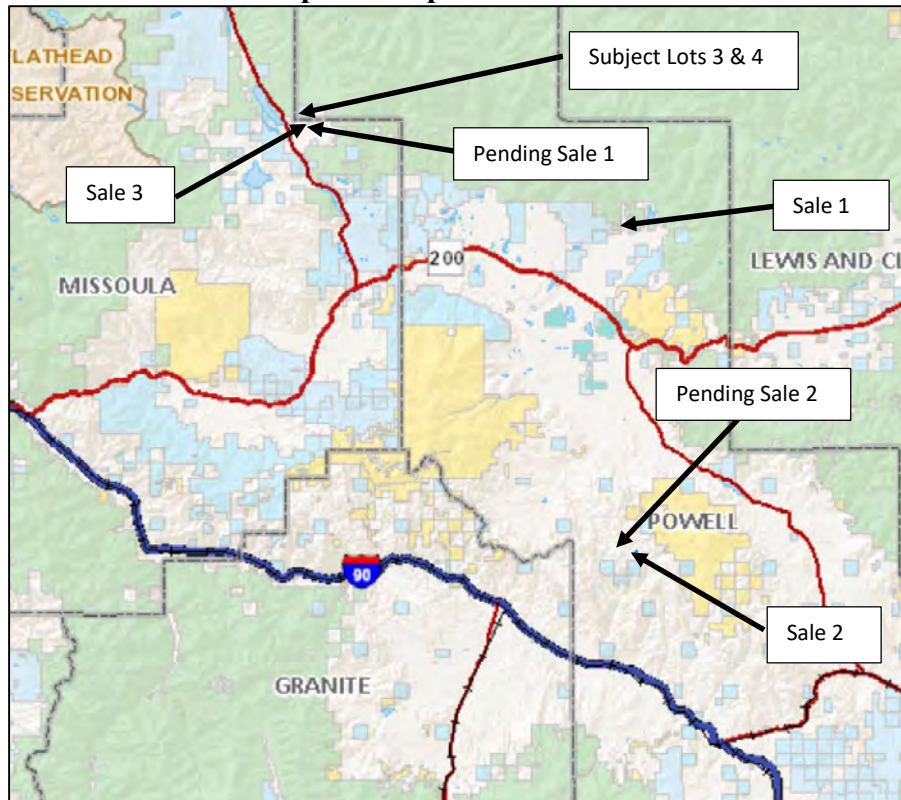
VACANT LAND SALES

We conducted a search for sales of vacant home sites similar to the subject lots as close in proximity as possible. The subject properties are in Powell County just outside the border with Missoula County. There subject properties have seasonal vehicular access and no access to electricity. Due to the unique characteristics of the subject sites and in order to bracket the characteristics of the subject lots, we utilized sales in Missoula County and Powell County. The sales or pending sales located and considered most similar to the subject lots were selected for this analysis. Based upon our analysis, the appropriate unit of comparison is price per site. The comparables are described on the table below;


Sale #	Address	City	Site Size/Acres	Sale Date	Sales Price
1	Off of Boot Tree to Hall Rd	Ovando	9.910	2019	\$20,000
2	NHN Tap Root Rd	Helmville	9.990	2018	\$25,000
3	267 Eagle Dr	Seeley Lake	0.613	2019	\$27,750
Pending 1	NHN Skyport Way	Seeley Lake	2.690	2020	\$63,000
Pending 2	NHN Elkhorn Rd	Helmville	12.409	2020	\$25,000

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


Map of Comparable Lot Sales




LAND SALE 1

COMPARABLE SALE INFORMATION			
	Location	Off of Boot Tree to Hall Road	
	City/State	Ovando, Montana	
	County	Powell	
	Assessor Number	0000320050	
	Zoning	District 3 (160 Acre Minimum)	
	Site Size: Acres	9.910	
	Square Feet	431,680	
	Date of Sale	October 22, 2019	
	Sales Price	\$20,000	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$20,000	
	MLS #	21905848	
ANALYSIS OF SALE			
Price per Acre	\$2,018	Price per Square Foot	\$0.05
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Wade Soss	Grantee	Adam R. Schipper & Wendy Wetherell, Trustee of the Wendy Wetherell Family Trust
Type of Instrument	Warranty Deed	Document #	179323
Financing/Conditions	Cash/Market	Marketing Time	470 Days on Market
Legal Description	Tract A of Certificate of Survey No. 317, Powell County, Montana	Verified By	Robin Matthews-Barnes, Listing Agent
Intended Use/Comments	Purchased for recreational use.		
Section/Township/Range	S10/T15N/R11W		
PROPERTY DETAILS			
Access	Horseback or Hiking Only	View	Forest
Topography	Rolling	Lot Dimensions	Approx. 330' X 1312'
Flood Plain	Area not mapped for flood hazard	Improvements	None
Feet of Water Frontage	N/A	Value of Improvements	\$0
Utilities	None	Miscellaneous	Property is bounded on two sides by public land (USFS & MT Fish Wildlife and Parks).
			Report File # 20-045ec


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location	NHN Tap Root Road	
	City/State	Helmville, Montana	
	County	Powell	
	Assessor Number	0000810400	
	Zoning	District 2 (20 Acre Minimum)	
	Site Size: Acres	9.990	
	Square Feet	435,164	
	Date of Sale	August 13, 2018	
	Sales Price	\$25,000	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$25,000	
	MLS #	21807428	
ANALYSIS OF SALE			
Price per Acre	\$2,503	Price per Square Foot	\$0.06
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Bobbie Twite	Grantee	Brendalee Setter & Randy J. Setter
Type of Instrument	Contract for Deed	Document #	177448
Financing/Conditions	Contract/Market	Marketing Time	58 Days on Market
Legal Description	Tract 84A on Certificate of Survey No. 632RB, Powell County, Montana	Verified By	Bobbie McLain-Twite, Listing Agent
		Intended Use/Comments	Purchased for recreational use.
Section/Township/Range	S11/T11N/R11W		
PROPERTY DETAILS			
Access	Gravel Road (Usable Seasonally)	View	Mountains, Trees
Topography	Level	Lot Dimensions	Approx. 660' X 659'
Flood Plain	Area not mapped for flood hazard	Improvements	None
Feet of Water Frontage	N/A	Value of Improvements	\$0
Utilities	None	Miscellaneous	This property included an older A Frame home considered to contribute no value to the property. This property is 12 miles from the nearest electrical service.
			Report File # 20-045ec

LAND SALE 3


COMPARABLE SALE INFORMATION			
	Location	267 Eagle Drive	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	000002908	
	Zoning	Unzoned Portion of Missoula Co.	
	Site Size: Acres	0.613	
	Square Feet	26,702	
	Date of Sale	April 25, 2019	
	Sales Price	\$27,750	
	Less Cost of Improvements*	\$0	
	Sales Price Adjusted	\$27,750	
	MLS #	21803773	
ANALYSIS OF SALE			
Price per Acre	\$45,269	Price per Square Foot	\$1.04
		Price Per Front Foot	N/A
TRANSFER INFORMATION			
Grantor	Ken Grimm	Grantee	Noah Madinger & Dilara Madinger
Type of Instrument	Warranty Deed	Document #	201905624
Financing/Conditions	Cash/Market	Marketing Time	377 Days on Market
Legal Description	Lot 7, Block 5, Seeley Lake Pines Addition #1	Verified By	Carey Kanavel, Listing Agent
Section/Township/Range	S2/T16N/R15W	Intended Use/Comments	Purchased for Residential Use
PROPERTY DETAILS			
Access	Gravel Private Rd.	View	Trees, Interior
Topography	Level	Lot Dimensions	180.65' x 150' x 175' x 144.51'
Flood Plain	According to Flood Map #300630740E, the parcel is not located in an area of elevated flood risk.	Improvements	None
Feet of Water Frontage	N/A	Value of Improvements	\$0
Utilities	Electricity, Telephone at Road	Miscellaneous	Property is located within Seeley Lake Pines Addition #1 Subdivision and is subject to CC&R's.
			Report File # 19-022ec

PENDING LAND SALE 1

PENDING COMPARABLE SALE INFORMATION																																																			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Location</td><td colspan="3">NHN Skyport Way</td></tr> <tr><td>City/State</td><td colspan="3">Seeley Lake</td></tr> <tr><td>County</td><td colspan="3">Missoula</td></tr> <tr><td>Assessor Number</td><td colspan="3">0003825500</td></tr> <tr><td>Zoning</td><td colspan="3">Unzoned Portion of Missoula Co.</td></tr> <tr><td>Site Size: Acres</td><td colspan="3">2.690</td></tr> <tr><td style="padding-left: 20px;">Square Feet</td><td colspan="3">117,176</td></tr> <tr><td>Date of Sale</td><td colspan="3">July 17, 2020</td></tr> <tr><td>Sales Price</td><td colspan="3">\$63,000</td></tr> <tr><td style="padding-left: 20px;">Less Cost of Improvements*</td><td colspan="3">\$0</td></tr> <tr><td>Sales Price Adjusted</td><td colspan="3">\$63,000</td></tr> <tr><td>MLS #</td><td colspan="3">21919312</td></tr> </table>			Location	NHN Skyport Way			City/State	Seeley Lake			County	Missoula			Assessor Number	0003825500			Zoning	Unzoned Portion of Missoula Co.			Site Size: Acres	2.690			Square Feet	117,176			Date of Sale	July 17, 2020			Sales Price	\$63,000			Less Cost of Improvements*	\$0			Sales Price Adjusted	\$63,000			MLS #	21919312		
Location	NHN Skyport Way																																																		
City/State	Seeley Lake																																																		
County	Missoula																																																		
Assessor Number	0003825500																																																		
Zoning	Unzoned Portion of Missoula Co.																																																		
Site Size: Acres	2.690																																																		
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Date of Sale	July 17, 2020																																																		
Sales Price	\$63,000																																																		
Less Cost of Improvements*	\$0																																																		
Sales Price Adjusted	\$63,000																																																		
MLS #	21919312																																																		
ANALYSIS OF SALE																																																			
Price per Acre	\$23,420	Price per Square Foot	\$0.54																																																
		Price Per Front Foot	NA																																																
TRANSFER INFORMATION																																																			
Grantor	Michael R. Biggins	Grantee	John P. McDonald																																																
Type of Instrument	Warranty Deed	Document #	202014802																																																
Financing/Conditions	Cash/Market	Marketing Time	202 Days on Market																																																
Legal Description	Tract 1 of Certificate of Survey No. 5417, Missoula, County, Montana	Verified By	Bruce Wold, Listing Agent																																																
Section/Township/Range	S01/T16N/R15W	Intended Use/Comments	Purchased for Residential Use																																																
PROPERTY DETAILS																																																			
Access	County Gravel Road	View	Trees, Interior																																																
Topography	Level	Lot Dimensions	Irregular																																																
Flood Plain	According to Flood Map #300630740E, the parcel is not located in an area of elevated flood risk.	Improvements	None																																																
Feet of Water Frontage	326'	Value of Improvements	\$0																																																
Utilities	Electricity, Telephone at Road	Miscellaneous	This site is bordered by Trail Creek. The lot slopes down steeply at the creek.																																																
Report File # 19-022ec																																																			

Note: The sale of this property closed after the report effective date. For that reason, it is identified in this appraisal as a pending sale.

PENDING LAND SALE 2

PENDING COMPARABLE SALE INFORMATION																																																			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Location</td><td colspan="3">NHN Elkhorn Road</td></tr> <tr><td>City/State</td><td colspan="3">Helmville, Montana</td></tr> <tr><td>County</td><td colspan="3">Powell</td></tr> <tr><td>Assessor Number</td><td colspan="3">000812033</td></tr> <tr><td>Zoning</td><td colspan="3">District 2 (20 Acre Minimum)</td></tr> <tr><td>Site Size: Acres</td><td colspan="3">12.409</td></tr> <tr><td style="padding-left: 20px;">Square Feet</td><td colspan="3">540,536</td></tr> <tr><td>Date of Sale</td><td colspan="3">July 27, 2020</td></tr> <tr><td>Sales Price</td><td colspan="3">\$25,000</td></tr> <tr><td style="padding-left: 20px;">Less Cost of Improvements*</td><td colspan="3">\$0</td></tr> <tr><td>Sales Price Adjusted</td><td colspan="3">\$25,000</td></tr> <tr><td>MLS #</td><td colspan="3">21911575</td></tr> </table>			Location	NHN Elkhorn Road			City/State	Helmville, Montana			County	Powell			Assessor Number	000812033			Zoning	District 2 (20 Acre Minimum)			Site Size: Acres	12.409			Square Feet	540,536			Date of Sale	July 27, 2020			Sales Price	\$25,000			Less Cost of Improvements*	\$0			Sales Price Adjusted	\$25,000			MLS #	21911575		
Location	NHN Elkhorn Road																																																		
City/State	Helmville, Montana																																																		
County	Powell																																																		
Assessor Number	000812033																																																		
Zoning	District 2 (20 Acre Minimum)																																																		
Site Size: Acres	12.409																																																		
Square Feet	540,536																																																		
Date of Sale	July 27, 2020																																																		
Sales Price	\$25,000																																																		
Less Cost of Improvements*	\$0																																																		
Sales Price Adjusted	\$25,000																																																		
MLS #	21911575																																																		
ANALYSIS OF SALE																																																			
Price per Acre	\$2,015	Price per Square Foot	\$0.05																																																
		Price Per Front Foot	N/A																																																
TRANSFER INFORMATION																																																			
Grantor	Lena C. Dailey	Grantee	Joan Dee Copenhaver & Edwin Onesalt, Jr																																																
Type of Instrument	Contract for Deed	Document #	180446																																																
		Marketing Time	382 Days on Market																																																
Financing/Conditions	Contract/Market	Verified By	Bobbie McLain-Twite, Listing Agent																																																
Legal Description	Tract 33 on Certificate of Survey 56, Powell County, Montana	Intended Use/Comments	Purchased for recreational use.																																																
Section/Township/Range	S4/T11N/R11W																																																		
PROPERTY DETAILS																																																			
Access	Gravel Road (Usable Seasonally)	View	Mountains, Trees																																																
Topography	Rolling	Lot Dimensions	Irregular																																																
Flood Plain	Area not mapped for flood hazard	Improvements	None																																																
Feet of Water Frontage	N/A	Value of Improvements	\$0																																																
Utilities	None	Miscellaneous	This property is 12 miles from a paved road and can only be accessed via snowmobile in the winter.																																																
			Report File # 20-045ec																																																

Note: The sale of this property closed after the report effective date. For that reason, it is identified in this appraisal as a pending sale.

HOME SALES

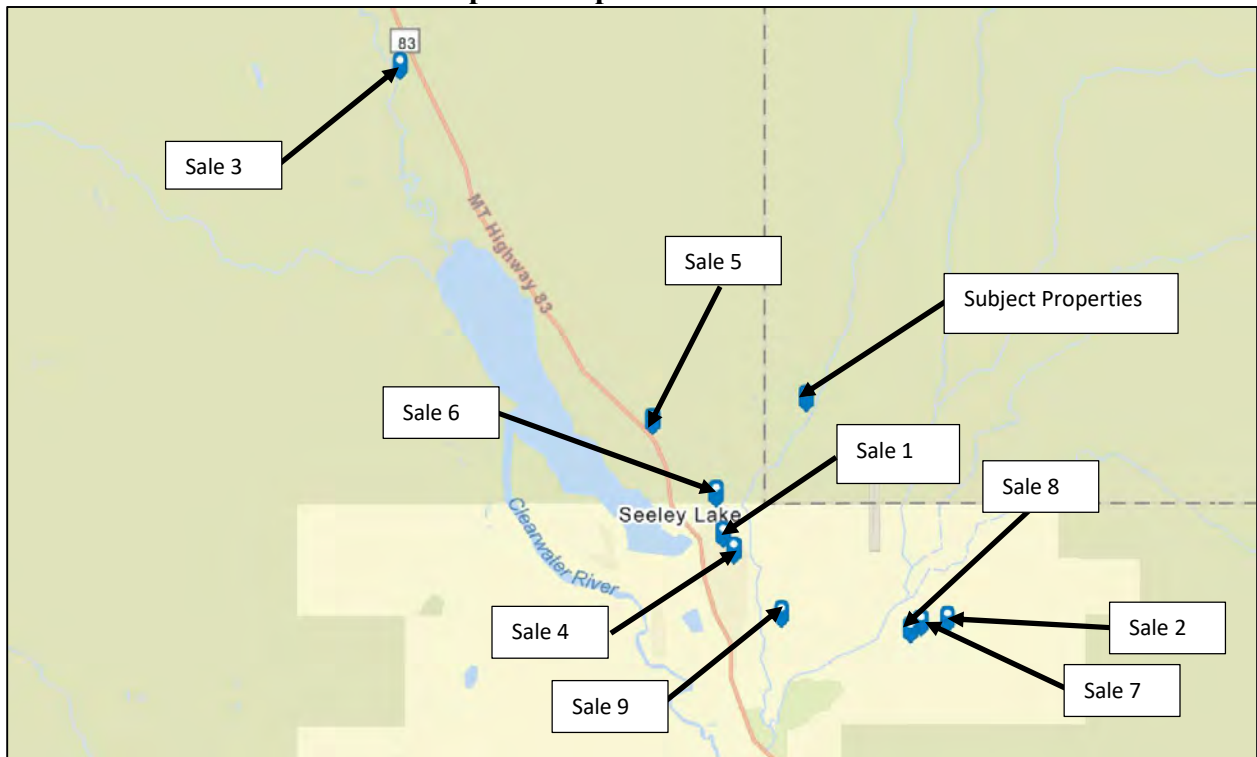
We conducted a search for sales of homes in Powell Count and Seeley Lake similar to those on the subject lots. The contributory site value for each comparable home sale was concluded based upon sales of vacant sites near each sale. The most applicable and recent home sales located are described on the table below;

Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value*	Sale Price of Improvements
1	731 Spruce Dr	Seeley Lake	2019	\$190,000	\$35,000	\$155,000
2	191 Buckskin Dr	Seeley Lake	2018	\$233,000	\$60,000	\$173,000
3	11539 Boy Scout Rd	Seeley Lake	2018	\$254,000	\$110,000	\$144,000
4	580 Tamarack Dr	Seeley Lake	2020	\$227,000	\$50,000	\$177,000
5	3280 MT Hwy 83 N	Seeley Lake	2019	\$181,000	\$30,000	\$151,000
6	369 Cedar Ln	Seeley Lake	2019	\$185,000	\$45,000	\$140,000
7	770 Montana Dr	Seeley Lake	2019	\$164,900	\$105,000	\$59,900
8	269 S Grayling Ct	Seeley Lake	2019	\$129,000	\$60,000	\$69,000
9	260 Timberlane	Seeley Lake	2019	\$135,000	\$70,000	\$65,000

***Site Value for Sale 7 Includes Consideration for Garage for Clarity of Analysis Purposes**

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



HOME SALE 1

COMPARABLE SALE INFORMATION



Location	731 Spruce Drive
City/State	Seeley Lake, MT
County	Missoula
Assessor Number	0002387207
Zoning	Unzoned Portion of Missoula Co.
Site Size: Acres	0.413
Square Feet	17,990
Date of Sale	June 24, 2019
Sales Price	\$190,000
Adjustment to Sales Price	\$0
Adjusted Sales Price	\$190,000
MLS #	21902900

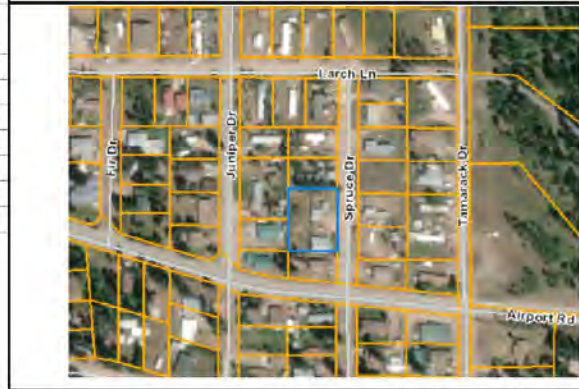
TRANSFER INFORMATION

Grantor	Michelle S. Fife & Todd A. Fife	Grantee	Trey L. Thompson
Recording Data	Warranty Deed #201722339	Marketing Time	98 Days on Market
Financing/Conditions	VA/Market	Verified By	Garry Swain, Listing Agent
Legal Description	Lots 6 & 7 in Block 5 of Seeley Lake Homesites Addition No.2.	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		

DESCRIPTION OF IMPROVEMENTS	ANALYSIS OF SALE
-----------------------------	------------------



Water Frontage	N/A
Access	Spruce Drive (County Road)
House Square Feet	1,099
Bedroom/Bathrooms	3BR/2BA
Year Built or Renovated	1978 (Updated)
Basement	Crawl Space
Construction	Log Frame
Quality	Good
Condition	Good
Water/Sewer	Community Water/Septic
Utilities	Electricity/Telephone
Topography	Level
Garage	2 Car Carport
Outbuildings	N/A
Miscellaneous	

Sales Price	\$190,000
Estimated Site Value	\$35,000
Sales Price of Improvements	\$155,000
Improvement Price/SF	\$141




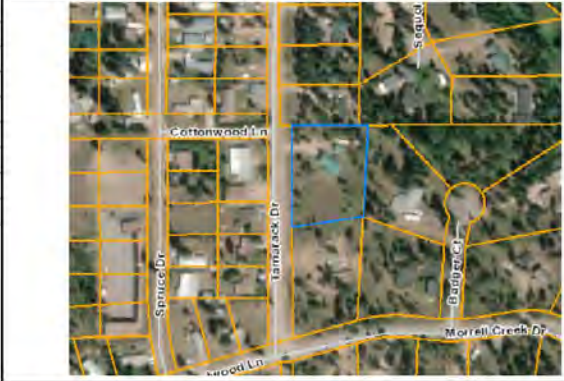
Report File # 20-045ec

HOME SALE 3

COMPARABLE SALE INFORMATION			
		Location	11539 Boy Scout Road
		City/State	Seeley Lake, MT
		County	Missoula
		Assessor Number	0003005204
		Zoning	Unzoned Portion of Missoula Co.
		Site Size: Acres	1.950
		Square Feet	84,942
		Date of Sale	January 16, 2018
		Sales Price	\$254,000
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$254,000
MLS #	21710116		
TRANSFER INFORMATION			
Grantor	Boris H. Lakusta, Jr., Trustee of the Boris H. Lakusta Trust	Grantee	Marcos K. Arroyo & Samantha J. Arroyo
Recording Data	Warranty Deed #201800864	Marketing Time	526 Days on Market
Financing/Conditions	VA/Market	Verified By	Scott Kennedy, Listing Agent
Legal Description	Tract F-2 of Certificate of Survey No. 2422, Missoula County, Montana	Intended Use	Residential
Section/Township/Range	S17/T17N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$254,000
Access	Boy Scout Rd (County Rd)	Estimated Site Value	\$110,000
House Square Feet	2,038	Sales Price of Improvements	\$144,000
Bedroom/Bathrooms	4BR/2.5BA	Improvement Price/SF	\$71
Year Built or Renovated	1940		
Basement	Concrete		
Construction	Log Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Well/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2,400 SF Garage/Storage		
Outbuildings	N/A		
Miscellaneous			

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HOME SALE 4

COMPARABLE SALE INFORMATION			
		Location 580 Tamarack Drive	
		City/State Seeley Lake, MT	
		County Missoula	
		Assessor Number 0001477103	
		Zoning Unzoned Portion of Missoula Co.	
		Site Size: Acres 1.010	
		Square Feet	
		43,996	
		Date of Sale June 18, 2020	
		Sales Price \$227,000	
		Adjustment to Sales Price \$0	
		Adjusted Sales Price \$227,000	
MLS # 22004306			
TRANSFER INFORMATION			
Grantor Donald E. Fowler & Tamara Hanson Fowler		Grantee Robert A. Broyles	
Recording Data Warranty Deed #202012122		Marketing Time 76 Days on Market	
Financing/Conditions Conventional/Market		Verified By Jason Baker, Listing Agent	
Legal Description Lot 61 of Double Arrow Ranch, Phase II, Missoula County, Montana		Intended Use Residential	
Section/Township/Range S02/T16N/R15W			
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage N/A		Sales Price \$227,000	
Access Tamarack Drive (SD Road)		Estimated Site Value \$50,000	
House Square Feet 952		Sales Price of Improvements \$177,000	
Bedroom/Bathrooms 3BR/2BA		Improvement Price/SF \$186	
Year Built or Renovated 1995			
Basement Crawl Space			
Construction Wood Frame			
Quality Average			
Condition Good			
Water/Sewer Community Water/Septic			
Utilities Electricity/Telephone			
Topography Level			
Garage 2 Car Garage & Shed			
Outbuildings N/A			
Miscellaneous			

Report File # 20-045ec


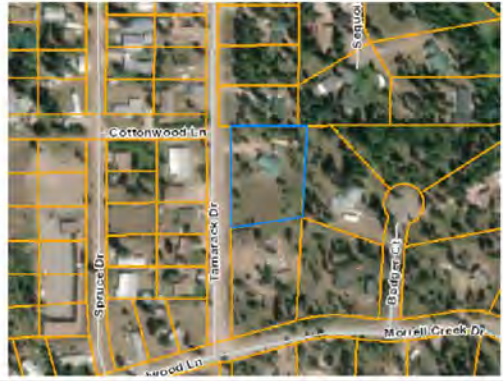
HOME SALE 6

COMPARABLE SALE INFORMATION																										
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td><i>Location</i></td><td>369 Cedar Lane</td></tr> <tr><td><i>City/State</i></td><td>Seeley Lake, MT</td></tr> <tr><td><i>County</i></td><td>Missoula</td></tr> <tr><td><i>Assessor Number</i></td><td>0000064604</td></tr> <tr><td><i>Zoning</i></td><td>Unzoned Portion of Missoula Co.</td></tr> <tr><td><i>Site Size: Acres</i></td><td>0.730</td></tr> <tr><td style="text-align: center;"><i>Square Feet</i></td><td>31,799</td></tr> <tr><td><i>Date of Sale</i></td><td>February 27, 2019</td></tr> <tr><td><i>Sales Price</i></td><td>\$185,000</td></tr> <tr><td><i>Adjustment to Sales Price</i></td><td>\$0</td></tr> <tr><td><i>Adjusted Sales Price</i></td><td>\$185,000</td></tr> <tr><td><i>MLS #</i></td><td>21806881</td></tr> </table>	<i>Location</i>	369 Cedar Lane	<i>City/State</i>	Seeley Lake, MT	<i>County</i>	Missoula	<i>Assessor Number</i>	0000064604	<i>Zoning</i>	Unzoned Portion of Missoula Co.	<i>Site Size: Acres</i>	0.730	<i>Square Feet</i>	31,799	<i>Date of Sale</i>	February 27, 2019	<i>Sales Price</i>	\$185,000	<i>Adjustment to Sales Price</i>	\$0	<i>Adjusted Sales Price</i>	\$185,000	<i>MLS #</i>	21806881
<i>Location</i>	369 Cedar Lane																									
<i>City/State</i>	Seeley Lake, MT																									
<i>County</i>	Missoula																									
<i>Assessor Number</i>	0000064604																									
<i>Zoning</i>	Unzoned Portion of Missoula Co.																									
<i>Site Size: Acres</i>	0.730																									
<i>Square Feet</i>	31,799																									
<i>Date of Sale</i>	February 27, 2019																									
<i>Sales Price</i>	\$185,000																									
<i>Adjustment to Sales Price</i>	\$0																									
<i>Adjusted Sales Price</i>	\$185,000																									
<i>MLS #</i>	21806881																									
TRANSFER INFORMATION																										
<i>Grantor</i>	James E. Thomas & Lori E. Thomas	<i>Grantee</i>	Elaine Ward Adams																							
<i>Recording Data</i>	Warranty Deed #201902632	<i>Marketing Time</i>	265 Days on Market																							
<i>Financing/Conditions</i>	VA/Market	<i>Verified By</i>	Kim Koppen, Listing Agent																							
<i>Legal Description</i>	Lot 1 in Block 2 of Seeley Lake Homesites, Missoula County, Montana	<i>Intended Use</i>	Residential																							
<i>Section/Township/Range</i>	S03/T16N/R15W																									
DESCRIPTION OF IMPROVEMENTS	ANALYSIS OF SALE																									
<i>Water Frontage</i>	N/A	<i>Sales Price</i>	\$185,000																							
<i>Access</i>	Tamarack Drive (SD Road)	<i>Estimated Site Value</i>	\$45,000																							
<i>House Square Feet</i>	1,872	<i>Sales Price of Improvements</i>	\$140,000																							
<i>Bedroom/Bathrooms</i>	3BR/2BA	<i>Improvement Price/SF</i>	\$75																							
<i>Year Built or Renovated</i>	1997																									
<i>Basement</i>	Crawl Space																									
<i>Construction</i>	Wood Frame																									
<i>Quality</i>	Average																									
<i>Condition</i>	Average																									
<i>Water/Sewer</i>	Community Water/Septic																									
<i>Utilities</i>	Electricity/Telephone																									
<i>Topography</i>	Level																									
<i>Garage</i>	None																									
<i>Outbuildings</i>	N/A																									
<i>Miscellaneous</i>																										





Report File # 20-045ec


HOME SALE 7

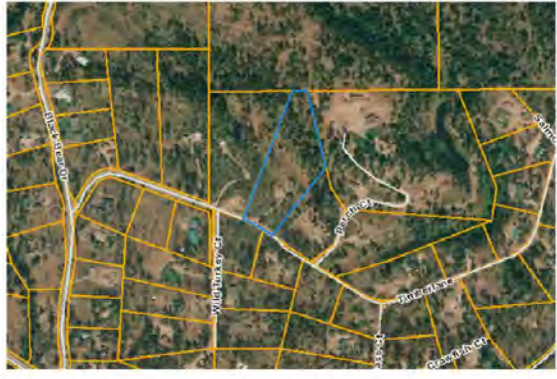
COMPARABLE SALE INFORMATION			
	Location	770 Montana Drive	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	0001506501	
	Zoning	Unzoned Portion of Missoula Co.	
	Site Size: Acres	3.250	
	Square Feet	141,570	
	Date of Sale	August 16, 2019	
	Sales Price	\$164,900	
	Adjustment to Sales Price	\$0	
	Adjusted Sales Price	\$164,900	
	MLS #	21907789	
TRANSFER INFORMATION			
Grantor	Lyle M. Hastings	Grantee	Lalla Chadwick
Recording Data	Warranty Deed #201902632	Marketing Time	84 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Kevin Whetherell, Listing Agent
Legal Description	Lot 219 of Double Arrow Ranch Phase IV, Missoula County, Montana	Intended Use	Residential
Section/Township/Range	S12/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS	ANALYSIS OF SALE		
Water Frontage	N/A	Sales Price	\$164,900
Access	Montana Drive (SD Road)	Estimated Site Value*	\$105,000
House Square Feet	192	Sales Price of Improvements	\$59,900
Bedroom/Bathrooms	0BR/0BA	Improvement Price/SF	\$312
Year Built or Renovated	1997		
Basement	Crawl Space		
Construction	Wood Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Community Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	2 Car Garage (Addressed Below)		
Outbuildings	Shed		
Miscellaneous	*Site value includes garage contributory value of \$45,000. Garage is 520 square feet with an 180 square foot sleeping loft. It is heated and includes a full bathroom.		
			
		Report File # 20-045ec	

HOME SALE 8

COMPARABLE SALE INFORMATION			
	Location	269 S. Grayling Court	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	0005825460	
	Zoning	Unzoned	
	Site Size: Acres	3.420	
	Square Feet	148,975	
	Date of Sale	March 21, 2019	
	Sales Price	\$129,000	
	Adjustment to Sales Price	\$0	
	Adjusted Sales Price	\$129,000	
	MLS #	21901313	
TRANSFER INFORMATION			
Grantor	Sayre White	Grantee	Karl Wygant & Terry Fisher
Recording Data	Warranty Deed #201903726	Marketing Time	44 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kevin Wetherell, Listing Agent
Legal Description	Lot 13 of Trail Creek Addition - Phase 8 to the Double Arrow Ranch	Intended Use	Residential
Section/Township/Range	S12/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS	ANALYSIS OF SALE		
Water Frontage	N/A		
Access	S. Grayling Court, Private Gravel Rd.		
House Square Feet	634		
Bedroom/Bathrooms	1BR/1BA		
Year Built or Renovated	1987		
Basement	Post & Pier		
Construction	Wood Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Well/Septic		
Utilities	Electricity/Telephone		
Topography	Rolling		
Garage	N/A		
Outbuildings	Storage Shed, Wood Shed		
Miscellaneous	Double Arrow Ranch Subdivision is governed by CC&R's that limit property use to residential. The contributory site value was based upon recent sales of similar vacant sites.		
		Sales Price	\$129,000
		Estimated Site Value	\$60,000
		Sales Price of Improvements	\$69,000
		Improvement Price/SF	\$109
			
		Report File #	20-045ec

HOME SALE 9

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



Report File # 17-028ec

PROPERTY VALUATIONS

LOT 3

Site Value Estimate

The site sales presented were utilized to determine 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 #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING 1	PENDING SALE 2
IDENTIFICATION	359 Highlander Hollow Way	Off of Boot Tree Hill Rd	TBD Tap Root Rd	267 Eagle Dr	NHN Skyport Way	Lot 33 Elk Park, Elkhorn Rd
CITY	Seeley Lake, MT	Ovando, MT	Helmville, MT	Seeley Lake, MT	Seeley Lake, MT	Helmville, MT
SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0	\$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		10/22/19	08/13/18	04/25/19	07/17/20	07/28/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
SITE SIZE/ACRES	1.637	9.910	9.990	0.613	2.690	12.400
ADJUSTED SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake (1.5 Miles)	Ovando (8 Miles)	Helmville (10 Miles)	Seeley Lake (1.5 Miles)	Seeley Lake (2.0 Miles)	Helmville (9 Miles)
WATER FRONTAGE	Morrell Creek	Inferior + None	Inferior + None	Equal = None	Equal = Trail Creek	Inferior + None
SHAPE	Irregular	Inferior + Irregular	Inferior + Irregular	Inferior + Irregular Rectangle	Equal = Irregular Rectangle	Inferior + Irregular
TOPOGRAPHY	Level	Equal = Steep	Equal = Level	Equal = Level	Equal = Level	Equal = Rolling
FLOOD ZONE	None	Inferior + None	Equal = None	Equal = None	Equal = None	Equal = None
FRONTAGE/ACCESS	Seasonally Maintained National Forest System Road	Equal = Horseback or Pedestrian Access Only	Equal = Seasonally Maintained Private Road (From National Forest System Road)	Equal = County Road (Maintained Year Round)	Equal = County Road (Maintained Year Round)	Equal = Seasonally Accessible Private Road
ZONING	Not Zoned	Inferior + Not Zoned	Equal = Not Zoned	Superior - Not Zoned	Superior - Not Zoned	Equal = Not Zoned
EASEMENTS AFFECTING USE	No	Equal = No	Equal = No	Equal = No	Equal = No	Equal = No
ELECTRICITY/TELEPHONE	Not Available	Equal = Not Available	Equal = Not Available	Equal = Available	Equal = Available	Equal = Not Available
SITE SIZE/ACRES	1.637	Equal = 9.910	Equal = 9.990	Superior - 0.613	Superior - 2.690	Equal = 12.400
OVERALL RATING COMPARED TO SUBJECT		Superior - Inferior + + +	Superior - Inferior +	Inferior + Equal =	Superior - Superior - - -	Superior - Inferior +
VALUE INDICATIONS		>>> \$20,000	> \$25,000	= \$27,500	<<< \$63,000	> \$25,000

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 were all closed as of the report effective date and no adjustment was necessary in this category. Pending Land Sales 1 and 2 closed after the report effective date but were under contract as of that date. These sales closed prior to the report publish date and the sales prices were available. No adjustments were necessary for these comparables in this category.

Adjustment for Improvements: There were no improvements of value associated with the land comparables. No adjustment was necessary in this category.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2018, 2019, and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject lot is located in the greater Seeley Lake area and is approximately 1.5 miles from services in Seeley Lake. Land Sale1 and Pending Sale 1 have similar proximity to services in Seeley Lake. These comparables are identified as Equal = compared to the subject lot in this category.

Water Frontage: The subject site includes frontage along Morrell Creek. Pending Sale 1 has frontage along Trail Creek. Based upon our analysis, these two frontages have approximately Equal = marketability. The remaining comparables do not include creek frontage and were identified as Inferior + compared to the subject in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject lot and Land Sales 2 and 3 and Pending Sales 1 and 2 have sufficient level areas for residential improvements. The subject and these comparables are identified as Equal = in this category. Land Sale 1 has steep topography and is identified as Inferior + compared to the subject lot in this category.

Flood Zone: It does not appear that the subject lot is within a flood hazard area; however, there is no printed map panel for the area. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a seasonally maintained National Forest System Road. Land Sale 2 and Pending Sale 2 are accessed via seasonally maintained roads. The access to these sales is identified as Equal = compared to the subject in this category. Land Sale 1 does not have vehicular access and this sale is identified as Inferior + compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 are accessed via public roads which are maintained year round. The access to these comparables is identified as Superior – compared to the subject lot in this category.

Zoning: The subject lot is in a zoning district of Powell County requiring 160 acre minimum site sizes. Land Sales 1, 2, and Pending Sale 2 are in zoning districts of Powell County requiring either 160 acre or 20 acre minimum site sizes. The subject lots and these comparables are all smaller than allowed by zoning if developed today. For this reason, the subject lots and these comparables are considered to have non-conforming uses but the uses are allowed. Land Sale 1 and Pending Sale 1 are in areas of Missoula County with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There are no atypical easements associated with the subject site or comparables. The comparables are identified as Equal = compared to the subject in this category.

Electricity/Telephone: The subject lot and Land Sales 1 and 2 and Pending Sale 2 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 have access to electricity. These comparables are identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.637 acres. Land Sales 1 and 2 and Pending Sales 1 and 2 are larger than the subject lot and are identified as Superior – compared to the subject lot in this category. Land Sale 3 is smaller than the subject lot and is identified as Inferior + compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded Land Sale 1 or Pending Sale 1 as these sales required the highest overall adjustment. All weight is accorded Land Sales 2 and 3 and Pending Sale 2 as these sales required the least overall adjustment. Land Sale 2 and Pending Sale 2 provide indications of value of greater

than \$25,000 for the subject lot. Land Sale 3 provides an indication of value of equal to \$27,500 for the subject lot. A market value of \$27,500 is reasonable and supported by the available market data for the subject lot.

Site Value as Vacant

\$27,500

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 3, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	359 Highlander Hollow Way	131 Spruce Dr	191 Buckskin Dr	11539 Boy Scout Rd
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$190,000	\$233,000	\$254,000
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		06/24/19	01/23/18	01/16/18
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$190,000	\$233,000	\$254,000
LESS SITE VALUE		(\$35,000)	(\$60,000)	(\$110,000)
ADJUSTED IMPROVEMENT PRICE		\$155,000	\$173,000	\$144,000
ADJUSTMENT FOR:				
LOCATION/SITE	Morrell Creek	Interior Site	Interior Site	Clearwater River
		\$0	\$0	\$0
QUALITY	Average	Good	Good	Average
		-\$15,500	-\$17,300	\$0
CONDITION	Average	Good	Good	Average
		-\$15,500	-\$17,300	\$0
BATHROOMS	0	1	2	2.5
		-\$10,000	-\$20,000	-\$25,000
HOUSE SIZE/SF	1,960	1,099	1,422	2,038
		\$51,660	\$32,280	-\$4,680
FINISHED BASEMENT SIZE/SF	0	999	0	0
		-\$34,965	\$0	\$0
OUTBUILDINGS	Multiple Buildings	Carport	None	Oversized Garage
		\$55,000	\$60,000	\$30,000
TOTAL ADJUSTMENT		\$30,695	\$37,680	\$320
NET ADJUSTMENT PERCENTAGE		20%	22%	0%
ADJUSTED PRICE INDICATION		\$185,695	\$210,680	\$144,320

Discussion of Adjustments

List Adjustment: Home Sales 1, 2, and 3 were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market. No adjustments were necessary for these sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2018 and 2019. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

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 contributory site values for the improved sales are retained in the appraisal work file.

Quality: The subject residence and Home Sale 3 are similar in overall quality of construction. No adjustment was necessary in this category for this sale. Home Sales 1 and 2 are considered to be of superior construction quality compared to the subject residence. Downward adjustments of 10% were made to these comparables. This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence construction quality.

Condition: The subject residence and Home Sale 3 were considered to be in similar in overall condition. No adjustment was necessary in this category for this comparable. The residences associated with Home Sales 1 and 2 were considered to be of superior condition compared to the subject. Downward adjustments of 10% were made to these comparables due to the superior conditions. This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence does not include a bathroom or plumbing. The comparables are plumbed and include typical bathrooms. Downward adjustments of \$10,000 for each full bath and \$5,000 for each half bathroom were made to these comparables as appropriate. This adjustment is considered reasonable and representative of the actions of market participants with regard to interior plumbing and bathrooms in the subject market area.

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 \$60 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 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 and Home Sales 2 and 3 do not include finished basement areas. No adjustments were necessary in this category for these comparables. Home Sale 1 includes 999 square feet of finished basement area. Finished basement space typically does not command the same price per square foot as finished area above grade. We have made a \$35 per square foot adjustment for the finished basement area associated with Home Sale 1. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to finished basement area.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Greenhouse	170	Section 17/Page 22	\$11.05	\$1,879
Storage Building	240	Section 17/Page 17	\$25.25	\$6,060
Storage Building	144	Section 17/Page 17	\$25.25	\$3,636
Storage Building	2,309	Section 17/Page 17	\$25.25	\$58,302
Storage Building	1,112	Section 17/Page 17	\$25.25	\$28,078
Open Storage	315	Section 17/Page 17	\$25.25	\$7,954
Outhouse	Lump Sum			\$3,000
Total Cost New				\$108,909
Less Depreciation - Age/Life - 9/20 Years = 45%				-\$49,009
Depreciated Cost Estimate				\$59,900
Rounded To				\$60,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$185,695, \$210,680, and \$144,320. All weight is accorded Home Sale 3 as it required the least overall adjustment and was considered the most similar to the subject residence in overall quality and condition. A market value of \$144,000 is reasonable and well supported for the subject improvements.

Improvement Value

\$144,000

Total Value Conclusion

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

Subject Site Value	\$ 27,500
Subject Improvements Value	<u>\$144,000</u>
Total Value Indication	\$171,500

LOT 5

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 5, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING SALE 1	PENDING SALE 2
IDENTIFICATION	18290 Cottonwood Lakes Rd	Off of Boot Tree Hall Rd	TBD Tap Root Rd	267 Eagle Dr	NHN Skyport Way	Lot 33 Elk Park, Elkhorn Rd
CITY	Seeley Lake, MT	Ovando, MT	Helmville, MT	Seeley Lake, MT	Seeley Lake, MT	Helmville, MT
SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0	\$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		10/22/19	08/13/18	04/25/19	07/17/20	07/28/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
SITE SIZE/ACRES	1.195	9.910	9.990	0.613	2.690	12.400
ADJUSTED SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake (1.5 Miles)	Ovando (8 Miles)	Helmville (10 Miles)	Seeley Lake (1.5 Miles)	Seeley Lake (2.0 Miles)	Helmville (9 Miles)
WATER FRONTAGE	None	Inferior +	Inferior +	Equal =	Equal =	Inferior +
SHAPE	Irregular	None	None	None	Trail Creek	None
TOPOGRAPHY	Rolling	Equal =	Equal =	Equal =	Superior -	Equal =
FLOOD ZONE	None	Irregular	Irregular	Irregular Rectangle	Irregular Rectangle	Irregular
FRONTAGE/ACCESS	Seasonally Maintained National Forest System Road	Equal =	Equal =	Equal =	Equal =	Equal =
ZONING	20 Acre Min.	Steep	Level	Level	Level	Rolling
EASEMENTS AFFECTING USE	No	Inferior +	Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Not Available	None	None	None	None	None
SITE SIZE/ACRES	1.195	Equal =	Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Seasonally Maintained National Forest System Road	Seasonally Maintained Private Road (From National Forest System Road)	County Road (Maintained Year Round)	County Road (Maintained Year Round)	Seasonally Accessible Private Road
VALUE INDICATIONS		Inferior +	Equal =	Superior -	Superior -	Equal =
		20 Acre Min.	160 Acre Min.	20 Acre Min.	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =	Equal =
		No	No	No	No	No
		Not Available	Not Available	Available	Available	Not Available
		Equal =	Equal =	Superior -	Superior -	Equal =
		Superior -	Superior -	Inferior +	Superior -	Superior -
		Inferior + +	Equal =	Superior -	Superior - - - -	Equal =
		>> \$20,000	= \$25,000	< \$27,500	<<<< \$63,000	= \$25,000

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 were all closed as of the report effective date and no adjustment was necessary in this category. Pending Land Sales 1 and 2 closed after the report effective date but were under contract as of that date. These sales closed prior to the report publish date and the sales prices were available. No adjustments were necessary for these comparables in this category.

Adjustment for Improvements: There were no improvements of value associated with the land comparables. No adjustment was necessary in this category.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2018, 2019, and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject lot is located in the greater Seeley Lake area and is approximately 1.5 miles from services in Seeley Lake. Land Sale1 and Pending Sale 1 have similar proximity to services in Seeley Lake. These comparables are identified as Equal = compared to the subject lot in this category.

Water Frontage: The subject site and Land Sales 1, 2, and 3 and Pending Sale 2 do not include water frontage. These comparables are identified as Equal = compared to the subject in this category. Pending Sale 1 has frontage along Trail Creek. This comparable is identified as Superior - compared to the subject in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject lot and Land Sales 2 and 3 and Pending Sales 1 and 2 have sufficient level areas for residential improvements. The subject and these comparables are identified as Equal = in this category. Land Sale 1 has steep topography and is identified as Inferior + compared to the subject lot in this category.

Flood Zone: It does not appear that the subject lot is within a flood hazard area; however, there is no printed map panel for the area. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a seasonally maintained National Forest System Road. Land Sale 2 and Pending Sale 2 are accessed via seasonally maintained roads. The access to these sales is identified as Equal = compared to the subject in this category. Land Sale 1 does not have vehicular access and this sale is identified as Inferior + compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 are accessed via public roads which are maintained year round. The access to these comparables is identified as Superior – compared to the subject lot in this category.

Zoning: The subject lot is in a zoning district of Powell County requiring 160 acre minimum site sizes. Land Sales 1, 2, and Pending Sale 2 are in zoning districts of Powell County requiring either 160 acre or 20 acre minimum site sizes. The subject lot and these comparables are all smaller than allowed by zoning if developed today. For this reason, the subject lots and these comparables are considered to have non-conforming uses but the uses are allowed. Land Sale 1 and Pending Sale 1 are in areas of Missoula County with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There are no atypical easements associated with the subject site or comparables. The comparables are identified as Equal = compared to the subject in this category.

Electricity/Telephone: The subject lot and Land Sales 1 and 2 and Pending Sale 2 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 have access to electricity. These comparables are identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.195 acres. Land Sales 1 and 2 and Pending Sales 1 and 2 are larger than the subject lot and are identified as Superior – compared to the subject lot in this category. Land Sale 3 is smaller than the subject lot and is identified as Inferior + compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded Land Sale 1 or Pending Sale 1 as these sales required the highest overall adjustment. All weight is accorded Land Sales 2 and 3 and Pending Sale 2 as these sales required the least overall adjustment. Land Sale 2 and Pending Sale 2 provide indications of value equal to

\$25,000 for the subject lot. Land Sale 3 provides an indication of value of less than \$27,500 for the subject lot. A market value of \$25,000 is reasonable and supported by the available market data for the subject lot.

Site Value as Vacant

\$25,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 5, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION	18290 Cottonwood Lakes Rd	580 Tamarack Dr	3280 MT Hwy 83 N	369 Cedar Ln
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$181,000	\$185,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		06/18/20	04/10/19	02/27/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$181,000	\$185,000
LESS SITE VALUE		(\$50,000)	(\$30,000)	(\$45,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$151,000	\$140,000
ADJUSTMENT FOR:				
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Good	Average
		\$0	\$0	\$14,000
BATHROOMS	1	1	2	2
		\$0	-\$5,000	-\$5,000
HOUSE SIZE/SF	960	952	1,040	1,872
		\$560	-\$5,600	-\$63,840
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Attached Garage, Detached Garage, Garage Apartment, & Greenhouse	Attached Garage & Shed	Shed	None
		\$48,000	\$20,000	\$59,000
TOTAL ADJUSTMENT		\$48,560	\$9,400	\$4,160
NET ADJUSTMENT PERCENTAGE		27%	6%	3%
ADJUSTED PRICE INDICATION		\$225,560	\$160,400	\$144,160

Discussion of Adjustments

List Adjustment: Home Sales 4, 5, and 6 were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market. No adjustments were necessary for these sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2019 and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

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 contributory site values for the improved sales are retained in the appraisal work file.

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

Condition: The subject residence and Home Sales 1 and 2 were considered to be in similar in overall condition. No adjustments were necessary in this category for these comparables. The residences associated with Home Sale 3 was considered to be of inferior condition compared to the subject. An upward adjustment of 10% was made to this comparable due to the superior condition. This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence and Home Sale 1 include 1 bathroom each. No adjustment was necessary for this sale in this category. Home Sales 2 and 3 include 2 bathrooms each. Downward adjustments of \$5,000 for each additional full bath were considered appropriate for these sales. This adjustment amount is considered reasonable and representative of the actions of market participants with regard to additional bathrooms in the subject market area.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar 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 and comparables do not include finished basement areas and no adjustment was necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Attached Garage	245	Section 12/Page 35	\$54.00	\$13,230
Detached Garage	1,200	Section 17/Page 13	\$29.63	\$35,556
Garage Apartment (Interior Finish)	390	Section 12/Page 17	\$56.50	\$22,035
Greenhouse	49	Section 17/Page 13	\$11.05	\$541
Total Cost New				\$71,362
Less Depreciation - Age/Life - 5/30 Years = 17%				-\$12,132
Depreciated Cost Estimate				\$59,231
Rounded To				\$59,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$225,560, \$160,400, and \$144,160. Home Sales 5 and 6 required the least overall adjustment. Approximately equal weight is accorded the adjusted indications from these two comparables. A market value of \$152,000 (the rounded average of the two indications) is reasonable and well supported for the subject improvements.

Improvement Value

\$152,000

Total Value Conclusion

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

Subject Site Value	\$ 25,000
Subject Improvements Value	<u>\$152,000</u>
Total Value Indication	\$177,000

LOT 6

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 6, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING SALE 1	PENDING SALE 2
IDENTIFICATION	18294 Cottonwood Lakes Rd	Off of Boot Tree Hill Rd	TBD Tap Root Rd	267 Eagle Dr	NHN Skyport Way	Lot 33 Elk Park, Elkhorn Rd
CITY	Seeley Lake, MT	Ovando, MT	Helmville, MT	Seeley Lake, MT	Seeley Lake, MT	Helmville, MT
SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0	\$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		10/22/19	08/13/18	04/25/19	07/17/20	07/28/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
SITE SIZE/ACRES	1.036	9.910	9.990	0.613	2.690	12.400
ADJUSTED SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake (1.5 Miles)	Ovando (8 Miles)	Helmville (10 Miles)	Seeley Lake (1.5 Miles)	Seeley Lake (2.0 Miles)	Helmville (9 Miles)
WATER FRONTAGE	None	Inferior +	Inferior +	Equal =	Equal =	Inferior +
SHAPE	Irregular	None	None	None	Trail Creek	None
TOPOGRAPHY	Level	Equal =	Equal =	Equal =	Superior -	Equal =
FLOOD ZONE	None	Irregular	Irregular	Irregular Rectangle	Irregular Rectangle	Irregular
FRONTAGE/ACCESS	Seasonally Maintained National Forest System Road	Equal =	Equal =	Equal =	Equal =	Equal =
ZONING	20 Acre Min.	Steep	Level	Level	Level	Rolling
EASEMENTS AFFECTING USE	Yes	Inferior +	Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Not Available	None	None	None	None	None
SITE SIZE/ACRES	1.036	Equal =	Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Seasonally Maintained National Forest System Road	Seasonally Maintained Private Road (From National Forest System Road)	County Road (Maintained Year Round)	County Road (Maintained Year Round)	Seasonally Accessible Private Road
VALUE INDICATIONS		Inferior +	Equal =	Superior -	Superior -	Equal =
		20 Acre Min.	160 Acre Min.	20 Acre Min.	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =	Equal =
		Yes	No	No	No	No
		Not Available	Not Available	Available	Available	Not Available
		Equal =	Equal =	Superior -	Superior -	Equal =
		1.036	9.910	9.990	0.613	2.690
		Superior -	Superior -	Inferior +	Superior -	Superior -
		Inferior + +	Equal =	Superior -	Superior - - -	Equal =
		>> \$20,000	= \$25,000	< \$27,500	<<< \$63,000	= \$25,000

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 were all closed as of the report effective date and no adjustment was necessary in this category. Pending Land Sales 1 and 2 closed after the report effective date but under were contract as of that date. These sales closed prior to the report publish date and the sales prices were available. No adjustments were necessary for these comparables in this category.

Adjustment for Improvements: There were no improvements of value associated with the land comparables. No adjustment was necessary in this category.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2018, 2019, and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject lot is located in the greater Seeley Lake area and is approximately 1.5 miles from services in Seeley Lake. Land Sale1 and Pending Sale 1 have similar proximity to services in Seeley Lake. These comparables are identified as Equal = compared to the subject lot in this category.

Water Frontage: The subject site and Land Sales 1, 2, and 3 and Pending Sale 2 do not include water frontage. These comparables are identified as Equal = compared to the subject in this category. Pending Sale 1 has frontage along Trail Creek. This comparable is identified as Superior - compared to the subject in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject lot and Land Sales 2 and 3 and Pending Sales 1 and 2 have sufficient level areas for residential improvements. The subject and these comparables are identified as Equal = in this category. Land Sale 1 has steep topography and is identified as Inferior + compared to the subject lot in this category.

Flood Zone: It does not appear that the subject lot is within a flood hazard area; however, there is no printed map panel for the area. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a seasonally maintained National Forest System Road. Land Sale 2 and Pending Sale 2 are accessed via seasonally maintained roads. The access to these sales is identified as Equal = compared to the subject in this category. Land Sale 1 does not have vehicular access and this sale is identified as Inferior + compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 are accessed via public roads which are maintained year round. The access to these comparables is identified as Superior – compared to the subject lot in this category.

Zoning: The subject lot is in a zoning district of Powell County requiring 160 acre minimum site sizes. Land Sales 1, 2, and Pending Sale 2 are in zoning districts of Powell County requiring either 160 acre or 20 acre minimum site sizes. The subject lot and these comparables are all smaller than allowed by zoning if developed today. For this reason, the subject lots and these comparables are considered to have non-conforming uses but the uses are allowed. Land Sale 1 and Pending Sale 1 are in areas of Missoula County with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: The subject lot includes two shared driveways which are considered to negatively impact marketability. There were no atypical easements associated with the comparables. The comparables are identified as Equal = compared to the subject in this category; however, a lump sum adjustment is made after the preliminary lot value determination for the subject shared driveway.

Electricity/Telephone: The subject lot and Land Sales 1 and 2 and Pending Sale 2 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 have access to electricity. These comparables are identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.036 acres. Land Sales 1 and 2 and Pending Sales 1 and 2 are larger than the subject lot and are identified as Superior – compared to the subject lot in this category. Land Sale 3 is smaller than the subject lot and is identified as Inferior + compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded Land Sale 1 or Pending Sale 1 as these sales required the highest overall adjustment. All weight is accorded Land Sales 2 and 3 and Pending Sale 2 as these sales required the least overall adjustment. Land Sale 2 and Pending Sale 2 provide indications of value equal to \$25,000 for the subject lot. Land Sale 3 provides an indication of value of less than \$27,500 for the subject lot. A preliminary market value of \$25,000 is reasonable and supported by the available market data for the subject lot.

Lump Sum Adjustment for Shared Driveway Easement

The shared driveways on this lot limit the usable area and impact privacy. Most market participants view this type of easement as a negative characteristic. We have made a lump sum downward adjustment of 10% to account for these easements since none of the comparables included a similar easement. The value calculations are below;

Preliminary Site Value as Vacant	\$25,000
Less 10% for Easement	<u>- \$2,500</u>
Site Value as Vacant	\$22,500

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 6, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION	18340 Cottonwood Lakes Rd	580 Tamarack Dr	3280 MT Hwy 83 N	369 Cedar Ln
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$181,000	\$185,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		06/18/20	04/10/19	02/27/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$181,000	\$185,000
LESS SITE VALUE		(\$50,000)	(\$30,000)	(\$45,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$151,000	\$140,000
ADJUSTMENT FOR:				
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Good	Average
		-\$17,700	-\$15,100	\$0
BATHROOMS	1	1	2	2
		\$0	-\$5,000	-\$5,000
HOUSE SIZE/SF	1,527	952	1,040	1,872
		\$40,250	\$34,090	-\$24,150
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Storage Building & Pump House	Attached Garage & Shed	Shed	None
		\$0	\$5,000	\$6,000
TOTAL ADJUSTMENT		\$22,550	\$18,990	-\$23,150
NET ADJUSTMENT PERCENTAGE		13%	13%	-17%
ADJUSTED PRICE INDICATION		\$199,550	\$169,990	\$116,850

Discussion of Adjustments

List Adjustment: Home Sales 4, 5, and 6 were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market. No adjustments were necessary for these sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2019 and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

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 contributory site values for the improved sales are retained in the appraisal work file.

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

Condition: The subject residence and Home Sale 3 were considered to be in similar in overall condition. No adjustments were necessary in this category for this comparable. The residences associated with Home Sales 1 and 2 were considered to be of superior condition compared to the subject. Downward adjustments of 10% were made to these comparable due to the superior conditions. This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence and Home Sale 1 include 1 bathroom each. No adjustment was necessary for this sale in this category. Home Sales 2 and 3 include 2 bathrooms each. Downward adjustments of \$5,000 for each additional full bath were considered appropriate for these sales. This adjustment amount is considered reasonable and representative of the actions of market participants with regard to additional bathrooms in the subject market area.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar 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 and comparables do not include finished basement areas and no adjustment was necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Building	560	Section 17/Page 16	\$24.24	\$13,574
Pump House	108	Section 17/Page 16	\$24.24	\$2,618
Fencing	Lump Sum			\$2,000
Total Cost New				\$18,192
Less Depreciation - Age/Life - 20/30 Years = 67%				-\$12,189
Depreciated Cost Estimate				\$6,003
Rounded To				\$6,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$199,550, \$169,990, and \$116,850. The overall adjustment percentages for the comparable form a relatively tight range. Approximately equal weight is accorded the adjusted indications from all three sales. A market value of \$162,000 (the rounded average of the three indications) is reasonable and well supported for the subject improvements.

Improvement Value

\$162,000

Total Value Conclusion

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

Subject Site Value	\$ 22,500
Subject Improvements Value	<u>\$162,000</u>
Total Value Indication	\$184,500

LOT 7

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 7, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING SALE 1	PENDING SALE 2
IDENTIFICATION	18340 Cottonwood Lakes Rd	Off of Boot Tree Hall Rd	TBD Tap Root Rd	267 Eagle Dr	NHN Skyport Way	Lot 33 Elk Park, Elkhorn Rd
CITY	Seeley Lake, MT	Ovando, MT	Helmville, MT	Seeley Lake, MT	Seeley Lake, MT	Helmville, MT
SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0	\$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		10/22/19	08/13/18	04/25/19	07/17/20	07/28/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
SITE SIZE/ACRES	1.390	9.910	9.990	0.613	2.690	12.400
ADJUSTED SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake (1.5 Miles)	Ovando (8 Miles)	Helmville (10 Miles)	Seeley Lake (1.5 Miles)	Seeley Lake (2.0 Miles)	Helmville (9 Miles)
WATER FRONTAGE	None	Inferior +	Inferior +	Equal =	Equal =	Inferior +
SHAPE	Irregular	None	None	None	Trail Creek	None
TOPOGRAPHY	Level	Equal =	Equal =	Equal =	Superior -	Equal =
FLOOD ZONE	None	Irregular	Irregular	Irregular Rectangle	Irregular Rectangle	Irregular
FRONTAGE/ACCESS	Seasonally Maintained National Forest System Road	Equal =	Equal =	Equal =	Equal =	Equal =
ZONING	20 Acre Min.	Equal =	Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	Inferior +	Equal =	Superior -	Superior -	Equal =
ELECTRICITY/TELEPHONE	Not Available	Equal =	Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.390	Not Available	Not Available	Available	Available	Not Available
OVERALL RATING COMPARED TO SUBJECT		Equal =	Equal =	Superior -	Superior -	Equal =
VALUE INDICATIONS		Equal =	Equal =	Superior -	Superior -	Equal =
		>> \$20,000	= \$25,000	< \$27,500	<<<< \$63,000	= \$25,000

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 were all closed as of the report effective date and no adjustment was necessary in this category. Pending Land Sales 1 and 2 closed after the report effective date but under were contract as of that date. These sales closed prior to the report publish date and the sales prices were available. No adjustments were necessary for these comparables in this category.

Adjustment for Improvements: There were no improvements of value associated with the land comparables. No adjustment was necessary in this category.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2018, 2019, and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject lot is located in the greater Seeley Lake area and is approximately 1.5 miles from services in Seeley Lake. Land Sale1 and Pending Sale 1 have similar proximity to services in Seeley Lake. These comparables are identified as Equal = compared to the subject lot in this category.

Water Frontage: The subject site and Land Sales 1, 2, and 3 and Pending Sale 2 do not include water frontage. These comparables are identified as Equal = compared to the subject in this category. Pending Sale 1 has frontage along Trail Creek. This comparable is identified as Superior - compared to the subject in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject lot and Land Sales 2 and 3 and Pending Sales 1 and 2 have sufficient level areas for residential improvements. The subject and these comparables are identified as Equal = in this category. Land Sale 1 has steep topography and is identified as Inferior + compared to the subject lot in this category.

Flood Zone: It does not appear that the subject lot is within a flood hazard area; however, there is no printed map panel for the area. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a seasonally maintained National Forest System Road. Land Sale 2 and Pending Sale 2 are accessed via seasonally maintained roads. The access to these sales is identified as Equal = compared to the subject in this category. Land Sale 1 does not have vehicular access and this sale is identified as Inferior + compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 are accessed via public roads which are maintained year round. The access to these comparables is identified as Superior – compared to the subject lot in this category.

Zoning: The subject lot is in a zoning district of Powell County requiring 160 acre minimum site sizes. Land Sales 1, 2, and Pending Sale 2 are in zoning districts of Powell County requiring either 160 acre or 20 acre minimum site sizes. The subject lot and these comparables are all smaller than allowed by zoning if developed today. For this reason, the subject lots and these comparables are considered to have non-conforming uses but the uses are allowed. Land Sale 1 and Pending Sale 1 are in areas of Missoula County with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There are no atypical easements associated with the subject site or comparables. The comparables are identified as Equal = compared to the subject in this category.

Electricity/Telephone: The subject lot and Land Sales 1 and 2 and Pending Sale 2 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 have access to electricity. These comparables are identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.390 acres. Land Sales 1 and 2 and Pending Sales 1 and 2 are larger than the subject lot and are identified as Superior – compared to the subject lot in this category. Land Sale 3 is smaller than the subject lot and is identified as Inferior + compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded Land Sale 1 or Pending Sale 1 as these sales required the highest overall adjustment. All weight is accorded Land Sales 2 and 3 and Pending Sale 2 as these sales required the least overall adjustment. Land Sale 2 and Pending Sale 2 provide indications of value equal to

\$25,000 for the subject lot. Land Sale 3 provides an indication of value of less than \$27,500 for the subject lot. A market value of \$25,000 is reasonable and supported by the available market data for the subject lot.

Site Value as Vacant

\$25,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 7, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION	18340 Cottonwood Lakes Rd	580 Tamarack Dr	3280 MT Hwy 83 N	369 Cedar Ln
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$181,000	\$185,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		06/18/20	04/10/19	02/27/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$181,000	\$185,000
LESS SITE VALUE		(\$50,000)	(\$30,000)	(\$45,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$151,000	\$140,000
ADJUSTMENT FOR:				
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Good	Average
		-\$17,700	-\$15,100	\$0
BATHROOMS	0	1	2	2
		-\$10,000	-\$20,000	-\$20,000
HOUSE SIZE/SF	1,451	952	1,040	1,872
		\$34,930	\$28,770	-\$29,470
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Storage Building, Pole Building, & Wood Shed	Attached Garage & Shed	Shed	None
		\$0	\$6,000	\$7,000
TOTAL ADJUSTMENT		\$7,230	-\$330	-\$42,470
NET ADJUSTMENT PERCENTAGE		4%	0%	-30%
ADJUSTED PRICE INDICATION		\$184,230	\$150,670	\$97,530

Discussion of Adjustments

List Adjustment: Home Sales 4, 5, and 6 were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market. No adjustments were necessary for these sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2019 and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

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 contributory site values for the improved sales are retained in the appraisal work file.

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

Condition: The subject residence and Home Sale 3 were considered to be in similar in overall condition. No adjustments were necessary in this category for this comparable. The residences associated with Home Sales 1 and 2 were considered to be of superior condition compared to the subject. Downward adjustments of 10% were made to these comparable due to the superior conditions This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence does not include a bathroom or plumbing. The comparables are plumbed and include typical bathrooms. Downward adjustments of \$10,000 for each full bath and \$5,000 for each half bathroom were made to these comparables as appropriate. This adjustment is considered reasonable and representative of the actions of market participants with regard to interior plumbing and bathrooms in the subject market area.

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar 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 and comparables do not include finished basement areas and no adjustment was necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Building	200	Section 17/Page 16	\$24.24	\$4,848
Pole Building	153	Section 17/Page 14	\$20.40	\$3,121
Shed	192	Section 17/Page 16	\$21.60	\$4,147
2 Outhouses	Lump Sum			\$2,000
Total Cost New				\$14,116
Less Depreciation - Age/Life - 15/30 Years = 50%				<u>-\$7,058</u>
Depreciated Cost Estimate				\$7,058
Rounded To				\$7,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$184,230, \$150,670, and \$97,530. Home Sales 4 and 5 required the least overall adjustment. Approximately equal weight is accorded the adjusted indications from these two comparables. A market value of \$167,000 (the rounded average of the two indications) is reasonable and well supported for the subject improvements.

Improvement Value

\$167,000

Total Value Conclusion

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

Subject Site Value	\$ 25,000
Subject Improvements Value	<u>\$167,000</u>
Total Value Indication	\$192,000

LOT 8

Site Value Estimate

The site sales presented were utilized to determine 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 #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING SALE 1	PENDING SALE 2
IDENTIFICATION	18414 Cottonwood Lakes Rd	Off of Boot Tree Hall Rd	TBD Tap Root Rd	267 Eagle Dr	NHN Skyport Way	Lot 33 Elk Park, Elkhorn Rd
CITY	Seeley Lake, MT	Ovando, MT	Helmville, MT	Seeley Lake, MT	Seeley Lake, MT	Helmville, MT
SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0	\$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		10/22/19	08/13/18	04/25/19	07/17/20	07/28/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
SITE SIZE/ACRES	1.386	9.910	9.990	0.613	2.690	12.400
ADJUSTED SALES PRICE		\$20,000	\$25,000	\$27,500	\$63,000	\$25,000
ADJUSTMENT FOR:						
LOCATION	Seeley Lake (1.5 Miles)	Ovando (8 Miles)	Helmville (10 Miles)	Seeley Lake (1.5 Miles)	Seeley Lake (2.0 Miles)	Helmville (9 Miles)
WATER FRONTAGE	None	Inferior +	Inferior +	Equal =	Equal =	Inferior +
SHAPE	Irregular	None	None	None	Trail Creek	None
TOPOGRAPHY	Level	Equal =	Equal =	Equal =	Superior -	Equal =
FLOOD ZONE	None	Irregular	Irregular	Irregular Rectangle	Irregular Rectangle	Irregular
FRONTAGE/ACCESS	Seasonally Maintained National Forest System Road	Equal =	Equal =	Equal =	Equal =	Equal =
ZONING	20 Acre Min.	Equal =	Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	Inferior +	Equal =	Superior -	Superior -	Equal =
ELECTRICITY/TELEPHONE	Not Available	Equal =	Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.386	Not Available	Not Available	Available	Available	Not Available
OVERALL RATING COMPARED TO SUBJECT		Equal =	Equal =	Superior -	Superior -	Equal =
VALUE INDICATIONS		Equal =	Equal =	Superior -	Superior -	Equal =
		>> \$20,000	= \$25,000	< \$27,500	<<<< \$63,000	= \$25,000

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 were all closed as of the report effective date and no adjustment was necessary in this category. Pending Land Sales 1 and 2 closed after the report effective date but were under contract as of that date. These sales closed prior to the report publish date and the sales prices were available. No adjustments were necessary for these comparables in this category.

Adjustment for Improvements: There were no improvements of value associated with the land comparables. No adjustment was necessary in this category.

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

Financing: All sales were cash or cash equivalent; therefore, no adjustments were necessary in this category.

Conditions of Sale: There were no atypical conditions of sale reported by the verifying parties for any of the comparables. No adjustments were made to the comparables in this category.

Buyer Expenditures: There were no buyer expenditures noted for the land sales utilized in this analysis. No adjustments were necessary in this category.

Market Conditions: The comparable sold in 2018, 2019, and 2020. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

Discussion of Qualitative Adjustments

The following adjustments are for categories where the comparables are different from the subject property and differences in these categories were considered to potentially affect value; however, there was not sufficient market data available on which to credibly base dollar amount or percentage adjustments. These adjustments are identified as Equal =, Superior -, or Inferior + compared to the subject property. We have used additional minuses or pluses to convey order of magnitude when necessary.

Location: The subject lot is located in the greater Seeley Lake area and is approximately 1.5 miles from services in Seeley Lake. Land Sale1 and Pending Sale 1 have similar proximity to services in Seeley Lake. These comparables are identified as Equal = compared to the subject lot in this category.

Water Frontage: The subject site and Land Sales 1, 2, and 3 and Pending Sale 2 do not include water frontage. These comparables are identified as Equal = compared to the subject in this category. Pending Sale 1 has frontage along Trail Creek. This comparable is identified as Superior - compared to the subject in this category.

Shape: The subject and comparables have shapes suitable for residential improvements and are considered Equal = in this category.

Topography: The subject lot and Land Sales 2 and 3 and Pending Sales 1 and 2 have sufficient level areas for residential improvements. The subject and these comparables are identified as Equal = in this category. Land Sale 1 has steep topography and is identified as Inferior + compared to the subject lot in this category.

Flood Zone: It does not appear that the subject lot is within a flood hazard area; however, there is no printed map panel for the area. The comparables are not within areas of flood hazard and are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject lot is accessed via a seasonally maintained National Forest System Road. Land Sale 2 and Pending Sale 2 are accessed via seasonally maintained roads. The access to these sales is identified as Equal = compared to the subject in this category. Land Sale 1 does not have vehicular access and this sale is identified as Inferior + compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 are accessed via public roads which are maintained year round. The access to these comparables is identified as Superior – compared to the subject lot in this category.

Zoning: The subject lot is in a zoning district of Powell County requiring 160 acre minimum site sizes. Land Sales 1, 2, and Pending Sale 2 are in zoning districts of Powell County requiring either 160 acre or 20 acre minimum site sizes. The subject lot and these comparables are all smaller than allowed by zoning if developed today. For this reason, the subject lots and these comparables are considered to have non-conforming uses but the uses are allowed. Land Sale 1 and Pending Sale 1 are in areas of Missoula County with no zoning. Based upon analysis of highest and best for uses for the subject and comparables, the comparables are identified as Equal = compared to the subject in this category.

Easements Affecting Use: There are no atypical easements associated with the subject site or comparables. The comparables are identified as Equal = compared to the subject in this category.

Electricity/Telephone: The subject lot and Land Sales 1 and 2 and Pending Sale 2 do not have access to electricity. These comparables are identified as Equal = compared to the subject lot in this category. Land Sale 3 and Pending Sale 1 have access to electricity. These comparables are identified as Superior – compared to the subject in this category.

Size/Acres: The subject site totals 1.386 acres. Land Sales 1 and 2 and Pending Sales 1 and 2 are larger than the subject lot and are identified as Superior – compared to the subject lot in this category. Land Sale 3 is smaller than the subject lot and is identified as Inferior + compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded Land Sale 1 or Pending Sale 1 as these sales required the highest overall adjustment. All weight is accorded Land Sales 2 and 3 and Pending Sale 2 as these sales required the least overall adjustment. Land Sale 2 and Pending Sale 2 provide indications of value equal to

\$25,000 for the subject lot. Land Sale 3 provides an indication of value of less than \$27,500 for the subject lot. A market value of \$25,000 is reasonable and supported by the available market data for the subject lot.

Site Value as Vacant

\$25,000

Improvement Value Estimate

House Sales 7, 8, and 9 are appropriate comparables for the subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 8, COS #660RT, MORRELL CREEK, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 7	SALE 8	SALE 9
IDENTIFICATION	18414 Cottonwood Lakes Rd	770 Montana Dr	269 S Grayling Ct	260 Timberlane
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$164,900	\$129,000	\$135,000
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		08/16/19	03/21/19	11/01/17
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$164,900	\$129,000	\$135,000
LESS SITE VALUE & GARAGE (FOR SALE 7)		(\$105,000)	(\$60,000)	(\$70,000)
ADJUSTED IMPROVEMENT PRICE		\$59,900	\$69,000	\$65,000
ADJUSTMENT FOR:				
LOCATION/SITE	Interior Site	Interior Site	Interior Site	Interior Site
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Average	Good	Average	Average
		-\$5,990	\$0	\$0
BATHROOMS	0	0	1	1
		\$0	-\$10,000	-\$10,000
HOUSE SIZE/SF	376	192	634	576
		\$9,200	-\$12,900	-\$10,000
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Outhouse	1 Shed	2 Sheds	2 Car Garage
		\$0	-\$1,000	-\$5,000
TOTAL ADJUSTMENT		\$3,210	-\$23,900	-\$25,000
NET ADJUSTMENT PERCENTAGE		5%	-35%	-38%
ADJUSTED PRICE INDICATION		\$63,110	\$45,100	\$40,000

Discussion of Adjustments

List Adjustment: Home Sales 7, 8, and 9 were closed sales as of the report effective date and required no adjustment in this category.

Property Rights: The value of the fee simple interest is concluded in this report. The fee simple interest transferred with the comparables and no adjustments were necessary in this category.

Financing: Based upon the information we verified, no adjustments were necessary in this category for the comparables.

Conditions of Sale: The conditions of sale for the comparables were reflective of market. No adjustments were necessary for these sales in this category.

Buyer Expenditures: According to our research no adjustment is necessary in this category.

Market Conditions: The comparables sold in 2017 and 2019. There are typically few sales each year of similar sites in the subject market area. There were not a sufficient number of sales and re-sales of vacant similar sites to prepare credible paired sales analyses to determine the appropriate adjustment in this category. No adjustments were made in this category; however, the most recent sales available were selected for this analysis.

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 contributory value of the finished garage was also deducted from the sales price for Home Sale 7. This garage included a finished interior and a full bathroom. This garage contributed significant value to this property and the home on this site is relatively small. Removal of the contributory value of the garage resulted in greater clarity for analysis of this comparable. The site sales utilized to determine the contributory site values for the improved sales are retained in the appraisal work file.

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

Condition: The subject residence and Home Sales 2 and 3 were considered to be in similar in overall condition. No adjustments were necessary in this category for these comparables. The residence associated with Home Sale 1 was considered to be of superior condition compared to the subject. A downward adjustment of 10% was made to this comparables due to the superior condition. This adjustment percentage is considered reasonable and representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence does not include a bathroom or plumbing. Home Sale 7 does not include a bathroom (the bathroom for this property is in the garage) and no adjustment was necessary for this comparable in this category. Home Sales 8 and 9 are plumbed and include typical bathrooms. Downward adjustments of \$10,000 for each full bath were made to these comparables. This adjustment is considered reasonable and representative of the actions of market participants with regard to interior plumbing and bathrooms in the subject market area.

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 \$50 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for Home Sales 2 and 3 without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. Home Sale 1 was so much smaller than the subject residence that it was not utilized to determine the adjustment for size. The adjustment per square foot utilized is considered appropriate and indicative of the actions of market participants with respect to house size.

Finished Basement Size: The subject and comparables do not include finished basement areas. No adjustment was necessary in this category.

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Outhouse		Lump Sum		\$2,000
Total Cost New				\$2,000
Less Depreciation - Age/Life - 15/30 Years = 50				-\$1,000
Depreciated Cost Estimate				\$1,000
Rounded To				\$1,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$63,110, \$45,100, and \$40,000. The comparables collectively are considered to provide reasonable indications of value for the subject improvements. A market value of \$49,000 (the rounded average indication from all three comparables) is reasonable and well supported for the subject improvements.

Improvement Value

\$49,000

Total Value Conclusion

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

Subject Site Value	\$25,000
Subject Improvements Value	<u>\$49,000</u>
Total Value Indication	\$74,000

RECAPITULATION OF VALUE INDICATIONS

The market values for the subject properties are recapitulated on the table below;

Lot #	Sale #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
3	1087	\$27,500	\$144,000	\$171,500	7/14/2020
5	1088	\$25,000	\$152,000	\$177,000	7/14/2020
6	1089	\$22,500	\$162,000	\$184,500	7/14/2020
7	1090	\$25,000	\$167,000	\$192,000	7/14/2020
8	1091	\$25,000	\$49,000	\$74,000	7/14/2020

The values above 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.

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
2019 – 7 Hour National USPAP Update Course
2019 – Business Practice & Ethics
2020 – Small Hotel/Motel Valuation
2020 – Appraisal of Medical Office Buildings

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

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

2019 – Appraisal Institute: The Cost Approach: Unnecessary or Vital to a Healthy Practice

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

PARTIAL LIST OF CLIENTS

United States Department of Interior
United States Government Services Administration
State of Montana Department of Natural Resources
Montana Department of Transportation
City of Whitefish
City of Kalispell
Flathead County
Glacier Bank
Rocky Mountain Bank
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

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) – Technology Marketing

STATE LICENSES/CERTIFICATIONS

Montana Licensed Appraiser # REA-RAL-LIC-841

APPRAISERS LICENSES

 **State of Montana**
Business Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-683
Status: **Active**
Expires: **03/31/2021**

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER
With endorsements of:
* **REAL ESTATE APPRAISER MENTOR**

CLARK REAL ESTATE APPRAISAL
ELLIOTT M CLARK
CLARK REAL ESTATE APPRAISAL
P.O. BOX 1531
SEELEY LAKE, MT 59868

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

 **State of Montana**
Business Standards Division
Board of Real Estate Appraisers

REA-RAL-LIC-841
Status: **Active**
Expires: **03/31/2021**

This certificate verifies licensure as:
LICENSED APPRAISER

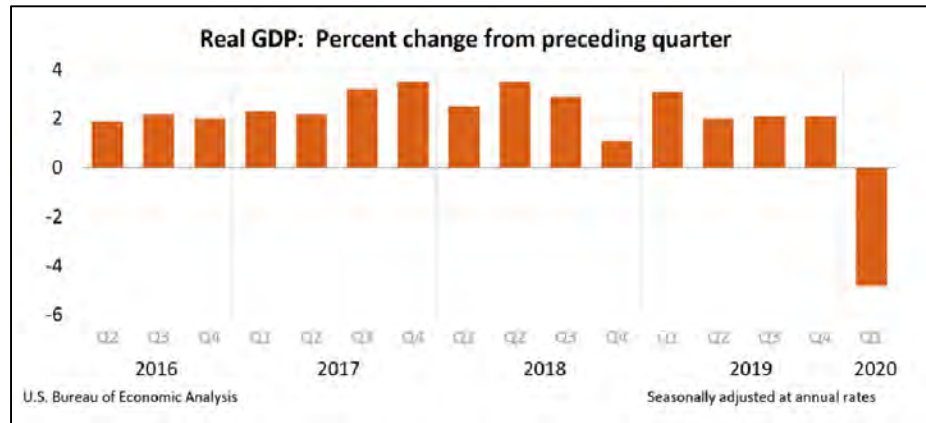
CLARK REAL ESTATE APPRAISAL
CHRISTOPHER D CLARK
CLARK REAL ESTATE APPRAISAL
P.O. BOX 1531
SEELEY LAKE, MT 59868

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

ADDENDUM

NATIONAL ECONOMIC DATA

According to the advance estimate from the Bureau of Economic Analysis of the US Department of Commerce (BEA), real GDP decreased by 4.8% in the first quarter of 2020 after increasing 2.1% in the fourth quarter of 2019. A second more complete estimate will be available on May 28, 2020. According to the BEA, “the decline in the first quarter GDP was, in part due to the response to the spread of COVID-19, as governments issued stay at home orders in March. This led to rapid changes in demand, as businesses and schools switched to remote work or cancelled operations, and consumers cancelled, restricted,



or redirected spending. The full economic effects of the COVID-19 pandemic cannot be quantified in the GDP estimate for the first quarter of 2020 because the impacts are generally embedded in source data and cannot be separately identified.”

The National Bureau of Economic Research (also known as NBER - a private research group led by the nation’s top economists and long been considered the official arbiter of sorts for determining when business cycles start and end) announced June 8, 2020 that the United States had been in a recession since February 2020. A recession is typically defined as two straight quarters of negative GDP, but the NBER has leeway to take into account the depth of a contraction, how quickly it occurs and how much of the economy is affected.

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.

According to ESRI, as of 2019 the median household income was estimated at \$53,087 and is projected to increase to \$58,431 (an increase of about 10.1%) by 2024. This compares to the United States, which has an estimated median household income of \$60,548 as of 2019 and is projected to increase to \$69,180 (an increase of about 14.3%) by 2024.

The following table summarizes unemployment rates in Montana over the past 10 years.

State of Montana					
Year	Month	Labor Force	Employment	Unemployment	Unemployment Rate
2010	Annual Average	500,525	463,998	36,527	7.3%
2011	Annual Average	501,225	466,403	34,822	6.9%
2012	Annual Average	506,485	476,174	30,311	6.0%
2013	Annual Average	510,781	483,071	27,710	5.4%
2014	Annual Average	512,245	488,336	23,909	4.7%
2015	Annual Average	517,656	496,042	21,614	4.2%
2016	Annual Average	522,497	500,830	21,667	4.1%
2017	Annual Average	525,575	504,871	20,704	3.9%
2018	Annual Average	528,834	509,568	19,266	3.6%
2019	Annual Average	533,497	514,917	18,580	3.5%
2020	Y-T-D Average (through June)	531,475	495,991	35,484	6.7%
2020	June	542,444	504,456	37,988	7.0%
				Average	5.1%

Source: United States Department of Labor, Bureau of Labor Statistics

As shown in the previous table, the annual average unemployment rate has decreased every year since 2010. As of April 2020, the unemployment rate in Montana was reported at 11.9%. This spike in the rate is likely due in large part to the coronavirus pandemic, which began in March 2020.

COVID-19 Update for State of Montana

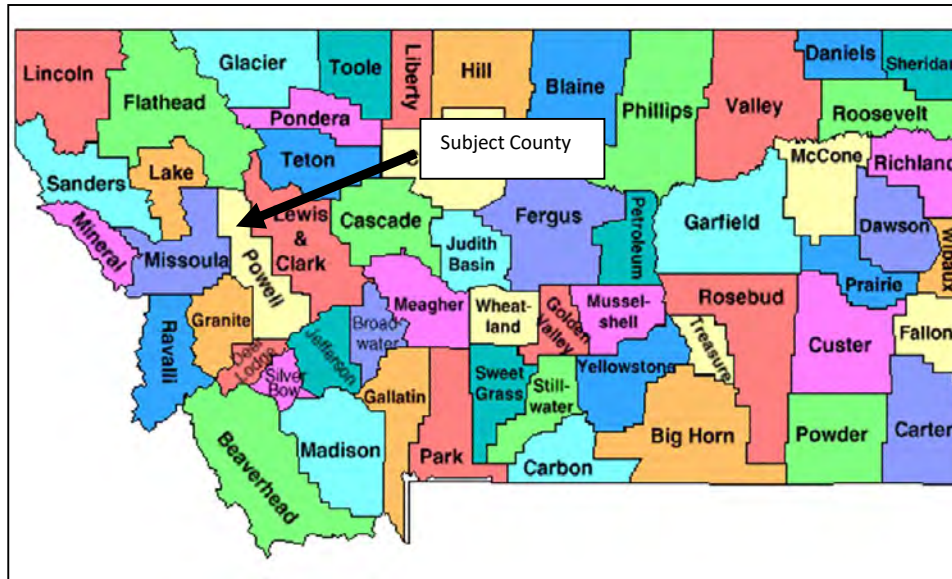
The University of Montana Bureau of Economic Research prepared a study titled “The Impacts of COVID-19 in Montana, Preliminary Analysis” in April of 2020. The principal findings from the study are below;

- Job losses in the state of 7.3% are forecasted for calendar year 2020; however, some improvement is forecasted for the fourth quarter.
- Personal income will be \$3.9 billion lower in Montana than was projected by the Bureau in December of 2019.
- Job losses will be seen all over Montana; however, job losses will be particularly severe for northwest regions of the state.

The Bureau forecasts stronger economic growth in 2021 and 2022.

POWELL COUNTY DATA

The subject properties are in Powell County which is the western half of the state. The total land area of the county is approximately 2,333 square miles. The county seat is the city of Deer Lodge. A map of Montana with counties identified is below.



Geographical Information

Powell County is bordered to the north by Flathead County and to the east by Lewis & Clark County. It is bordered to the south by Jefferson and Deer Lodge Counties and to the west by Granite and Missoula Counties. The general geography of the county is rolling and mountainous. There are a number of national protected areas in the county. These include; the Grant Khors National Historic Site, part of the Bob Marshall Wilderness, and part of the Scapegoat Wilderness Area. Portions of the Blackfoot and Clark Fork Rivers run through Powell County.

City and Communities

Deer Lodge is the only incorporated city in Powell County. Census Designated Places and unincorporated communities in Powell County include; Avon, Elliston, Garrison, Ovando, and Helmville.

Population .

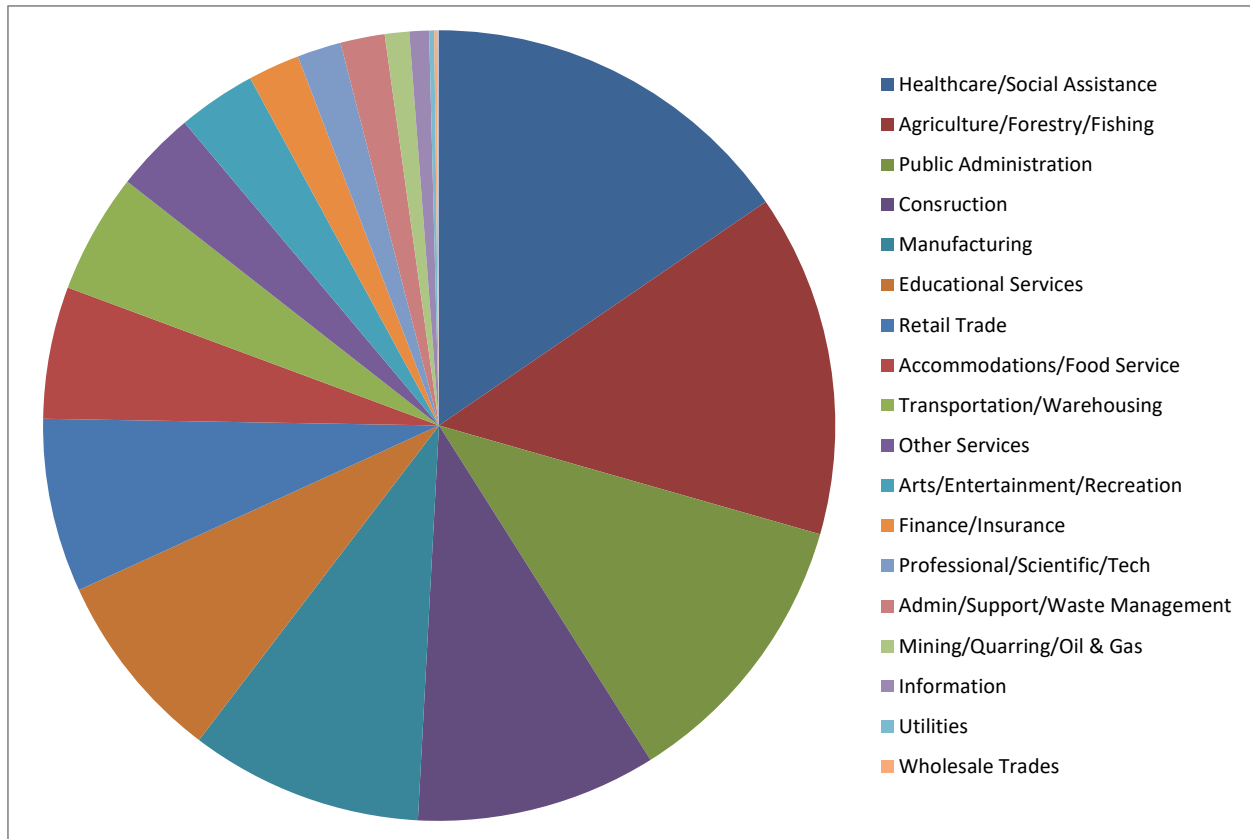
Missoula County is the 29th most populous county in Montana. The 2020 county population estimate from ESRI based upon US Census Bureau data was 7,185. The population is projected to decrease to 7,112 by 2024 or -0.20% per year.

Income

According to estimates from ESRI based upon US Census data, the median household income for Powell County is \$48,103 in 2020. Approximately 15.5% of the population of Powell County was below the poverty level according to the American Community Survey for 2014-2018. This is higher than the national average at 11.8% for 2018.

Employment

According to ESRI there were 2,347 people over 16 years of age in the workforce in Powell County in 2020. The workforce by industry categories are sorted by percentage on the chart below;



Healthcare/Social Assistance (15.4%), Agriculture/Forestry/Fishing (14%), and Public Administration (11.6%) comprise the largest employment categories.

Real Estate

According to ESRI estimates based upon US Census data there were 3,154 housing units in Powell County in 2020. The home ownership rate was estimated at 49.5% in 2020. The median home value was estimated to be \$167,698 in 2020. It is expected to increase by approximately 1.67% per year to \$181,684 in 2025.

According to the area MLS, the vast majority of home sales on sites with 5 acres or less in Powell County were located in Deer Lodge (the county seat).

Education & Healthcare

There are elementary, middle schools and high schools in the various population centers of Powell County. There is a hospital in Deer Lodge.

Linkages & Transportation

United States Interstate Highway 90 runs through Powell County. US Highway 12 goes through the county. There are Montana Highways in the county as well.

County Data Conclusion

There is no large population center in Powell County. The county consists of large tracts of undeveloped land (public and private), agricultural properties, and small communities. The population of the county is slated to decrease slightly through 2025. Despite the forecasted population decrease, the median household income and median home value are both forecasted to increase modestly over the next five years. The county has been a popular area for recreation due to the proximity to national protected areas and rivers popular for recreation. Overall, the economy of Powell County is considered stable for the foreseeable future

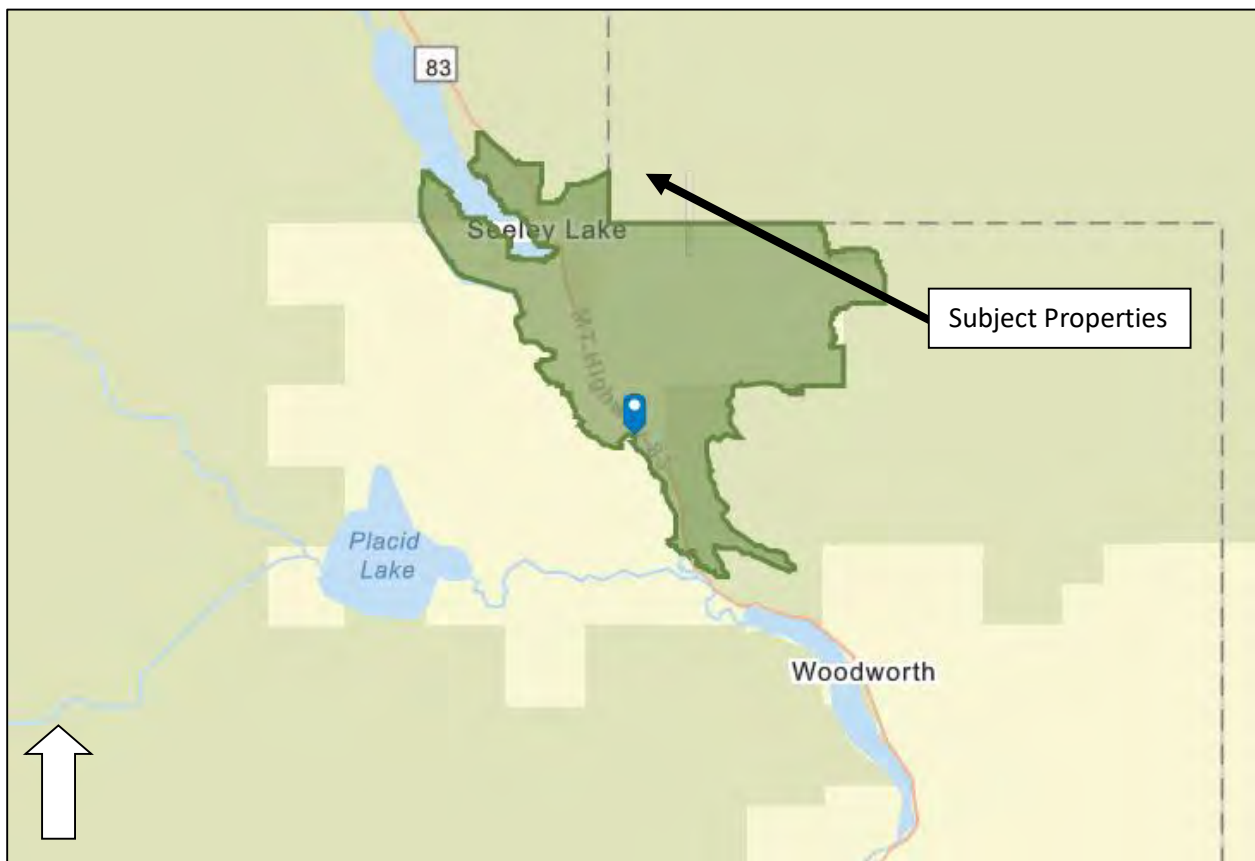
According to the Bureau of Business and Economic Research at the University of Montana, economic impacts on Northwest Montana Counties (which includes Powell County) due to COVID-19 have been forecasted to be significant.

SEELEY LAKE DATA

General Information

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

For report purposes the neighborhood boundaries consists of the community of Seeley Lake. The boundaries of Seeley Lake, CDP (Census-Designated Place) are depicted on the image below. The subject lots are just outside of the CDP; however, they have physical addresses of Seeley Lake and Seeley Lake is the closet population center to the lots. Montana Highway 83 runs north to south through the area. Seeley Lake is approximately 1 hour drive from Missoula and approximately 1.5 hour drive from Kalispell.



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

Geography

The subject area is generally bounded by the Swan Mountains on the east and the Mission Mountains on the west. Mountain peaks extend as high as 9,000 feet. Portions of two national forests are in the greater area. They are the Lolo and Flathead National Forests. There are number of lakes, rivers and creeks in the area. Seeley Lake is the nearest relatively large lake to the subject properties.

Population

According to ESRI 2020 estimates based upon US Census data the population of Seeley Lake, CDP was 1,855. According to ESRI forecasts the population is expected to increase to 1,975 by 2025. This equates to an increase of approximately 1.29% per year.

Economy/Income

There is no major employment in the area. Major employment is located in Kalispell or Missoula which are both over an hour drive away. According to ESRI, the 2020 median household income for area was \$51,089. The median household income is projected to increase to \$54,176 or by approximately 1.21% per year through 2025.

Housing & Real Estate

According to the ESRI there were 1,417 housing units in the area in 2020. Approximately 46.4% of the housing units were identified as owner occupied, approximately 13.6% were identified as renter occupied, and approximately 40.0% were identified as vacant. The relatively high percentage of vacant housing units is likely due to the remote nature of the subject area. Many of these properties are utilized only a portion of the year and are second or vacation homes. The population density increases along the area lakes, rivers and creeks and is less dense further from these amenities. Prices for real estate in the area typically increase substantially with water frontage.

According to ESRI forecasts the median home value for Seeley Lake, CDP in 2020 was \$260,824. The home value is projected to increase to \$287,500 or approximately 2.05% per year by 2025. The most expensive homes are typically on navigable water or on large acreage tracts.

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

Recreation

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

Conclusion

The immediate subject neighborhood is a remote area comprised of rural properties that are mostly residential in nature. There is little employment in the area. There is relatively little privately

owned land in the area. The area is very attractive for recreation. Recreational opportunities include hiking, mountain biking, Nordic skiing, snowmobiling, hunting, boating, and fishing.

SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS

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

*Scope of Work for the Appraisal of Potential Property Sales Through the Cabin/Home Site Sales Program:
2020 Morrell Creek 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 the State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), and Lessees Diane M. McKay; Timothy D. Hoag; Macintosh Realty, LLC; Robin Rau et al.; and Thomas & Susan Knuchel. 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.

State laws guiding authority. (MCA 70-30-313) Current fair market value is the price that would be agreed to by a willing and informed seller and buyer, taking into consideration, but not limited to, the following factors:

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

Highest and best use. The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The 4 (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

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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 5 (five) 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.

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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.

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

Supplemental Appraisal Instructions: 2020 Morrell Creek Appraisals

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

Subject Properties Located in Powell County:

Sale Number	Acres	Legal Description
1087	1.637 ±	Lot 3, Morrell Creek, COS 660RT, T17N-R15W, Sec. 36, Powell County
1088	1.195 ±	Lot 5, Morrell Creek, COS 660RT, T17N-R15W, Sec. 36, Powell County
1089	1.036 ±	Lot 6, Morrell Creek, COS 660RT, T17N-R15W, Sec. 36, Powell County
1090	1.390 ±	Lot 7, Morrell Creek, COS 660RT, T17N-R15W, Sec. 36, Powell County
1091	1.386 ±	Lot 8, Morrell Creek, COS 660RT, T17N-R15W, Sec. 36, Powell County

DNRC Contact Information:

Renee Kelley, Program Specialist
DNRC TLMD Real Estate Management Bureau
PO Box 201601
Helena, MT 59620-1601
Phone: (406) 444-4289
renee.kelley@mt.gov

Lessees:

(see DNRC contact for lessee information)

Sale No. 1087

Diane M. McKay

Sale No. 1090

Robin Rau et al.

Sale No. 1088

Timothy D. Hoag

Sale No. 1091

Thomas & Sandra Knuchel

Sale No. 1089

Macintosh Realty, LLC

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

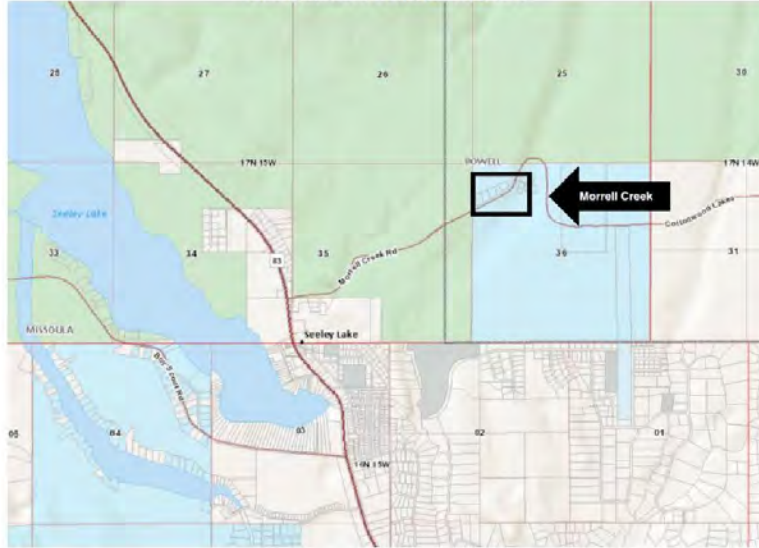
The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel. If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing the 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 12 C.F.R. § 34.42 (h) and 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.

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POWELL COUNTY SALES



**Morrell Creek
T17N-R15W, Sec. 36**

