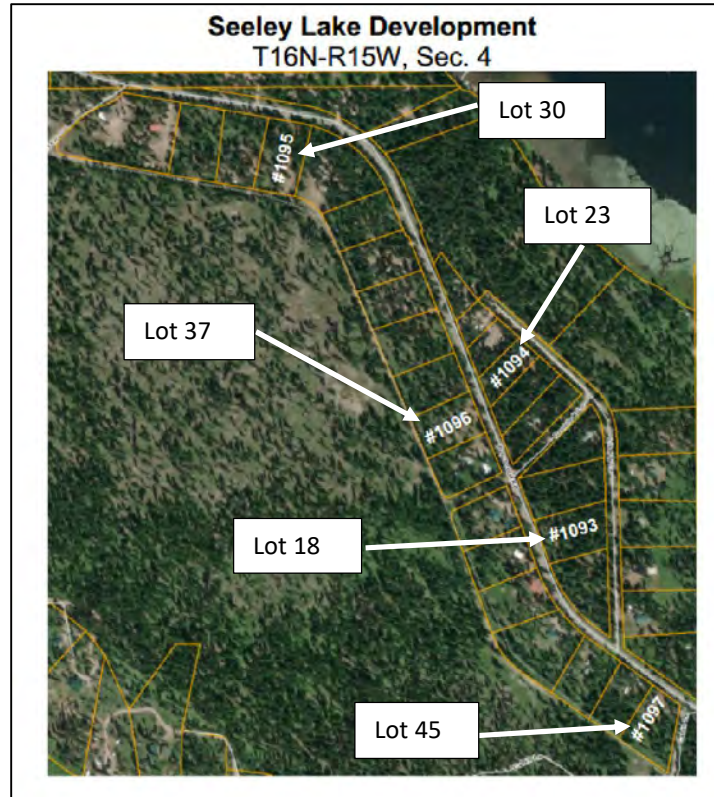


APPRAISAL REPORT OF:

**LOTS 18, 23, 30, 37, & 45, COS # 6161
SEELEY LAKE, MISSOULA COUNTY, MONTANA**



PREPARED FOR:

**State of Montana, Montana Board of Land Commissioners,
& Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, Montana 59620-1601
Attention: Ms. Renee Kelley, Program Specialist**

MARKET VALUES AS OF:

July 13 & 20, 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 18, 23, 30, 37, & 45, COS #6161, Section 4, Township 16 North, Range 15 West, Seeley Lake, Missoula 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 13, 2020 and July 20, 2020. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. This visual inspection, review and analyses were made in order to prepare the attached summary appraisal report.

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

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

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


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

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

20-047ec

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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 18, 23, 30, 37, & 45 of COS #6161, Section 4, Township 16 North, Range 15 West, Missoula County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-063-0018.00
Flood Zone	Lots 18, 23, 30, & 37 in Area of Minimal Flood Hazard, FEMA Map Panel 30063C0740E, Dated 7/6/2015 & Lot 45 in Clearwater River 100 Year Regulatory Flood Plain as per Missoula County Flood Data
Zoning	Area Not Zoned

HIGHEST AND BEST USE(S)

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

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

Report Date	September 18, 2020
Inspection Date(s)	July 13 & 20, 2020
Effective Date of Value(s)	July 13 & 20, 2020
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 109 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 109 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 109 of Report

Extraordinary Assumption(s)	See Scope of the Appraisal
Hypothetical Condition(s)	See Scope of the Appraisal

MARKETING & EXPOSURE TIME

The appraised values for the subject lots, as if vacant, are based upon 10 to 15 month marketing and exposure times. The appraised value for the subject lots, 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

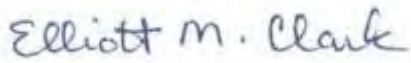
Appraiser(s)	Elliott M. Clark, MAI & Christopher D. Clark
---------------------	--

CERTIFICATION OF APPRAISAL

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions, and conclusions.
- Elliott M. Clark, MAI and Christopher D. Clark have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as appraisers or in any other capacity, regarding the 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 18, 23, 30, 37, & 45 of COS #6161, Seeley Lake Development, Seeley Lake, Missoula County, Montana.

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

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

Scope of Property Viewing

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on July 13, 2020 and July 20, 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, Missoula County Records, and the area Multiple Listing Service.

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

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

Extraordinary Assumption(s)

An **Extraordinary Assumption** is defined in 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 is developed to determine the value of each subject site as if vacant. This is typically the most reliable approach for determining values of vacant sites. All three approaches to value were considered for the valuation of improvements on the subject properties. 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 improvements and similar area homes are not typically 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:

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

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County
18	1093	6161	S04/T16N/R15W	Missoula
23	1094	6161	S04/T16N/R15W	Missoula
30	1095	6161	S04/T16N/R15W	Missoula
37	1096	6161	S04/T16N/R15W	Missoula
45	1097	6161	S04/T16N/R15W	Missoula

INTENDED USE & INTENDED USERS OF THE APPRAISAL

It is understood that the intended use of this appraisal is for decisions regarding possible sale of the subject properties by the client. This report was prepared for the, 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
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody
23	1094	Richard & Sharon Evans
30	1095	Janet & Steven Gustuson
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen
45	1097	Robert & Nancy Quirino

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.

DATES OF PROPERTY VIEWINGS

The property viewing dates are the effective date of market values. These date are identified below;

Lot #	Sale #	Effective Date of Market Values
18	1093	7/20/2020
23	1094	7/20/2020
30	1095	7/13/2020
37	1096	7/13/2020
45	1097	7/20/2020

EFFECTIVE DATES OF MARKET VALUES

July 13 & 20, 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 located for the improvements are identified below;

Lot #	Sale #	Lessee	Last Transfer Document
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	1996 Warranty Deed
23	1094	Richard & Sharon Evans	Unknown
30	1095	Janet & Steven Gustuson	Unknown
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	2020 Bill of Sale
45	1097	Robert & Nancy Quirino	2014 Bill of Sale

USE/MARKETING HISTORIES

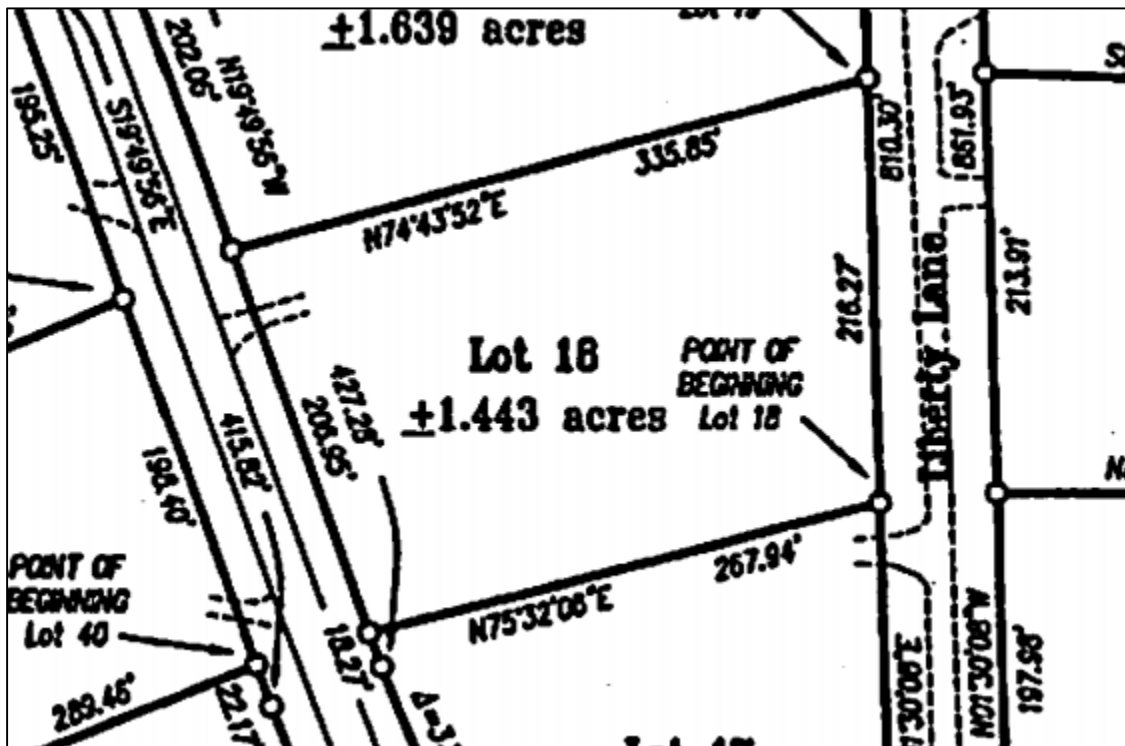
The Montana Department of Natural Resources and Conservation manages hundreds of residential cabin sites which are owned by the State of Montana. The subject lots are in this program. According to the available information, the subject lots have been used for recreational/residential purposes for the three years prior to the report effective date. Houses were constructed on all five 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 #	Lessee	House Built	Listing History of Improvements via Area MLS
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	1972 with Additions in 1988-1995	N/A
23	1094	Richard & Sharon Evans	1958	N/A
30	1095	Janet & Steven Gustuson	1983	N/A
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	1966	N/A
45	1097	Robert & Nancy Quirino	1920 with Renovation/Addition in 2015	N/A

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

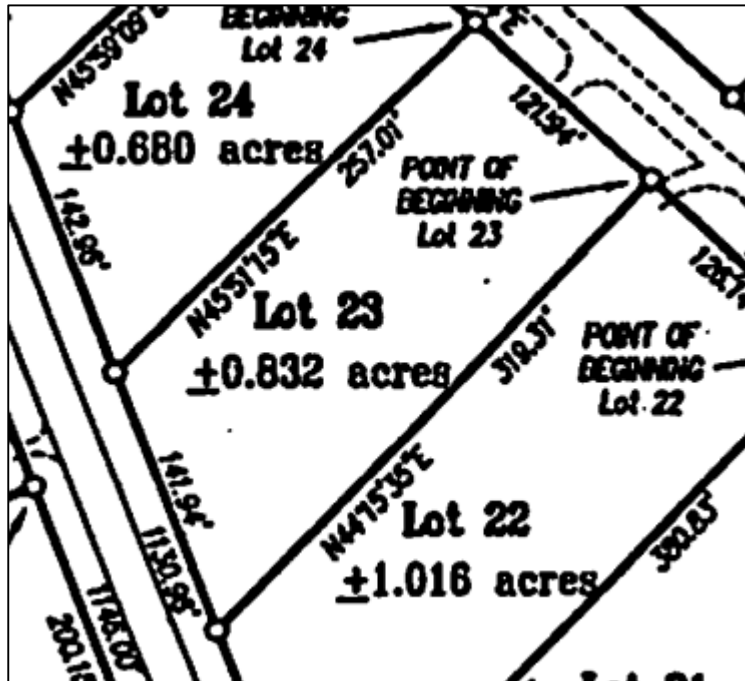
LOT 18

Enlarged View of COS #6161



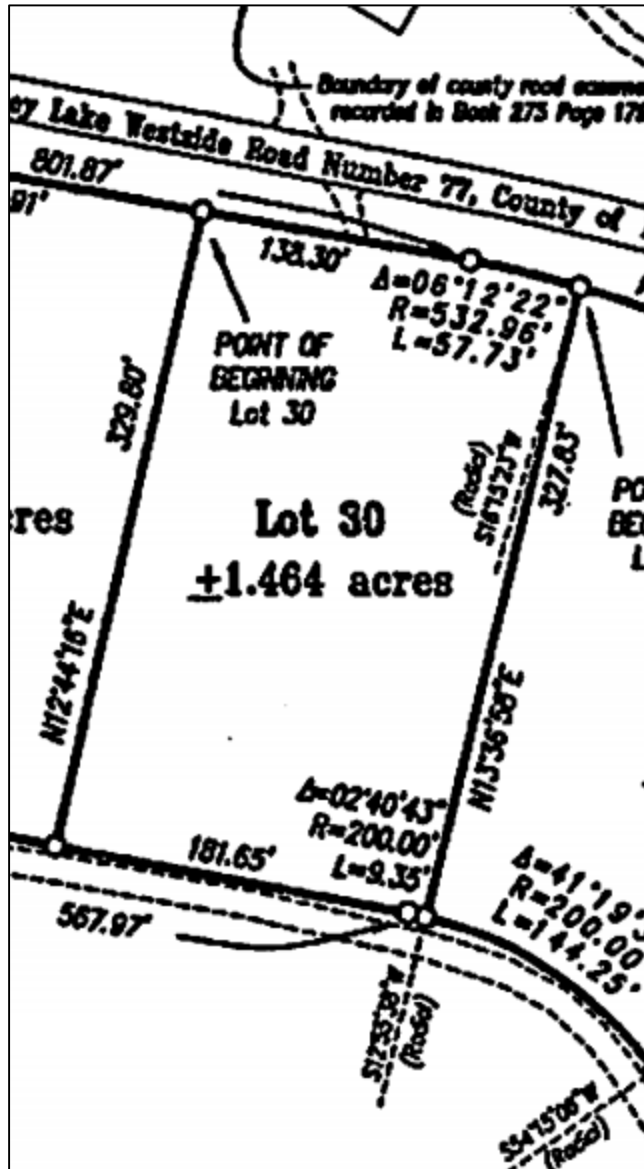
LOT 23

Enlarged View of COS #6161



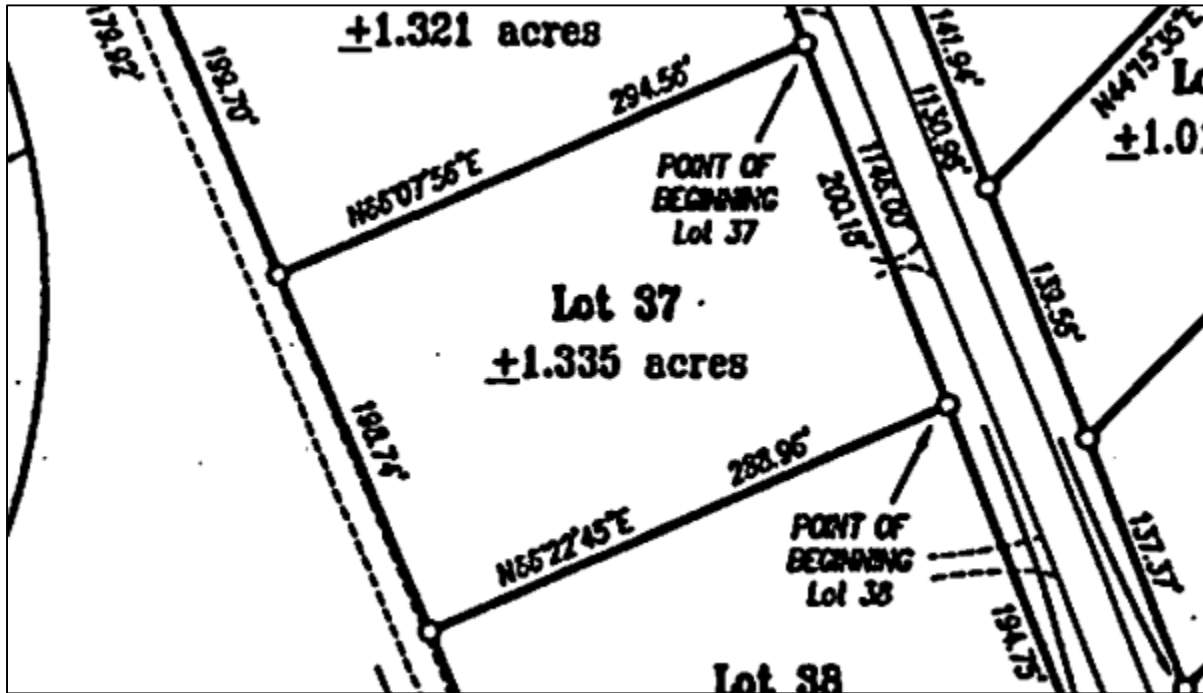
LOT 30

Enlarged View of COS #6161



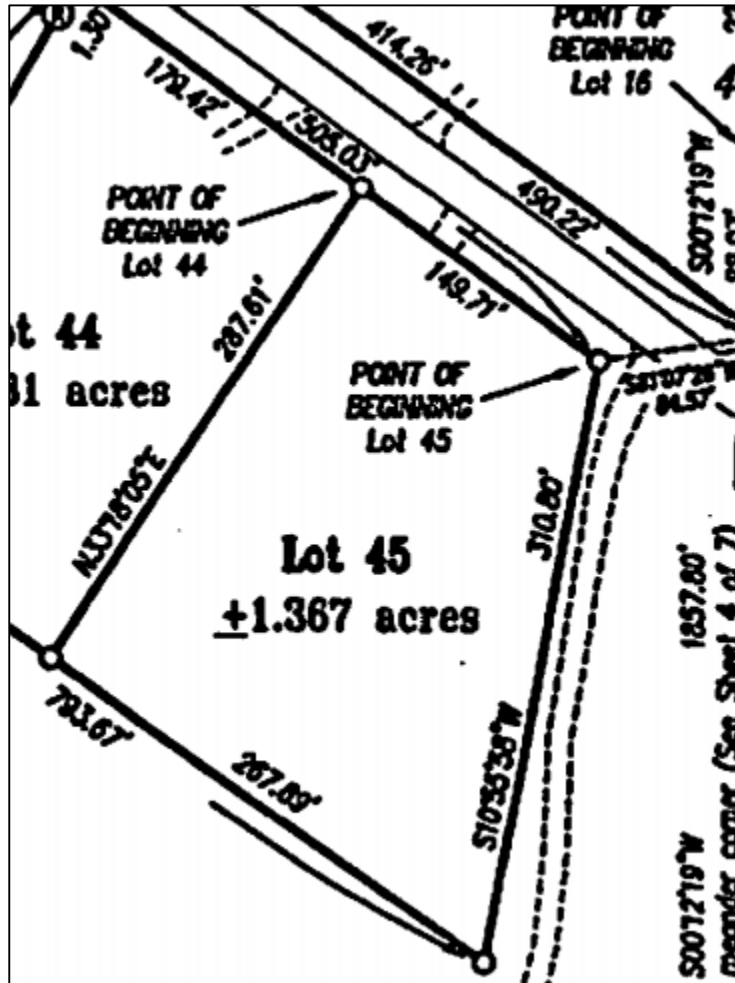
LOT 37

Enlarged View of COS #6161



LOT 45

Enlarged View of COS #6161



ACCESS AND VIEWS

The subject properties have vehicular access from driveways off of Boy Scout Road or Liberty Lane. None of the subject properties included water frontage. Access and water frontage for each site is described on the table below;

Lot #	Sale #	Lessee	Address	Water Frontage	Access
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	1524 Boy Scout Rd	None	Driveway from Boy Scout Rd
23	1094	Richard & Sharon Evans	Not Known	None	Driveway from Liberty Ln
30	1095	Janet & Steven Gustuson	2277 Boy Scout Rd	None	Driveway from Boy Scout Rd
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	1697 Boy Scout Rd	None	Driveway from Boy Scout Rd
45	1097	Robert & Nancy Quirino	1253 Boy Scout Rd	None	Driveway from Boy Scout Rd

IMPROVEMENTS

All of the subject lots include improvements. The improvements on this subject los are described on the tables below and on the following page.

Sale #	1093	1094	1095
Lot #	18	23	30
Residence SF	1,160	306	1,071
Construction Type	Wood Frame	Single Wide Mobile Home	Double Wide Mobile Home
Foundation	Piers	Piers	Piers
Quality	Average	Average	Average
Condition	Average	Average	Average
Year Built	1972 with Additions 1988-1995	1958	1983
# of Bedrooms	2	1	2
# of Bathrooms	1	1 Bathroom but No Septic	2
Porches	20 SF Stoop, 24 SF Stoop, & 90 SF Patio	272 SF Enclosed Porch & 260 SF Patio	128 Sf Covered Porch & 100 SF Covered Porch
Outbuildings	72 SF Wood Shed & 30 SF Outhouse	150 Sf Carport, 96 SF Storage Building, 68 SF Lean-to Type Storage, 16 SF Pump House, & 16 SF Outhouse	432 SF Carport, 82 SF Storage Building, & 16 SF Outhouse
Well/Septic	Cistern/Septic	Shallow Well/No Septic	Holding Tank/Septic
Landscaping	Lawn	Lawn	Lawn

Sale #	1096	1097
Lot #	37	45
Residence SF	720	1,140
Construction Type	Log	Log & Wood Frame
Foundation	Concrete Block	Piers
Quality	Average	Average
Condition	Average	Good
Year Built	1966	1920 with Renovations & Additions in 2015
# of Bedrooms	2	1 Plus Loft
# of Bathrooms	1 Bathroom but no Septic	1
Porches	25 SF Stoop & 40 SF Stoop	80 SF Covered Porch, 112 SF Covered Porch, 192 SF Deck, & 54 SF Balcony
Outbuildings	102 Sf Storage Building, 84 SF Lean-to Type Storage, 16 SF Outhouse, & 34 Sf Outhouse	55 SF Open Storage, 288 SF Carport, 33 SF Pumhouse, 162 SF Wood Shed, 288 SF Storage Building, & 104 SF Storage Building
Well/Septic	Well/No Septic	Shallow Well/Septic
Landscaping	Lawn	Lawn, Shrubs, & Rockwork

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

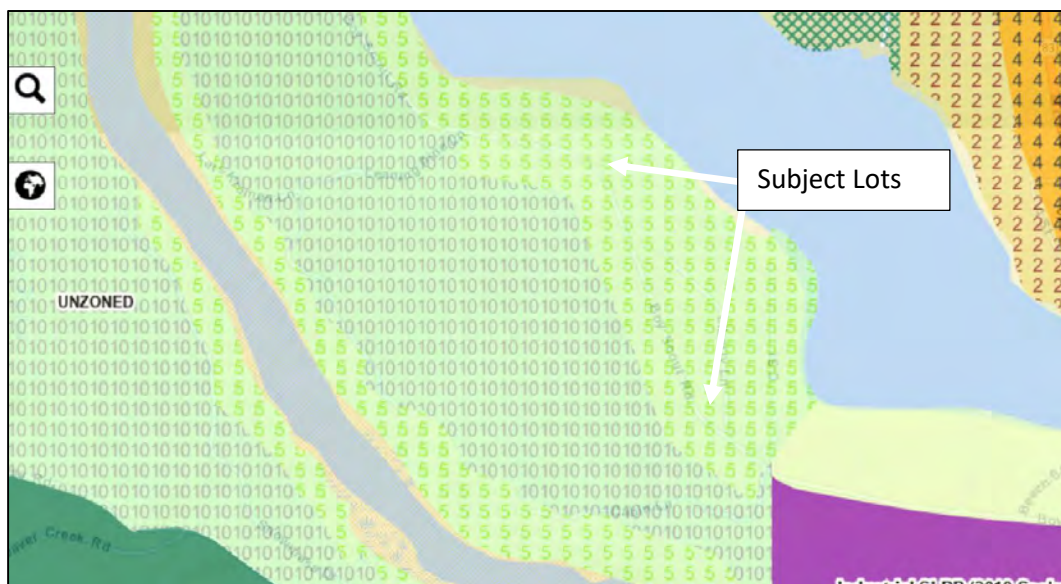
Reservations and encumbrances affecting the subject lots provided by Montana DNRC are on the table below;

Lot #	Sale #	Lessee	Access	Easement Affecting Property
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	Driveway from Boy Scout Rd	Easement to US Forest Service for Reciprocal ROW, Easements to Missoula Electric Cooperative, Inc. for Electric Power Line & Power Distribution Line, & Easement to Blackfoot Telephone Cooperative, Inc for Buried Telephone Cable
23	1094	Richard & Sharon Evans	Driveway from Liberty Ln	Easement to US Forest Service for Reciprocal ROW, Easements to Missoula Electric Cooperative, Inc. for Electric Power Line & Power Distribution Line, & Easement to Blackfoot Telephone Cooperative, Inc for Buried Telephone Cable
30	1095	Janet & Steven Gustuson	Driveway from Boy Scout Rd	Easement to US Forest Service for Reciprocal ROW, Easements to Missoula Electric Cooperative, Inc. for Electric Power Line & Power Distribution Line, & Easement to Blackfoot Telephone Cooperative, Inc for Buried Telephone Cable
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	Driveway from Boy Scout Rd	Easement to US Forest Service for Reciprocal ROW, Easements to Missoula Electric Cooperative, Inc. for Electric Power Line & Power Distribution Line, & Easement to Blackfoot Telephone Cooperative, Inc for Buried Telephone Cable
45	1097	Robert & Nancy Quirino	Driveway from Boy Scout Rd	Easement to US Forest Service for Reciprocal ROW, Easements to Missoula Electric Cooperative, Inc. for Electric Power Line & Power Distribution Line, & Easement to Blackfoot Telephone Cooperative, Inc for Buried Telephone Cable

If additional easements, restrictions, or encroachments are identified for the subject lots, the values concluded in this report may be affected.

ZONING

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



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.

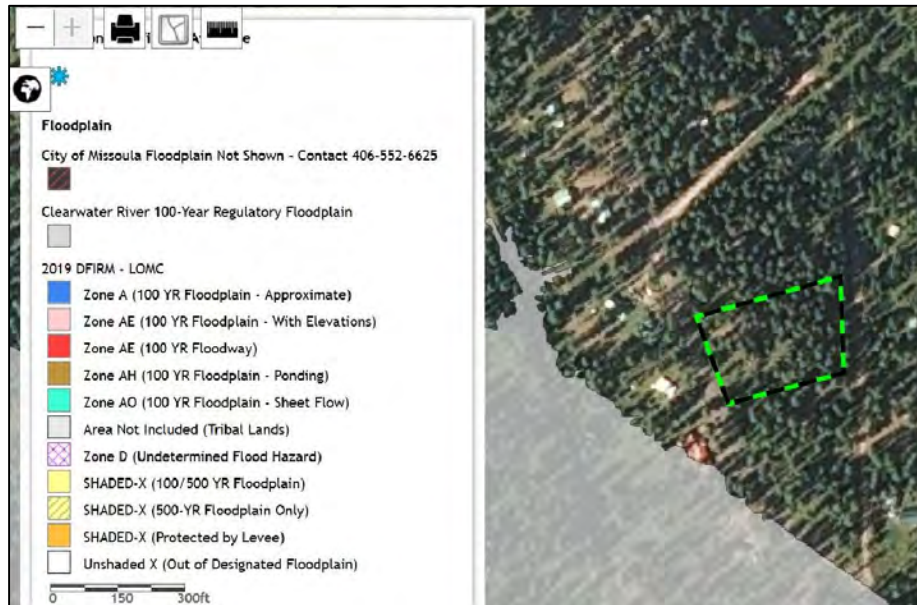
The improvements on each site are taxable. The 2019 tax bills and taxable market values for the **subject improvements** (as per the Montana Department of Revenue) are included on the table below;

Tax Information						
Sale #	Lot #	Lessees	2018 Taxable Market Value for Site as Vacant	Assessor # for Improvements	2019 Taxable Market Value for Improvements	2019 Tax Bill Amount for Improvements
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	\$48,414	0001587503	\$71,690	\$725.40
23	1094	Richard & Sharon Evans	\$24,009	090035001	\$6,950	\$175.51
30	1095	Janet & Steven Gustuson	\$48,750	090245520	\$12,100	\$244.55
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	\$47,570	0000884102	\$54,730	\$589.27
45	1097	Robert & Nancy Quirino	\$48,160	0001847108	\$34,220	\$424.63

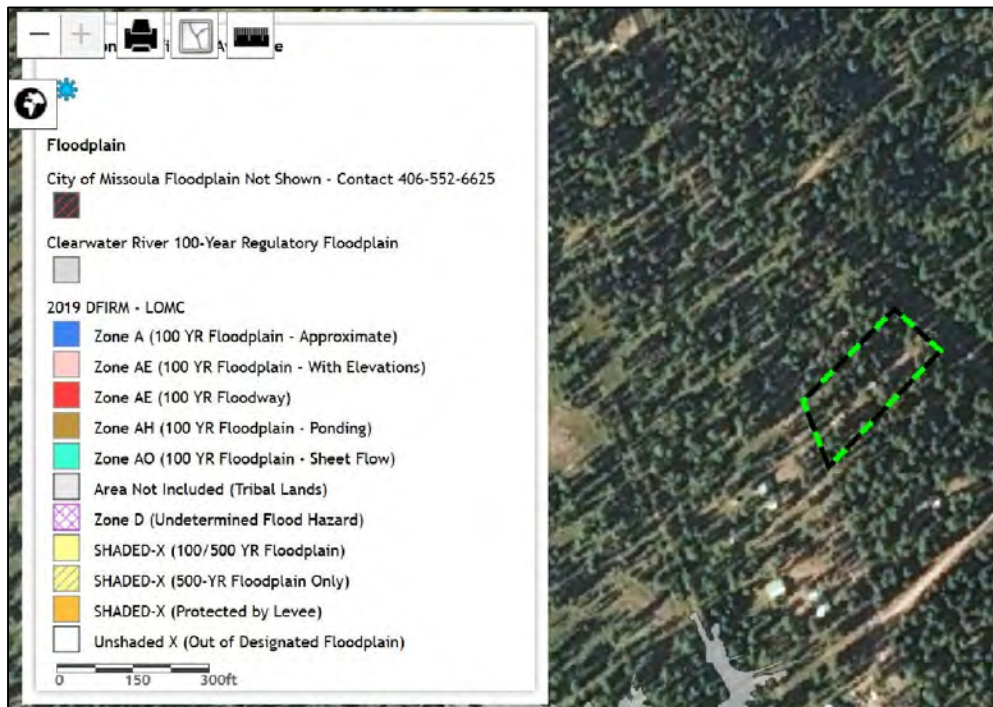
TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

According to the Missoula County GIS flood mapping feature, The subject lots are outside of the 100 Year Floodplain and the 100 Year Floodway. Lot 45 is within the Clearwater River 100-Year Regulatory Floor Plain. Exhibits from the Missoula County GIS flood mapping feature for each subject lot are on the following pages.

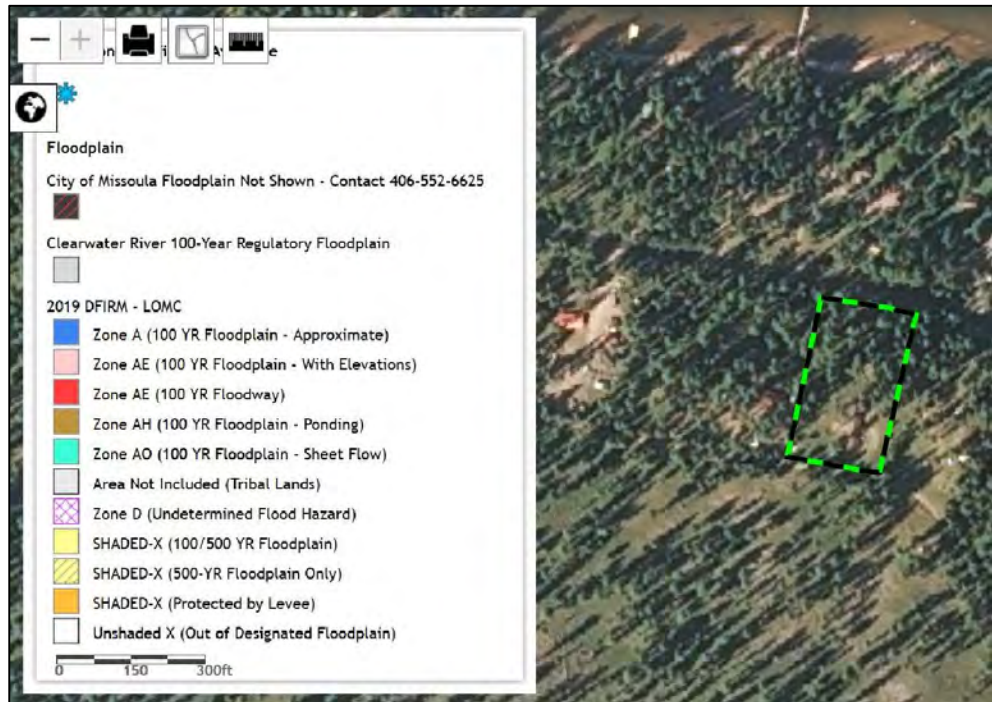
Lot 18



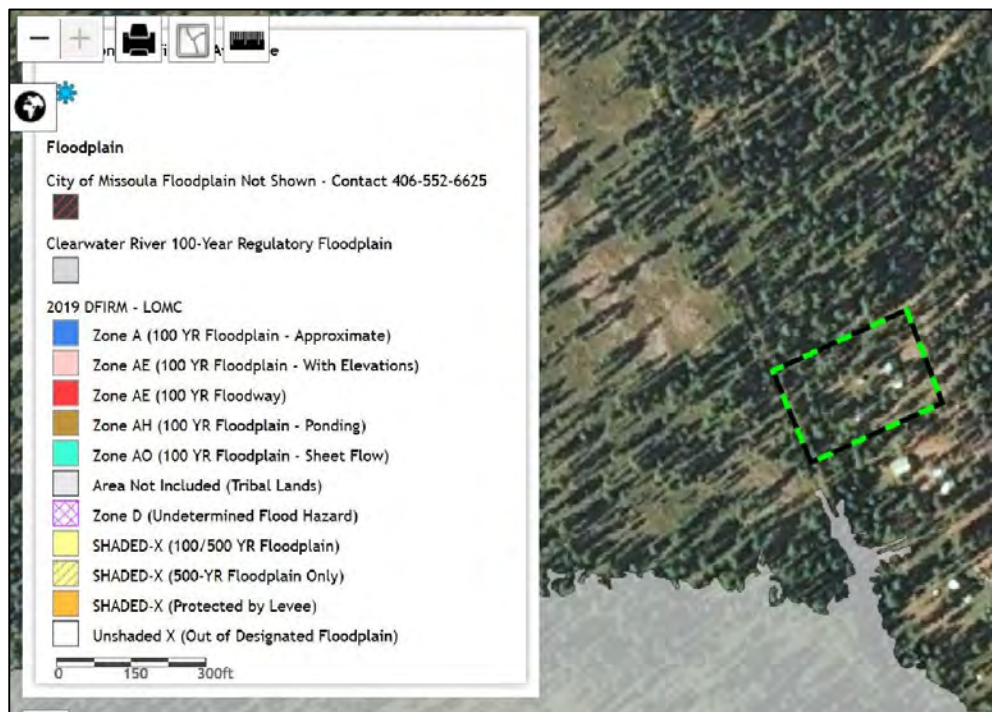
Lot 23



Lot 30



Lot 37



Lot 45



The subject lots are all relatively level. The subject lots include native vegetation and/or landscaping.

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

UTILITIES

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

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
18	1093	Elizabeth M. John R., James H., Ruth Ann, & William J. Moody	Yes	Cistern	No	1988 Septic Permit on File with Missoula County
23	1094	Richard & Sharon Evans	No	Shallow Well (Water Not Potable)	No	N/A
30	1095	Janet & Steven Gustuson	Yes	Holding Tank for Water	No	Older Septic Tank on Property (No Permit on File with Missoula County)
37	1096	Rye Svingen, Callie Puls, & Timothy Svingen	No	Well	Yes (1)	N/A
45	1097	Robert & Nancy Quirino	Yes	Shallow Well (Water Not Potable)	Yes (2)	2000 Septic Permit on File with Missoula County

Rye Svingen reported that it was his understanding that no septic was allowed for Lot 37 due to the high water table. Since none of the subject lots are within the flood plain and there are permitted septic systems in the immediate area, it is assumed that some type of septic system would be allowed for each lot.

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

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

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 18

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:		Parcel No.:			
Property Address: Seeley Lake Development Lot #18					
City: Seeley Lake		County: Missoula	State: MT	Zip Code: 59866	
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date:		
SKETCH					
<p style="text-align: right; font-size: small;">Sketch by: Apex Sketch</p>					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	960.0	164.0	960.0
GLA2	2nd Floor	1.0	200.0	60.0	200.0
OTH	Outhouse	1.0	30.0	22.0	
	Wood Shed	1.0	72.0	36.0	102.0
P/P	Stoop	1.0	20.0	18.0	
	Stoop	1.0	24.0	20.0	
	Patio	1.0	90.0	38.0	134.0
Net LIVABLE		ent	2	(rounded)	1,160
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		

LOT 18 - SUBJECT PHOTOGRAPHS



Front of Cabin on Lot 18



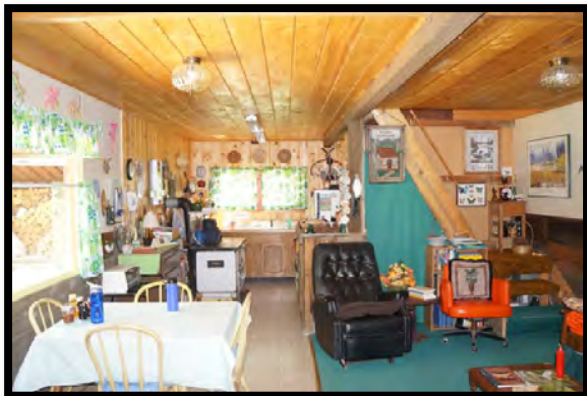
South Side of Cabin



West Side of Cabin



East Side of Cabin



Living Room and Kitchen



Dining Area in Enclosed Entry

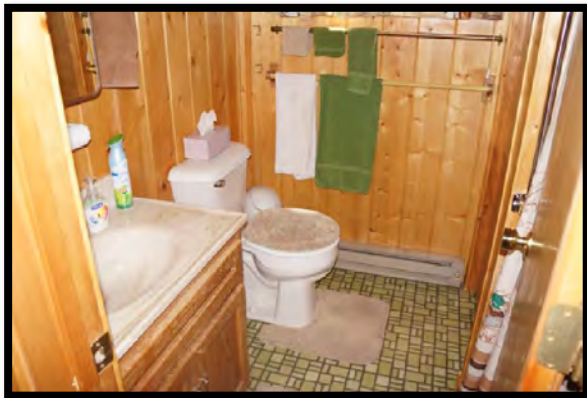
ADDITIONAL PHOTOGRAPHS



Woodstove in Living Room



Bedroom



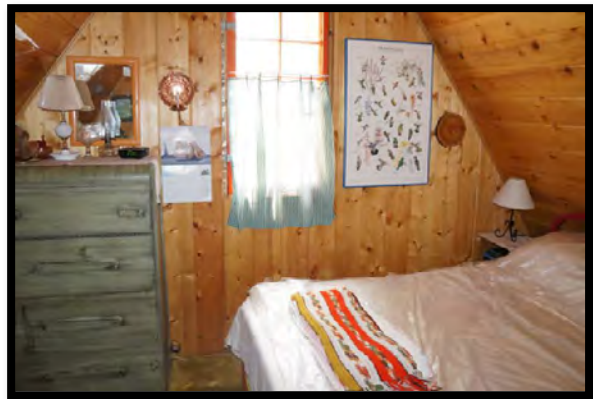
Bathroom



Stairs to 2nd Floor

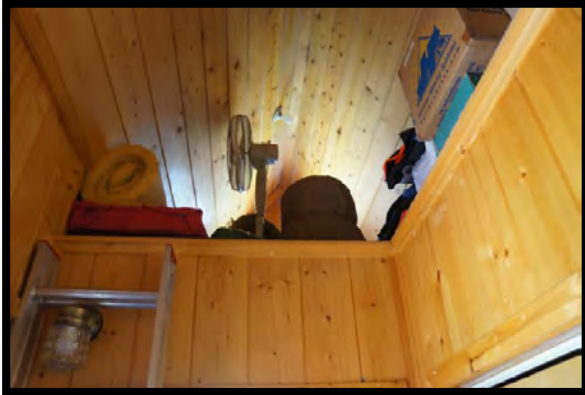


2nd Floor Bedroom 1



Second Floor Bedroom 2

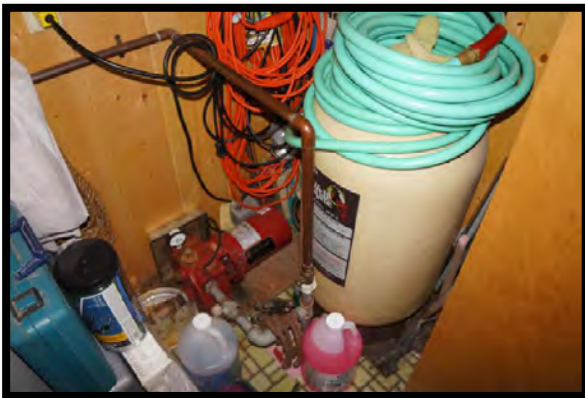
ADDITIONAL PHOTOGRAPHS



Storage over Bathroom



Water Heater



Well Pump Holding Tank



Outhouse



Wood Shed



Lot 18 Interior

ADDITIONAL PHOTOGRAPHS



Septic Tank



Southwest Property Boundary Looking East



Southwest Property Boundary Marker Looking North



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Northeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Looking West



Southeast Property Boundary Marker Looking North



Boy Scout Road Looking South



Boy Scout Road Looking North

LOT 23

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO						
File No.:	Parcel No.:					
Property Address: Seeley Lake Development Lot 23						
City: Seeley Lake	County: Missoula	State: MT	ZipCode: 59868			
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	
GBA5	Storage Bldg.	1.0	96.0	40.0	96.0	
GLA1	First Floor	1.0	306.0	86.0	306.0	
GAR	Carport	1.0	150.0	50.0		
	Lean-to	1.0	67.5	33.0	217.5	
OTH	Outhouse	1.0	16.0	16.0		
	Pump House	1.0	15.8	16.0	31.8	
P/P	Patio	1.0	260.0	66.0		
	Enclosed Porch	1.0	272.0	84.0	532.0	
						COMMENT TABLE 2
						COMMENT TABLE 3
<div style="display: flex; justify-content: space-between;"> <div> Net LIVABLE Net BUILDING </div> <div> cnt cnt </div> <div> 1 1 </div> <div> (rounded) (rounded) </div> <div> 306 96 </div> </div>						

LOT 23 - SUBJECT PHOTOGRAPHS



Lot 23 and Residence Looking Northeast



Northeast Side of Residence



North Side of Residence



Southwest Side of Residence and Lean-to



North Side of Residence and Pump House



Enclosed Porch

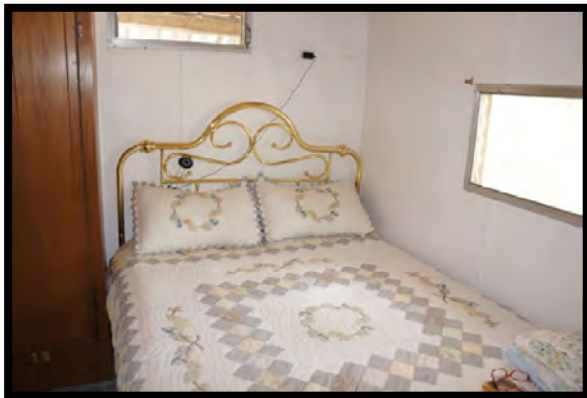
ADDITIONAL PHOTOGRAPHS



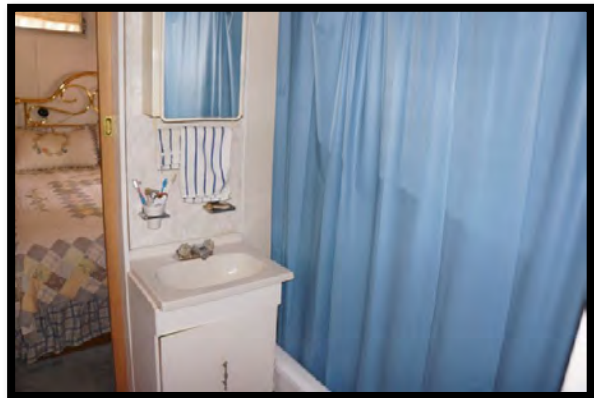
Kitchen



Living Area



Bedroom



Bathroom



Carport



Storage Building

ADDITIONAL PHOTOGRAPHS



Pump House



Outhouse



Southeast Property Boundary Marker Looking Southwest



Southeast Property Boundary Marker Looking Northwest



Northeast Property Boundary Marker Looking Southeast



Northeast Property Boundary Marker Looking Southwest

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking Northeast



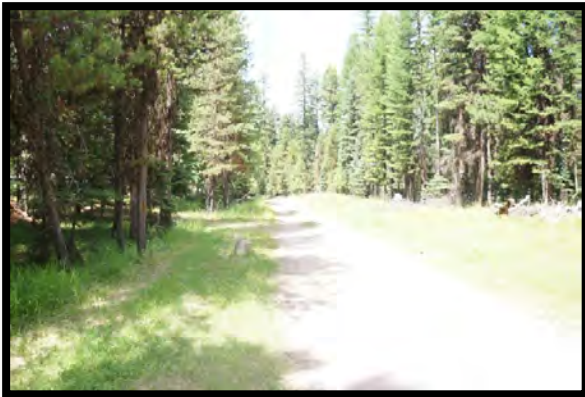
Northwest Property Boundary Looking South



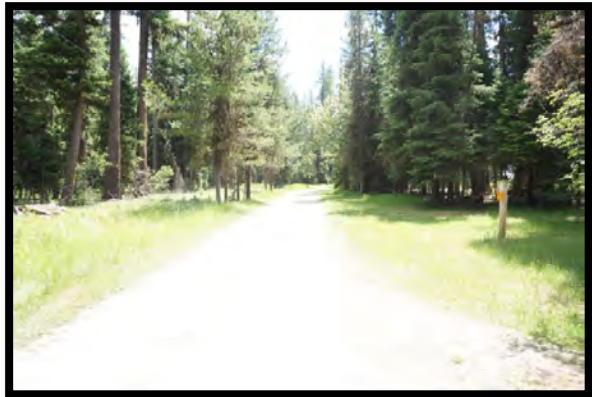
Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking Northeast



Liberty Lane Looking Northwest



Liberty Lane Looking Southeast

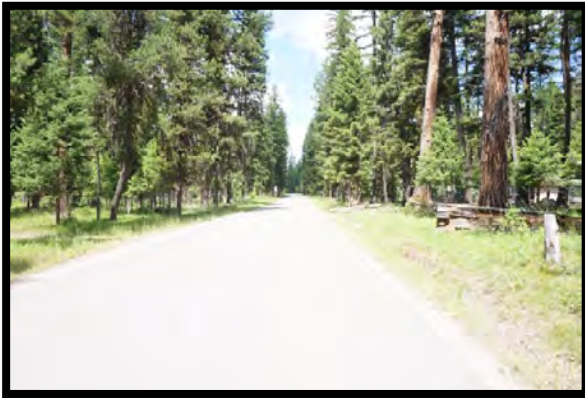
ADDITIONAL PHOTOGRAPHS



Driveway to Lot 23 from Liberty Lane



Boy Scout Road Looking South



Boy Scout Road Looking North

LOT 30

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:		Parcel No.:			
Property Address: Seeley Lake Development Lot 30					
City: Seeley Lake		County: Missoula		State: MT	ZipCode: 59868
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date:		
SKETCH					
<p style="text-align: center;">68'</p> <p style="text-align: center;">15'</p> <p style="text-align: center;">8'-6" Covered Porch</p> <p style="text-align: center;">18' Carport</p> <p style="text-align: center;">24'</p> <p style="text-align: center;">8'-6" Storage Bldg.</p> <p style="text-align: center;">9'-8"</p> <p style="text-align: center;">4' Outhouse</p> <p style="text-align: center;">4'</p> <p style="text-align: center;">9'-6"</p> <p style="text-align: center;">10'-6" Covered Porch</p> <p style="text-align: center;">15'-9"</p>					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA5	Storage Bldg.	1.0	82.2	36.3	82.2
GLA1	First Floor	1.0	1071.0	167.5	1071.0
GAR	Carport	1.0	432.0	84.0	432.0
OTH	Outhouse	1.0	16.0	16.0	16.0
P/P	Covered Porch	1.0	127.5	47.0	
	Covered Porch	1.0	99.8	40.0	227.3
Net LIVABLE		cnt	1	(rounded)	1,071
Net BUILDING		cnt	1	(rounded)	82
COMMENT TABLE 1			COMMENT TABLE 2		
COMMENT TABLE 3			COMMENT TABLE 4		

LOT 30 - SUBJECT PHOTOGRAPHS



Front of Residence on Lot 30



East Side of Residence



West Side of Residence



West Side of Residence and Lot Interior



North Side of Residence



Carport and South Side of Residence

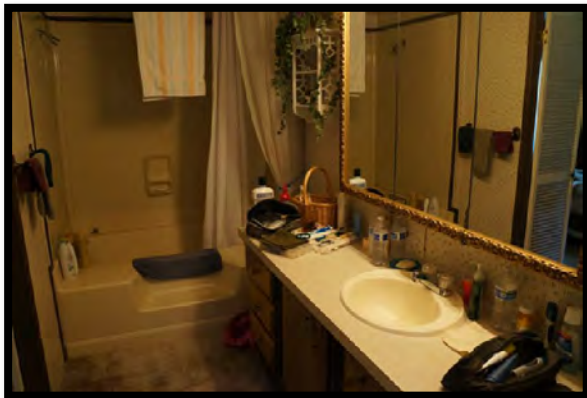
ADDITIONAL PHOTOGRAPHS



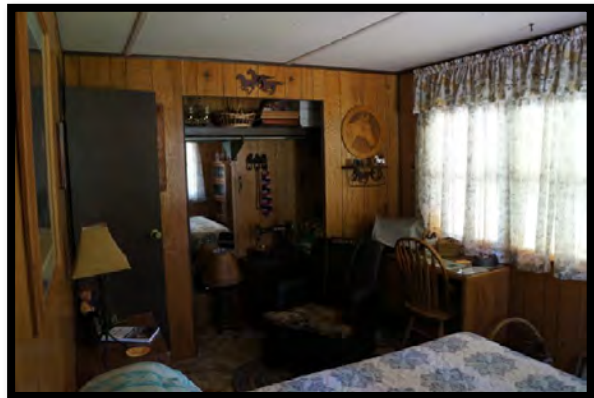
Kitchen



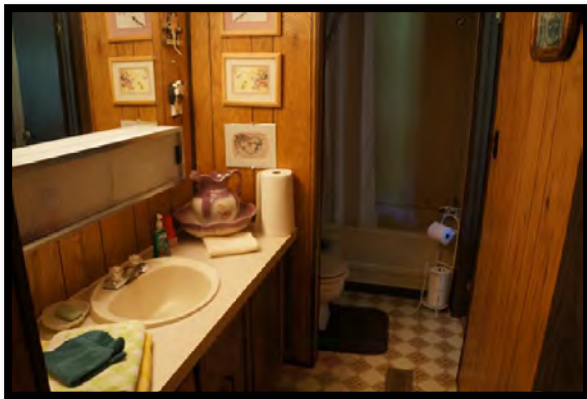
Bedroom



Bathroom



Bedroom 2



Bathroom 2



Outhouse

ADDITIONAL PHOTOGRAPHS



Storage Building



Lot 30 Interior Looking South



Southwest Property Boundary Marker Looking East



View North along West Property Boundary



Southeast Property Boundary Marker Looking West



View North along East Property Boundary

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Looking East



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Driveway to Lot 30



Signage along Boy Scout Road

ADDITIONAL PHOTOGRAPHS



Boy Scout Road Looking West



Boy Scout Road Looking East

LOT 37**SKETCH/AREA TABLE ADDENDUM**

SUBJECT INFO					
File No.:	Parcel No.:				
Property Address: Seeley Lake Development Lot #37					
City: Seeley Lake	County: Missoula	State: MT	ZipCode: 59868		
Owner:					
Client: MT DNRC	Client Address:				
Appraiser Name: Clark Real Estate Appraisal		Inspection Date:			
SKETCH					
First Floor					
<p>The sketch shows a rectangular footprint for the first floor. On the left, there are two bedrooms stacked vertically. To their right is a bathroom, which opens into a large living room. The kitchen is located at the top right of the living room area. A small stoop leads from the front of the living room into the interior. Attached to the right side of the living room is a storage building and a lean-to addition. Below the main house footprint, there are two separate structures labeled as an outhouse and an old outhouse.</p>					
<div style="display: flex; justify-content: space-around; align-items: center;"> ----- 32' ----- </div>					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GSA5	Storage Bldg.	1.0	102.0	41.0	102.0
GLA1	First Floor	1.0	720.0	109.0	720.0
GAR	Lean-to	1.0	84.0	38.0	84.0
OTH	Outhouse	1.0	16.0	16.0	
	Outhouse	1.0	34.0	25.0	50.0
P/P	Stoop	1.0	25.0	20.0	
	Stoop	1.0	40.0	28.0	65.0
Net LIVABLE cnt 1 (rounded) 720					
Net BUILDING cnt 1 (rounded) 102					
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		

LOT 37 - SUBJECT PHOTOGRAPHS



Front of Cabin on Lot 37



West Side of Cabin



South Side of Cabin



Front and North Sides of Cabin



Dining and Living Area



Living Room

ADDITIONAL PHOTOGRAPHS



Kitchen



Bedroom



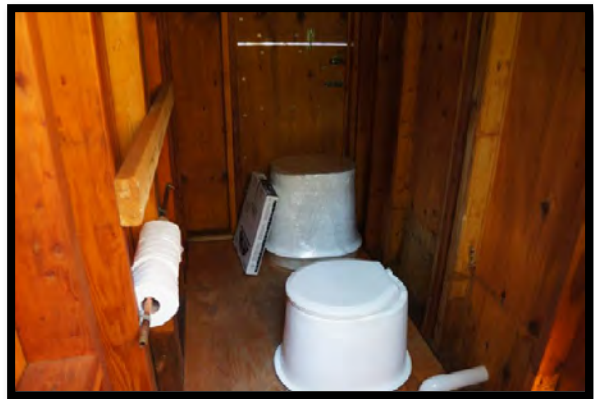
Bedroom



Bathroom



New Outhouse



Outhouse Interior

ADDITIONAL PHOTOGRAPHS



Storage Building & Lean-to



Storage Building Interior



Southeast Property Corner Looking West



Southeast Property Corner Looking North



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking North

ADDITIONAL PHOTOGRAPHS



Lot 37 Interior from Southwest Corner of Property



Lot 37 Interior Looking East from West Property Boundary



View South along West Property Boundary



View East along North Property Boundary



View West along North Property Boundary

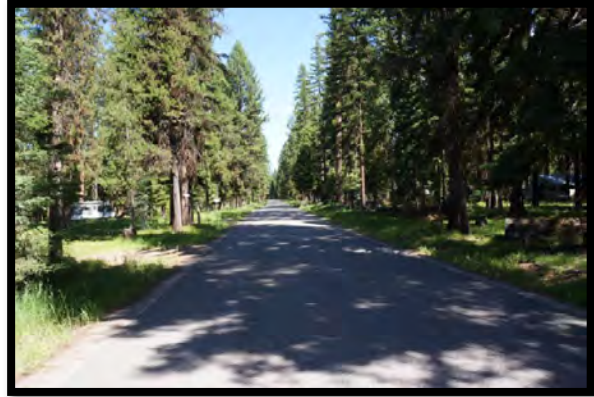


View South along East Property Boundary

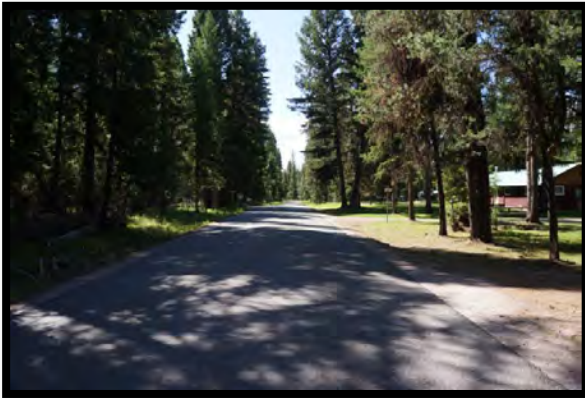
ADDITIONAL PHOTOGRAPHS



Driveway to Lot 37



Boy Scout Road Looking North



Boy Scout Road Looking South

LOT 45

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:		Parcel No.:			
Property Address: Seeley Lake Development Lot #45					
City: Seeley Lake		County: Missoula		State: MT ZipCode: 59868	
Owner:		Client Address:			
Client: MT DNRC		Appraiser Name: Clark Real Estate Appraisal			
		Inspection Date:			
SKETCH					
First Floor					
<p>The sketch shows a first-floor layout. The main house has a Living Room (16' x 40'), Kitchen (16' x 16'), Dining (16' x 14'), Bedroom (24' x 16'), Bath (8' x 6'), and Laundry (8' x 6'). Outside, there is a Storage Bldg. (24' x 12'), Carport (24' x 12'), Wood Shed (13' x 6'), Pump Bldg. (5' x 6'), Open Storage (6' x 6'), Log Storage Bldg. (11' x 6'), Covered Porch (16' x 12'), Deck (16' x 12'), Balcony (12' x 4' x 6"), and Loft Bedroom (13' x 9').</p>					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA5	Storage Bldg.	1.0	288.0	72.0	
	Storage Bldg.	1.0	103.5	41.0	391.5
GLA1	First Floor	1.0	1022.5	139.0	1022.5
GLA4	Loft	1.0	117.0	44.0	117.0
GAR	Open Storage	1.0	55.3	30.0	
	Carport	1.0	288.0	72.0	343.3
OTH	Pump House	1.0	33.0	23.0	
	Wood Shed	1.0	162.0	51.0	195.0
P/P	Covered Porch	1.0	80.0	42.0	
	Deck	1.0	192.0	56.0	
	Covered Porch	1.0	112.0	44.0	
	Balcony	1.0	54.0	33.0	438.0
	Net LIVABLE	cnt	2 (rounded)		1,140
	Net BUILDING	cnt	2 (rounded)		392
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		

LOT 45 - SUBJECT PHOTOGRAPHS



Front of Residence on Lot 45



West Side of Residence



South Side of Residence and Deck



Covered Porch along East Side of Residence



Kitchen



Living Room

ADDITIONAL PHOTOGRAPHS



Woodstove in Living Room



Bedroom



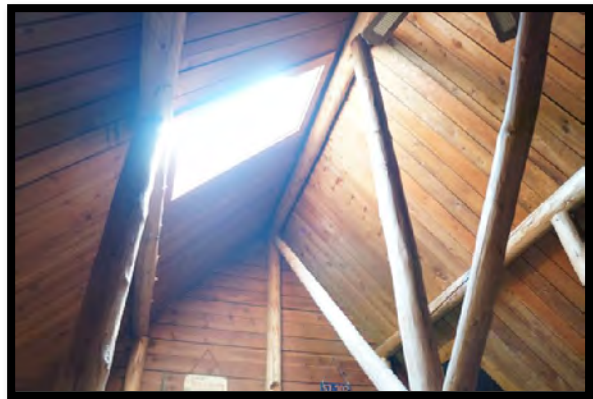
Bathroom



Laundry and Water Heater



Loft Bedroom



Skylight in Living Room

ADDITIONAL PHOTOGRAPHS



Storage/Shop Building and Carport



Shop Interior



Woodshed



Pump Building



Log Storage Building



Log Building Interior

ADDITIONAL PHOTOGRAPHS



Lot 45 Lawn and Firepit



Lot 45 Looking North from South Boundary



Lot 45 Interior and Improvements



Lot 45 Looking Northwest from Cabin Lane



Southeast Property Boundary Marker Looking Northwest



Southeast Property Boundary Marker Looking North

ADDITIONAL PHOTOGRAPHS



View Looking Northeast along West Property Boundary



View Looking Southeast along South Property Boundary



Northwest Property Boundary Marker Looking Southeast



Northwest Property Boundary Marker Looking Southwest



Northeast Property Boundary Marker Looking Northwest



Northeast Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Entrance to Driveway from Cabin Lane Looking South



Storage Building and Signage for Lot 45 along Boy Scout Road



Boy Scout Road Looking Northwest



Boy Scout Road Looking Southeast

SUBJECT MARKET ANALYSIS

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

Subject Productivity Analysis

General Property Description

The subject sites range in size from 0.832 acres to 1.464 acres. The subject lots do not include water frontage. The subject properties are located in the community of Seeley Lake and in Missoula County, Montana.

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 and without 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/residential property with frontage along a non-navigable body of water in the greater Seeley Lake area.

Demand Analysis

Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted a search of the area MLS for sales of vacant residential sites with no water frontage and up to 4.00 acres in size. 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 this search are below.

Seeley Lake Vacant Lot Market Activity			
Up to 4.00 Acres in Size - Interior			
Year	# of Sales	Average Sales Price	Average Days on Market
2016	14	\$46,289	152
2017	21	\$47,822	432
2018	15	\$43,893	244
2019	10	\$60,885	322
2020 Year-to-Date	30	\$60,833	451
ACTIVE	37	\$88,651	416
Average List Price Shown for Active Listings			

This data indicates that the average sales price for interior home sites have fluctuated since 2016. It is advisable to utilize caution with statistical analysis of small data sets.

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 home sites with 4.00 acres or less. The average list price for these listings was \$88,651.

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 sales that have closed in 2020 Year-to-Date, there is an approximately 1 year supply of sites with 4.00 acres or less. Supply and demand are in relative balance; however, the average list price is approximately 31% 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.

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 subject lots (as if vacant) are considered most similar to area lots with less than 4.00 acres in size and no water frontage.

Residential Improved Properties in Seeley Lake

The residences on the subject lots are considered to have 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 home sites averaged 322 days in 2019 and 451 in 2020 Year-to-Date. Based upon this data, a **marketing time** between 10 to 15 months is appropriate for the subject lots as if vacant. If the subject lots had sold as if vacant on the effective date of this report, at the appraised values concluded, 10 to 15 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 the subject properties as improved. If the subject properties as improved had sold on the effective date of this report, at the appraised values concluded in this report, 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 an area of Missoula County that is not zoned. The subject properties are within the 2010 Seeley Lake Regional Plan area. The plan area is not a regulatory document; however, developers are strongly encouraged to adhere to the development patterns and policies and the land designation map. The subject properties are in an area with a density recommendation of 1 dwelling unit per 5 acres.

The Certificate of Survey which includes the subject lots was recorded in 2009. The subject lots were created prior to the 2010 Seeley Lake Regional Plan. Additionally, the plan is a regulatory document which recommends uses but does not include requirements. Since there is no zoning in the subject area, there are many legally permissible uses for the subject lots as if vacant.

Physically Possible

There is sufficient space on each subject site for a single family residence or mobile home and related outbuildings. There is not sufficient space on each site for most other types of uses.

Financially Feasible

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

Maximally Productive

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

AS IMPROVED

The subject lots include single family residences or mobile homes and outbuildings. There is market acceptance of many types of residences in Seeley Lake. Alteration of the subject residences for any use other than as a single family residence or mobile home would require large capital expenditures. Continued use as a single family residences or mobile homes 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 site as if vacant. This is typically the most reliable approach for determining values of vacant sites.

All three approaches to value were considered for the valuation of improvements on the subject properties. 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 improvements and similar area homes are not typically 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.

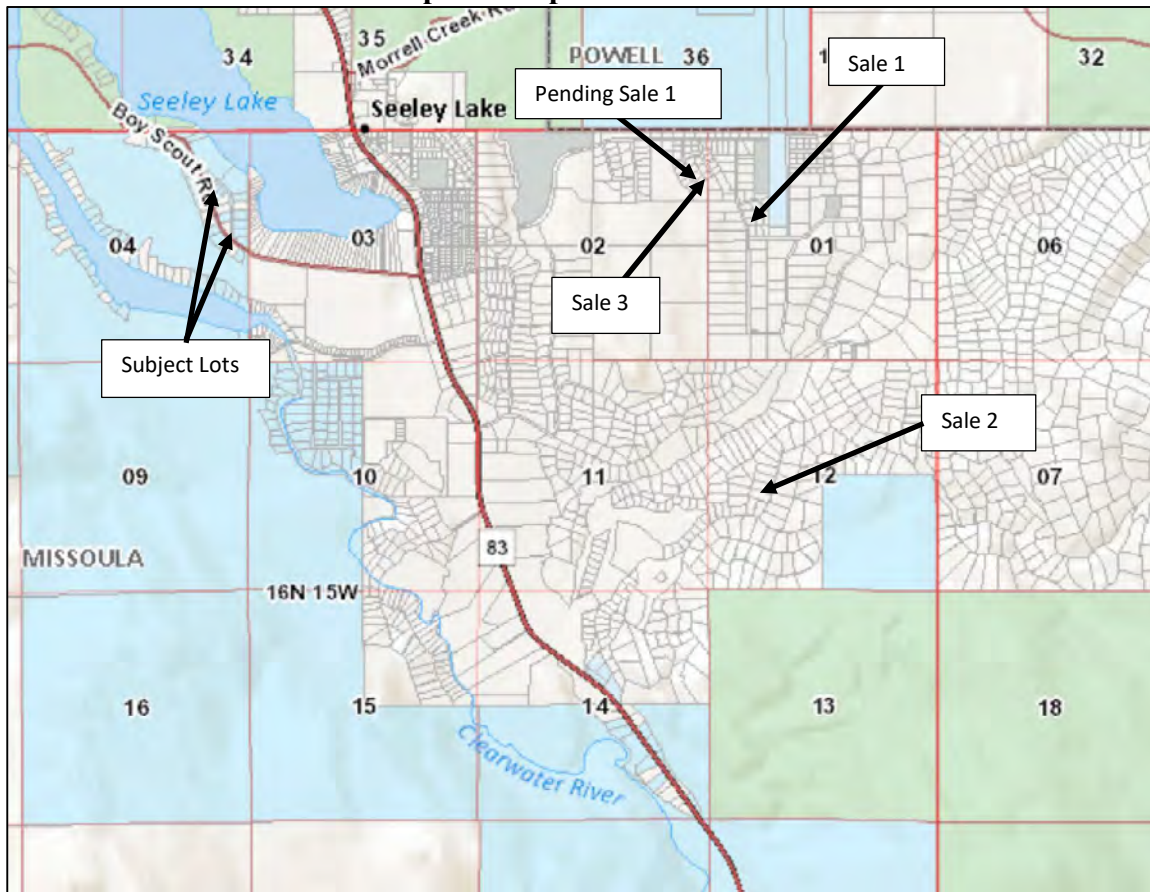
VACANT SITE SALES

We conducted a search for sales of vacant home sites similar to the subject lots in Seeley Lake. We located 4 sales that were reasonable comparables for the subject lots. Based upon our analysis, the appropriate unit of comparison is price per site. These comparables are described on the table below;

Sale #	Address	City	Site Size/Acres	Sale Date	Sales Price
1	590 Frontier Ct	Seeley Lake	1.000	2020	\$50,000
2	311 Whitefish Dr	Seeley Lake	2.400	2020	\$40,000
3	267 Eagle Dr	Seeley Lake	0.613	2019	\$27,750
PENDING LAND SALE 1	NHN Eagle Dr	Seeley Lake	0.689	2020	\$27,750

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;

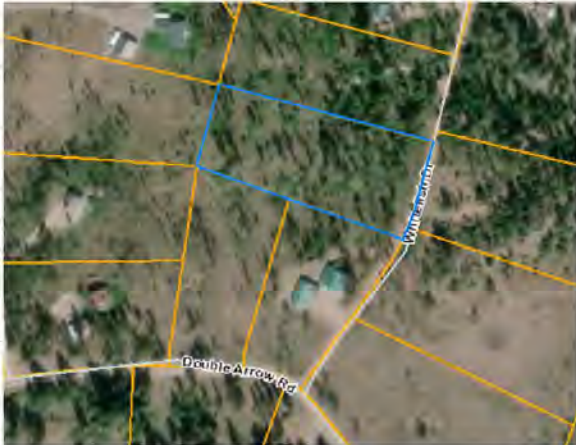
Map of Comparable Lot Sales




LAND SALE 1

COMPARABLE SALE INFORMATION


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location	311 Whitefish Drive	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	0005902070	
	Zoning	Unzoned Portion of Missoula County	
	Site Size: Acres	2.400	
	Square Feet	104,544	
	Date of Sale	May 5, 2020	
	Sales Price	\$40,000	
	Less Cost of Improvements*	\$0	
Sales Price Adjusted	\$40,000		
MLS #	21910049		
ANALYSIS OF SALE			
Price per Acre	\$16,667	Price per Square Foot	\$0.38
		Price Per Front Foot	\$160
TRANSFER INFORMATION			
Grantor	Thomas Paul Engelson	Grantee	John P. McDonald
Type of Instrument	Warranty Deed	Document #	202008235
		Marketing Time	319 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kevin Wetherell, Listing Agent & Selling Agent
Legal Description	Lot 129 of Trail Creek Addition to the Double Arrow Ranch		Intended Use/Comments
			Purchased for Residential Use
Section/Township/Range	S12/T16N/R15W		
PROPERTY DETAILS			
Access	Gravel Subdivision Road	View	Trees , Mountains
Topography	Level	Lot Dimensions	500' x 232.46' x 482.25' x 190'
Flood Plain	According to Flood Map # 30063C0740E, this property 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 Available	Miscellaneous	Double Arrow Ranch Subdivision is governed by CC&R's that limit property use to Residential.
		Report File #	20-047ec

LAND SALE 3

COMPARABLE SALE INFORMATION			
	Location	267 Eagle Drive	
	City/State	Seeley Lake	
	County	Missoula	
	Assessor Number	0000002908	
	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 Verified By	377 Days on Market Carey Kanavel, Listing Agent
Legal Description	Lot 7, Block 5, Seeley Lake Pines Addition #1	Intended Use/Comments	Purchased for Residential Use
Section/Township/Range	S2/T16N/R15W		
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

COMPARABLE SALE INFORMATION					
	Location		NHN Eagle Drive		
	City/State		Seeley Lake		
	County		Missoula		
	Assessor Number		0002193606		
	Zoning		Unzoned Portion of Missoula Co.		
	Site Size: Acres		0.689		
	Square Feet		30,013		
	Date of Sale		July 20, 2020		
	Sales Price		\$27,750		
	Less Cost of Improvements*		\$0		
	Sales Price Adjusted		\$27,750		
	MLS #		22007498		
ANALYSIS OF SALE					
Price per Acre		\$40,276	Price per Square Foot	\$0.92	
			Price Per Front Foot	N/A	
TRANSFER INFORMATION					
Grantor		Rowena C. Sturdevant	Grantee		Cody A. Thompson
Type of Instrument		Warranty Deed	Document #		202014934
			Marketing Time		53 Days on Market
Financing/Conditions		Cash/Market	Verified By		Laurie Page, Listing Agent
Legal Description		Lot 6 in Block 7 of Seeley Lake Pines Addition No.1, Missoula County, Montana	Intended Use/Comments		Purchased for Residential Use
Section/Township/Range		S2/T16N/R15W			
PROPERTY DETAILS					
Access		Gravel Private Rd.	View		Trees, Interior
Topography		Level	Lot Dimensions		144.52' x 186.46' x 150.00' x 180.65'
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 # 20-047ec					

Note: This sale was under contract as of the report effective dates of value for Subject Lots 30 and 37 and it closed prior to the report publish date. This sale closed on the effective dates of value for Lots 18, 23, and 45.

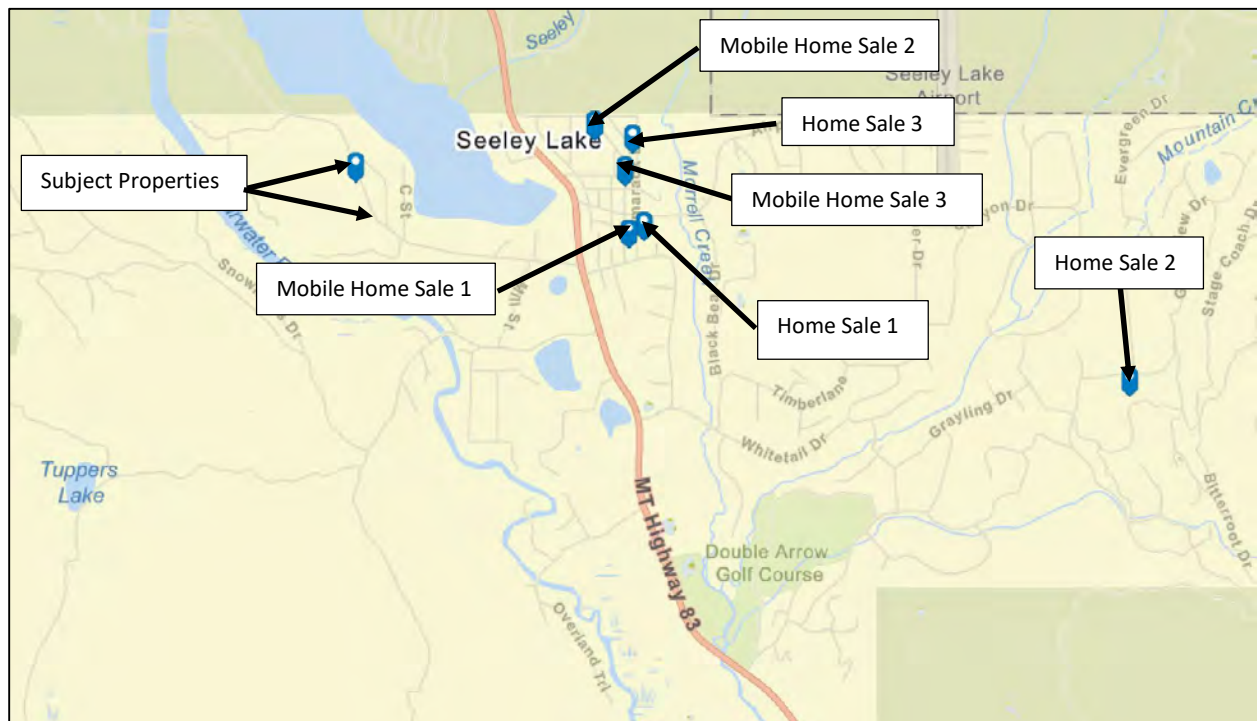
HOME SALES

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


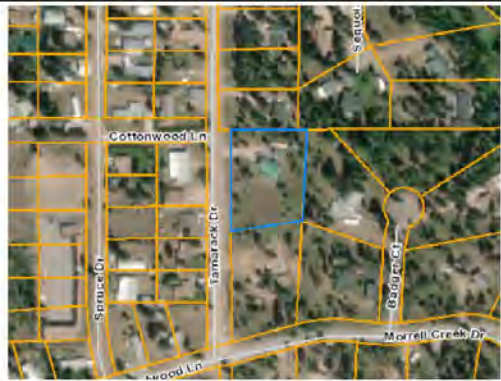
Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	580 Tamarack Dr	Seeley Lake	2020	\$227,000	\$50,000	\$177,000
Home Sale 2	220 Montana Dr	Seeley Lake	2019	\$248,200	\$60,000	\$188,200
Home Sale 3	1021 Willow Dr	Seeley Lake	2019	\$185,000	\$35,000	\$150,000
Mobile Home Sale 1	554 Spruce Dr	Seeley Lake	2019	\$65,000	\$25,000	\$40,000
Mobile Home Sale 2	145 Hickory Ln	Seeley Lake	2018	\$59,000	\$30,000	\$29,000
Mobile Home Sale 3	238 Larch Ln	Seeley Lake	2018	\$58,000	\$35,000	\$23,000

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



HOME SALE 1

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			

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HOME SALE 2

[illegible]

HOME SALE 3

[illegible]

MOBILE HOME SALE 1

COMPARABLE SALE INFORMATION			
	Location	554 Spruce Drive	
	City/State	Seeley Lake, MT	
	County	Missoula	
	Assessor Number	1377506	
	Zoning	Unzoned	
	Site Size: Acres	0.230	
	Square Feet	10,019	
	Date of Sale	September 16, 2019	
	Sales Price	\$65,000	
	Adjustment to Sales Price	\$0	
	Adjusted Sales Price	\$65,000	
	MLS #	21914914	
TRANSFER INFORMATION			
Grantor	Danny Bielenberg	Grantee	Terry Osborne & Sandy Osborne
Recording Data	Warranty Deed #201915816	Marketing Time	10 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kristin Larson, Listing Agent
Legal Description	Lot 4, Block 4, Seeley Lake Homesites No. 10A	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$65,000
Access	Gravel County Road	Estimated Site Value	\$25,000
House Square Feet	938	Sales Price of Improvements	\$40,000
Bedroom/Bathrooms	2BR/2BA	Improvement Price/SF	\$43
Year Built or Renovated	1984		
Basement	N/A		
Construction	Manufactured		
Quality	Average		
Condition	Average		
Water/Sewer	City Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	Carport		
Outbuildings	None		
Miscellaneous			

MOBILE HOME SALE 2

COMPARABLE SALE INFORMATION			
		Location	145 Hickory Lane
		City/State	Seeley Lake, MT
		County	Missoula
		Assessor Number	2001106
		Zoning	Unzoned
		Site Size: Acres	0.490
		Square Feet	21,344
		Date of Sale	August 1, 2018
		Sales Price	\$59,000
		Adjustment to Sales Price	\$0
		Adjusted Sales Price	\$59,000
		MLS #	21806622
TRANSFER INFORMATION			
Grantor	George Blendermann & Pamela Castillon	Grantee	Dale W. Morris & Betty J. DeRock
Recording Data	Warranty Deed #201812669	Marketing Time	58 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Bruce Wold, Listing Agent
Legal Description	Lot 8, Block 4, Seeley Lake Homesites No. 4	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Water Frontage	N/A	Sales Price	\$59,000
Access	Gravel County Road	Estimated Site Value	\$30,000
House Square Feet	1,150	Sales Price of Improvements	\$29,000
Bedroom/Bathrooms	4BR/2BA	Improvement Price/SF	\$25
Year Built or Renovated	1981		
Basement	N/A		
Construction	Manufactured		
Quality	Average		
Condition	Fair		
Water/Sewer	City Water/Septic		
Utilities	Electricity/Telephone		
Topography	Level		
Garage	N/A		
Outbuildings	None		
Miscellaneous			

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MOBILE HOME SALE 3

COMPARABLE SALE INFORMATION

Location	238 Larch Lane
City/State	Seeley Lake, MT
County	Missoula
Assessor Number	2344701,1998004
Zoning	Unzoned
Site Size: Acres	0.410
Square Feet	17,860
Date of Sale	January 5, 2018
Sales Price	\$58,000
Adjustment to Sales Price	(\$35,000)
Adjusted Sales Price	\$23,000
MLS #	21710336

TRANSFER INFORMATION

Grantor	William O. Keiper & Shirley L. Keiper	Grantee	Jerry Gillingham
Recording Data	Warranty Deed #201800392	Marketing Time	144 Days on Market
Financing/Conditions	Cash/Market	Verified By	Kim Koppen, Listing Agent
Legal Description	Lots 10 & 11, Block 2, Seeley Lake Homesites No. 1	Intended Use	Residential
Section/Township/Range	S03/T16N/R15W		

DESCRIPTION OF IMPROVEMENTS

ANALYSIS OF SALE

Water Frontage	N/A
Access	Gravel County Road
House Square Feet	1,118
Bedroom/Bathrooms	2BR/1BA
Year Built or Renovated	1978
Basement	N/A
Construction	Manufactured
Quality	Average
Condition	Fair
Water/Sewer	City Water/Septic
Utilities	Electricity/Telephone
Topography	Level
Garage	N/A
Outbuildings	None
Miscellaneous	

Sales Price	\$58,000
Estimated Site Value	\$35,000
Sales Price of Improvements	\$23,000
Improvement Price/SF	\$21

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PROPERTY VALUATIONS

LOT 18

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 18, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING LAND SALE 1
IDENTIFICATION	1524 Boy Scout Rd	590 Frontier Ct	311 Whitefish Dr	267 Eagle Dr	NHN Eagle Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		06/25/20	05/05/20	04/25/19	07/20/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$50,000	\$40,000	\$27,750	\$27,750
SITE SIZE/ACRES	1.443	1.000	2.400	0.613	0.689
ADJUSTED SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR:					
LOCATION	Seeley Lake	Seeley Lake	Double Arrow SD	Seeley Lake	Seeley Lake
		Equal =	Superior -	Equal =	Equal =
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	County Road	County Road	SD Road	Private Road	Private Road
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.443	1.000	2.400	0.613	0.689
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Superior -	Equal =	Equal =
VALUE INDICATIONS		= \$50,000	< \$40,000	= \$27,750	= \$27,750

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 and Pending Sale 1 were closed as of the report effective date and these comparables required no adjustment in this category.

Adjustment for Improvements: No improvements transferred with the comparables and no adjustments were 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 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.

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 site and Land Sales 1 and 3 and Pending Sale 1 are located in the greater Seeley Lake area. Land Sales 1 and 3 and Pending Sale 1 are identified as Equal = to the subject in location. Land Sale 2 is within the Double Arrow Subdivision. According to the American Community Survey 2014-2018, there were 1,147 housing units in Seeley Lake during the survey period. According to the Double Arrow Landowners Association, there are 740 lots in the Double Arrow Subdivision. The Double Arrow Subdivision comprises a significant portion of Seeley Lake. For this reason, use of a comparable sale within the Double Arrow Subdivision was necessary for a credible appraisal report. The location of Land Sale 2 is identified as Superior - compared to the subject site due to access to subdivision amenities.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = 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 property and comparables have sufficient level areas for residential improvements. The subject and comparables are identified as Equal = in this category.

Flood Zone: The subject lot and comparables are not within flood zones. The comparables are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject property and comparables have vehicular access from public roads or private roads. The subject and comparables are identified as Equal = in this category.

Zoning: The subject site and comparables are in areas with no zoning. The highest and best use of the subject and comparables is use for construction of a single family residence. Based upon analysis of highest and best use, the comparables are considered 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 and comparables all have access to electricity and telephone service. The comparables are identified as Equal = compared to the subject in this category.

Size/Acres: The subject site totals 1.443 acres. The comparables bracket the subject site in size. We did not locate any market evidence that there are price differences due to size for sites within the size ranges of the subject and comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded the adjusted indication from Land Sale 2 as this sale is identified as Superior - compared to the subject site. The adjusted indications from Land Sales 1 and 3 and Pending Sale 1 are Equal = to the subject. All weight is accorded the adjusted indications from these sales. The average of the indications from Land Sales 1 and 3 and Pending Sale 1 is \$35,167. The rounded average or \$35,000 is a credible market value for the subject site as if vacant.

Site Value as Vacant

\$35,000

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 18, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1524 Boy Scout Rd	580 Tamarack Dr	220 Montana Dr	1021 Willow Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$248,200	\$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	12/18/19	11/08/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$248,200	\$185,000
LESS SITE VALUE		(\$50,000)	(\$60,000)	(\$35,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$188,200	\$150,000
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
		-\$17,700	\$0	\$0
BATHROOMS	1	2	1	2
		-\$5,000	\$0	-\$5,000
HOUSE SIZE/SF	1,160	952	1,190	832
		\$18,720	-\$2,700	\$29,520
FINISHED BASEMENT SIZE/SF	0	0	0	458
		\$0	\$0	-\$20,610
OUTBUILDINGS	Wood Shed & Outhouse	Superior	Superior	Superior
		-\$10,000	-\$8,000	-\$8,000
TOTAL ADJUSTMENT		-\$13,980	-\$10,700	-\$4,090
NET ADJUSTMENT PERCENTAGE		-8%	-6%	-3%
ADJUSTED PRICE INDICATION		\$163,020	\$177,500	\$145,910

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 2019 and 2020. There are typically few sales each year of similar homes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes 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 the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject residence and Home Sales 2 and 3 are similar in overall condition. No adjustment was necessary in this category for these sales. Home Sale 1 was considered to be in superior condition compared to the subject residence. A downward adjustment of 10% was made to this sale in this category. This adjustment percentage is considered to be reflective of the actions of market participants relative to residence condition.

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

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 \$90 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 1 and 2 do not include basements. No adjustment was necessary in this category for these sales. Home Sale 3 included 458 square feet of finished basement area. Market participants do not view finished basement areas the same as finished above grade area. An adjustment \$45/SF (half of the adjustment amount for the above grade area) was considered appropriate for this sale.

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 and fencing were estimated based upon depreciated costs calculated on the table on the following page.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shed	72	Section 17/Page 16	\$24.24	\$1,745
Outhouse	Lump Sum			\$2,000
Total Cost New				\$3,745
Less Depreciation - Age/Life - 15/30 Years = 50%				-\$1,873
Depreciated Cost Estimate				\$1,873
Rounded To				\$2,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$163,020, \$175,500 and \$143,910. The overall adjustment percentages are all less than 10%. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$162,000 (the rounded average of the indications from all three sales) is reasonable and well supported for the subject improvements.

Improvement Value	\$162,000
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Total Value Conclusion

The total value conclusions are derived by adding the subject site values to the estimated value of improvements. The calculations assuming a septic system is permissible are below;

Subject Site Value	\$ 35,000
Subject Improvements Value	<u>\$162,000</u>
Total Value Indication	\$197,000

LOT 23

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 23, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING LAND SALE 1
IDENTIFICATION	1524 Boy Scout Rd	590 Frontier Ct	311 Whitefish Dr	267 Eagle Dr	NH Eagle Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		06/25/20	05/05/20	04/25/19	07/20/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$50,000	\$40,000	\$27,750	\$27,750
SITE SIZE/ACRES	0.832	1.000	2.400	0.613	0.689
ADJUSTED SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR:					
LOCATION	Seeley Lake	Seeley Lake	Double Arrow SD	Seeley Lake	Seeley Lake
		Equal =	Superior -	Equal =	Equal =
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	County Road	County Road	SD Road	Private Road	Private Road
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	0.832	1.000	2.400	0.613	0.689
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Superior -	Equal =	Equal =
VALUE INDICATIONS		= \$50,000	< \$40,000	= \$27,750	= \$27,750

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 and Pending Sale 1 were closed as of the report effective date and these comparables required no adjustment in this category.

Adjustment for Improvements: No improvements transferred with the comparables and no adjustments were 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 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.

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 site and Land Sales 1 and 3 and Pending Sale 1 are located in the greater Seeley Lake area. Land Sales 1 and 3 and Pending Sale 1 are identified as Equal = to the subject in location. Land Sale 2 is within the Double Arrow Subdivision. According to the American Community Survey 2014-2018, there were 1,147 housing units in Seeley Lake during the survey period. According to the Double Arrow Landowners Association, there are 740 lots in the Double Arrow Subdivision. The Double Arrow Subdivision comprises a significant portion of Seeley Lake. For this reason, use of a comparable sale within the Double Arrow Subdivision was necessary for a credible appraisal report. The location of Land Sale 2 is identified as Superior - compared to the subject site due to access to subdivision amenities.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = 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 property and comparables have sufficient level areas for residential improvements. The subject and comparables are identified as Equal = in this category.

Flood Zone: The subject lot and comparables are not within flood zones. The comparables are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject property and comparables have vehicular access from public roads or private roads. The subject and comparables are identified as Equal = in this category.

Zoning: The subject site and comparables are in areas with no zoning. The highest and best use of the subject and comparables is use for construction of a single family residence. Based upon analysis of highest and best use, the comparables are considered 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 and comparables all have access to electricity and telephone service. The comparables are identified as Equal = compared to the subject in this category.

Size/Acres: The subject site totals 0.832 acres. The comparables bracket the subject site in size. We did not locate any market evidence that there are price differences due to size for sites within the size ranges of the subject and comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded the adjusted indication from Land Sale 2 as this sale is identified as Superior - compared to the subject site. The adjusted indications from Land Sales 1 and 3 and Pending Sale 1 are Equal = to the subject. All weight is accorded the adjusted indications from these sales. The average of the indications from Land Sales 1 and 3 and Pending Sale 1 is \$35,167. The rounded average or \$35,000 is a credible market value for the subject site as if vacant.

Site Value as Vacant

\$35,000

Improvement Value Estimate

Mobile Home 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 23, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	NHN Boy Scout Rd	554 Spruce Dr	145 Hickory Ln	238 Larch Ln
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$65,000	\$59,000	\$58,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		09/16/19	08/01/18	11/08/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$65,000	\$59,000	\$58,000
LESS SITE VALUE		(\$25,000)	(\$30,000)	(\$35,000)
ADJUSTED IMPROVEMENT PRICE		\$40,000	\$29,000	\$23,000
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	Average	Fair	Fair
		\$0	\$4,350	\$3,450
BATHROOMS	1	2	2	1
		-\$3,000	-\$3,000	\$0
HOUSE SIZE/SF	306	938	1,150	1,118
		-\$9,480	-\$12,660	-\$12,180
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Carport, Storage Building, Lean-to Type Storage, Pump House, & Outhouse	Inferior	Inferior	Inferior
		\$2,000	\$5,000	\$5,000
TOTAL ADJUSTMENT		-\$10,480	-\$6,310	-\$3,730
NET ADJUSTMENT PERCENTAGE		-26%	-22%	-16%
ADJUSTED PRICE INDICATION		\$29,520	\$22,690	\$19,270

Discussion of Adjustments

List Adjustment: Mobile 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 201 and 2019. There are typically few sales each year of similar mobile homes in the subject market area. There were not a sufficient number of sales and re-sales of similar mobile homes 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 Mobile Homes 1, 2, and 3 were considered similar in overall construction quality. No adjustment was necessary in this category.

Condition: The subject residence and Mobile Home Sale 1 are similar in overall condition. No adjustment was necessary to this sale in this category. Mobile Home Sales 2 and 3 were considered to be in inferior condition compared to the subject residence. Downward adjustments of 10% were made to these sales in this category. This adjustment percentage is considered representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence includes 1 full bathroom. Mobile Home Sale 3 includes a similar number of full bathrooms and no adjustment was necessary in this category for this sale. Mobile Home Sales 1 and 2 include two full bathrooms. Downward adjustments of \$3,000 were made to these sales in this category. This adjustment amount is considered to reflect the actions of market participants with regard to an additional full bathroom for a mobile home.

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 \$15 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 basements 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 and fencing were estimated based upon depreciated costs calculated on the table on the following page.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Carport	150	Section 12/Page 35	\$28.25	\$4,238
Storage Building	96	Section 17/Page 16	\$24.45	\$2,347
Lean-to Type Storage	68	Section 17/Page 16	\$13.65	\$928
Pump House	16	Section 17/Page 16	\$24.45	\$391
Outhouse	Lump Sum			\$2,000
Total Cost New				\$9,904
Less Depreciation - Age/Life - 15/30 Years = 50%				-\$4,952
Depreciated Cost Estimate				\$4,952
Rounded To				\$5,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$29,520, \$22,690, and \$19,270. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$24,000 (the rounded average of the three indications) is reasonable and well supported for the subject improvements.

Improvement Value	\$24,000
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Total Value Conclusion

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

Subject Site Value	\$35,000
Subject Improvements Value	<u>\$24,000</u>
Total Value Indication	\$59,000

LOT 30

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 30, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING LAND SALE 1
IDENTIFICATION	1524 Boy Scout Rd	590 Frontier Ct	311 Whitefish Dr	267 Eagle Dr	NHN Eagle Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		06/25/20	05/05/20	04/25/19	07/20/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$50,000	\$40,000	\$27,750	\$27,750
SITE SIZE/ACRES	1.464	1.000	2.400	0.613	0.689
ADJUSTED SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR:					
LOCATION	Seeley Lake	Seeley Lake	Double Arrow SD	Seeley Lake	Seeley Lake
		Equal =	Superior -	Equal =	Equal =
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	County Road	County Road	SD Road	Private Road	Private Road
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.464	1.000	2.400	0.613	0.689
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Superior -	Equal =	Equal =
VALUE INDICATIONS		= \$50,000	< \$40,000	= \$27,750	= \$27,750

Discussion of Quantitative Adjustments

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

Adjustment for Improvements: No improvements transferred with the comparables and no adjustments were 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 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.

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 site and Land Sales 1 and 3 and Pending Sale 1 are located in the greater Seeley Lake area. Land Sales 1 and 3 and Pending Sale 1 are identified as Equal = to the subject in location. Land Sale 2 is within the Double Arrow Subdivision. According to the American Community Survey 2014-2018, there were 1,147 housing units in Seeley Lake during the survey period. According to the Double Arrow Landowners Association, there are 740 lots in the Double Arrow Subdivision. The Double Arrow Subdivision comprises a significant portion of Seeley Lake. For this reason, use of a comparable sale within the Double Arrow Subdivision was necessary for a credible appraisal report. The location of Land Sale 2 is identified as Superior - compared to the subject site due to access to subdivision amenities.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = 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 property and comparables have sufficient level areas for residential improvements. The subject and comparables are identified as Equal = in this category.

Flood Zone: The subject lot and comparables are not within flood zones. The comparables are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject property and comparables have vehicular access from public roads or private roads. The subject and comparables are identified as Equal = in this category.

Zoning: The subject site and comparables are in areas with no zoning. The highest and best use of the subject and comparables is use for construction of a single family residence. Based upon analysis of highest and best use, the comparables are considered 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 and comparables all have access to electricity and telephone service. The comparables are identified as Equal = compared to the subject in this category.

Size/Acres: The subject site totals 1.464 acres. The comparables bracket the subject site in size. We did not locate any market evidence that there are price differences due to size for sites within the size ranges of the subject and comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded the adjusted indication from Land Sale 2 as this sale is identified as Superior - compared to the subject site. The adjusted indications from Land Sales 1 and 3 and Pending Sale 1 are Equal = to the subject. All weight is accorded the adjusted indications from these sales. The average of the indications from Land Sales 1 and 3 and Pending Sale 1 is \$35,167. The rounded average or \$35,000 is a credible market value for the subject site as if vacant.

Site Value as Vacant

\$35,000

Improvement Value Estimate

Mobile Home 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 30, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	2277 Boy Scout Rd	554 Spruce Dr	145 Hickory Ln	238 Larch Ln
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$65,000	\$59,000	\$58,000
LIST ADJUSTMENT				
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
FINANCING	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		09/16/19	08/01/18	11/08/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$65,000	\$59,000	\$58,000
LESS SITE VALUE		(\$25,000)	(\$30,000)	(\$35,000)
ADJUSTED IMPROVEMENT PRICE		\$40,000	\$29,000	\$23,000
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	Average	Fair	Fair
		\$0	\$4,350	\$3,450
BATHROOMS	2	2	2	1
		\$0	\$0	\$3,000
HOUSE SIZE/SF	1,071	938	1,150	1,118
		\$1,995	-\$1,185	-\$705
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Carport & Outhouse	Inferior	Inferior	Inferior
		\$5,000	\$8,000	\$8,000
TOTAL ADJUSTMENT		\$6,995	\$11,165	\$13,745
NET ADJUSTMENT PERCENTAGE		17%	39%	60%
ADJUSTED PRICE INDICATION		\$46,995	\$40,165	\$36,745

Discussion of Adjustments

List Adjustment: Mobile 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 201 and 2019. There are typically few sales each year of similar mobile homes in the subject market area. There were not a sufficient number of sales and re-sales of similar mobile homes 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 Mobile Homes 1, 2, and 3 were considered similar in overall construction quality. No adjustment was necessary in this category.

Condition: The subject residence and Mobile Home Sale 1 are similar in overall condition. No adjustment was necessary to this sale in this category. Mobile Home Sales 2 and 3 were considered to be in inferior condition compared to the subject residence. Downward adjustments of 10% were made to these sales in this category. This adjustment percentage is considered representative of the actions of market participants with regard to residence condition.

Bathrooms: The subject residence includes 2 full bathrooms. Mobile Home Sales 1 and 2 include a similar number of full bathrooms and no adjustment was necessary in this category for these sales. Mobile Home Sale 3 includes 1 full bathroom. An upward adjustment of \$3,000 was made to this sale in this category. This adjustment amount is considered to reflect the actions of market participants with regard to an additional full bathroom for a mobile home.

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 \$15 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 basements 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 and fencing were estimated based upon depreciated costs calculated on the table on the following page.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Carport	432	Section 12/Page 35	\$28.25	\$12,204
Storage Building	82	Section 17/Page 16	\$24.45	\$2,005
Outhouse	Lump Sum			\$2,000
Total Cost New				\$16,209
Less Depreciation - Age/Life - 15/30 Years = 50%				-\$8,104
Depreciated Cost Estimate				\$8,104
Rounded To				\$8,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$46,995, \$40,165, and \$36,745. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$41,000 (the rounded average of the three indications) is reasonable and well supported for the subject improvements.

Improvement Value	\$41,000
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Total Value Conclusion

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

Subject Site Value	\$35,000
Subject Improvements Value	<u>\$41,000</u>
Total Value Indication	\$76,000

LOT 37

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 37, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING LAND SALE 1
IDENTIFICATION	1524 Boy Scout Rd	590 Frontier Ct	311 Whitefish Dr	267 Eagle Dr	NHN Eagle Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		06/25/20	05/05/20	04/25/19	07/20/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$50,000	\$40,000	\$27,750	\$27,750
SITE SIZE/ACRES	1.335	1.000	2.400	0.613	0.689
ADJUSTED SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR:					
LOCATION	Seeley Lake	Seeley Lake	Double Arrow SD	Seeley Lake	Seeley Lake
		Equal =	Superior -	Equal =	Equal =
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	County Road	County Road	SD Road	Private Road	Private Road
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.335	1.000	2.400	0.613	0.689
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Superior -	Equal =	Equal =
VALUE INDICATIONS		= \$50,000	< \$40,000	= \$27,750	= \$27,750

Discussion of Quantitative Adjustments

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

Adjustment for Improvements: No improvements transferred with the comparables and no adjustments were 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 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.

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 site and Land Sales 1 and 3 and Pending Sale 1 are located in the greater Seeley Lake area. Land Sales 1 and 3 and Pending Sale 1 are identified as Equal = to the subject in location. Land Sale 2 is within the Double Arrow Subdivision. According to the American Community Survey 2014-2018, there were 1,147 housing units in Seeley Lake during the survey period. According to the Double Arrow Landowners Association, there are 740 lots in the Double Arrow Subdivision. The Double Arrow Subdivision comprises a significant portion of Seeley Lake. For this reason, use of a comparable sale within the Double Arrow Subdivision was necessary for a credible appraisal report. The location of Land Sale 2 is identified as Superior - compared to the subject site due to access to subdivision amenities.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = 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 property and comparables have sufficient level areas for residential improvements. The subject and comparables are identified as Equal = in this category.

Flood Zone: The subject lot and comparables are not within flood zones. The comparables are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject property and comparables have vehicular access from public roads or private roads. The subject and comparables are identified as Equal = in this category.

Zoning: The subject site and comparables are in areas with no zoning. The highest and best use of the subject and comparables is use for construction of a single family residence. Based upon analysis of highest and best use, the comparables are considered 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 and comparables all have access to electricity and telephone service. The comparables are identified as Equal = compared to the subject in this category.

Size/Acres: The subject site totals 1.335 acres. The comparables bracket the subject site in size. We did not locate any market evidence that there are price differences due to size for sites within the size ranges of the subject and comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded the adjusted indication from Land Sale 2 as this sale is identified as Superior - compared to the subject site. The adjusted indications from Land Sales 1 and 3 and Pending Sale 1 are Equal = to the subject. All weight is accorded the adjusted indications from these sales. The average of the indications from Land Sales 1 and 3 and Pending Sale 1 is \$35,167. The rounded average or \$35,000 is a credible market value for the subject site as if vacant.

Site Value as Vacant

\$35,000

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 37, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1697 Boy Scout Rd	580 Tamarack Dr	220 Montana Dr	1021 Willow Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$248,200	\$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	12/18/19	11/08/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$248,200	\$185,000
LESS SITE VALUE		(\$50,000)	(\$60,000)	(\$35,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$188,200	\$150,000
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
		-\$17,700	\$0	\$0
BATHROOMS	1	2	1	2
		-\$5,000	\$0	-\$5,000
HOUSE SIZE/SF	720	952	1,190	832
		-\$20,880	-\$42,300	-\$10,080
FINISHED BASEMENT SIZE/SF	0	0	0	458
		\$0	\$0	-\$20,610
OUTBUILDINGS	Storage Building, Lean-to Type Storage, & 2 Outhouses	Superior	Superior	Superior
		-\$6,000	-\$4,000	-\$4,000
TOTAL ADJUSTMENT		-\$49,580	-\$46,300	-\$39,690
NET ADJUSTMENT PERCENTAGE		-28%	-25%	-26%
ADJUSTED PRICE INDICATION		\$127,420	\$141,900	\$110,310

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 2019 and 2020. There are typically few sales each year of similar homes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes 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 the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject residence and Home Sales 2 and 3 are similar in overall condition. No adjustment was necessary in this category for these sales. Home Sale 1 was considered to be in superior condition compared to the subject residence. A downward adjustment of 10% was made to this sale in this category. This adjustment percentage is considered to be reflective of the actions of market participants relative to residence condition.

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

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 \$90 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 1 and 2 do not include basements. No adjustment was necessary in this category for these sales. Home Sale 3 included 458 square feet of finished basement area. Market participants do not view finished basement areas the same as finished above grade area. An adjustment \$45/SF (half of the adjustment amount for the above grade area) was considered appropriate for this sale.

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 and fencing were estimated based upon depreciated costs calculated on the table on the following page.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Building	102	Section 17/Page 16	\$24.45	\$2,494
Lean-to Type Storage	84	Section 17/Page 16	\$13.65	\$1,147
2 Outhouses	Lump Sum			\$4,000
Total Cost New				\$7,641
Less Depreciation - Age/Life - 5/30 Years = 17%				-\$1,299
Depreciated Cost Estimate				\$6,342
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 \$127,420, \$141,900 and \$110,310. The overall adjustment percentages form a tight range. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$127,000 (the rounded average of the indications from all three sales) is reasonable and well supported for the subject improvements.

Improvement Value	\$127,000
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Total Value Conclusion

The total value conclusions are derived by adding the subject site values to the estimated value of improvements. The calculations assuming a septic system is permissible are below;

Subject Site Value	\$ 35,000
Subject Improvements Value	<u>\$127,000</u>
Total Value Indication	\$162,000

LOT 45

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE					
LOT 45, COS #6161, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	PENDING LAND SALE 1
IDENTIFICATION	1524 Boy Scout Rd	590 Frontier Ct	311 Whitefish Dr	267 Eagle Dr	NHN Eagle Dr
CITY	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR IMPROVEMENTS		\$0	\$0	\$0	\$0
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		06/25/20	05/05/20	04/25/19	07/20/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$50,000	\$40,000	\$27,750	\$27,750
SITE SIZE/ACRES	1.367	1.000	2.400	0.613	0.689
ADJUSTED SALES PRICE		\$50,000	\$40,000	\$27,750	\$27,750
ADJUSTMENT FOR:					
LOCATION	Seeley Lake	Seeley Lake	Double Arrow SD	Seeley Lake	Seeley Lake
		Equal =	Superior -	Equal =	Equal =
WATER FRONTAGE	None	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular
		Equal =	Equal =	Equal =	Equal =
TOPOGRAPHY	Level	Level	Level	Level	Level
		Equal =	Equal =	Equal =	Equal =
FLOOD ZONE	Regulatory Floodplain	None	None	None	None
		Equal =	Equal =	Equal =	Equal =
FRONTAGE/ACCESS	County Road	County Road	SD Road	Private Road	Private Road
		Equal =	Equal =	Equal =	Equal =
ZONING	Not Zoned	Not Zoned	Not Zoned	Not Zoned	Not Zoned
		Equal =	Equal =	Equal =	Equal =
EASEMENTS AFFECTING USE	No	No	No	No	No
		Equal =	Equal =	Equal =	Equal =
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available
		Equal =	Equal =	Equal =	Equal =
SITE SIZE/ACRES	1.367	1.000	2.400	0.613	0.689
		Equal =	Equal =	Equal =	Equal =
OVERALL RATING COMPARED TO SUBJECT		Equal =	Superior -	Equal =	Equal =
VALUE INDICATIONS		= \$50,000	< \$40,000	= \$27,750	= \$27,750

Discussion of Quantitative Adjustments

Adjustment for List Price: Land Sales 1, 2, and 3 and Pending Sale 1 were closed as of the report effective date and these comparables required no adjustment in this category.

Adjustment for Improvements: No improvements transferred with the comparables and no adjustments were 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 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.

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 site and Land Sales 1 and 3 and Pending Sale 1 are located in the greater Seeley Lake area. Land Sales 1 and 3 and Pending Sale 1 are identified as Equal = to the subject in location. Land Sale 2 is within the Double Arrow Subdivision. According to the American Community Survey 2014-2018, there were 1,147 housing units in Seeley Lake during the survey period. According to the Double Arrow Landowners Association, there are 740 lots in the Double Arrow Subdivision. The Double Arrow Subdivision comprises a significant portion of Seeley Lake. For this reason, use of a comparable sale within the Double Arrow Subdivision was necessary for a credible appraisal report. The location of Land Sale 2 is identified as Superior - compared to the subject site due to access to subdivision amenities.

Water Frontage: The subject site and comparables do not include water frontage. The comparables are identified as Equal = 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 property and comparables have sufficient level areas for residential improvements. The subject and comparables are identified as Equal = in this category.

Flood Zone: The subject lot is not within a flood zone that prohibits construction. The comparables are not within flood zones. The comparables are identified as Equal = compared to the subject in this category.

Frontage/Access: The subject property and comparables have vehicular access from public roads or private roads. The subject and comparables are identified as Equal = in this category.

Zoning: The subject site and comparables are in areas with no zoning. The highest and best use of the subject and comparables is use for construction of a single family residence. Based upon analysis of highest and best use, the comparables are considered 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 and comparables all have access to electricity and telephone service. The comparables are identified as Equal = compared to the subject in this category.

Size/Acres: The subject site totals 1.367 acres. The comparables bracket the subject site in size. We did not locate any market evidence that there are price differences due to size for sites within the size ranges of the subject and comparables. For this reason, the comparables are identified as Equal = compared to the subject in this category.

Reconciliation of Sales Comparison Approach for Subject Property As If Vacant

No weight is accorded the adjusted indication from Land Sale 2 as this sale is identified as Superior - compared to the subject site. The adjusted indications from Land Sales 1 and 3 and Pending Sale 1 are Equal = to the subject. All weight is accorded the adjusted indications from these sales. The average of the indications from Land Sales 1 and 3 and Pending Sale 1 is \$35,167. The rounded average or \$35,000 is a credible market value for the subject site as if vacant.

Site Value as Vacant

\$35,000

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 45, SEELEY LAKE DEVELOPMENT, SEELEY LAKE, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1253 Boy Scout Rd	580 Tamarack Dr	220 Montana Dr	1021 Willow Dr
LOCATION	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT	Seeley Lake, MT
SALES PRICE		\$227,000	\$248,200	\$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	12/18/19	11/08/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$227,000	\$248,200	\$185,000
LESS SITE VALUE		(\$50,000)	(\$60,000)	(\$35,000)
ADJUSTED IMPROVEMENT PRICE		\$177,000	\$188,200	\$150,000
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	Average	Average
		\$0	\$18,820	\$15,000
BATHROOMS	1	2	1	2
		-\$5,000	\$0	-\$5,000
HOUSE SIZE/SF	1,140	952	1,190	832
		\$16,920	-\$4,500	\$27,720
FINISHED BASEMENT SIZE/SF	0	0	0	458
		\$0	\$0	-\$20,610
OUTBUILDINGS	Open Storage, Carport, Pump House, Wood Shed, & 2 Storage Buildings	Inferior	Inferior	Inferior
		\$4,000	\$6,000	\$6,000
TOTAL ADJUSTMENT		\$15,920	\$20,320	\$23,110
NET ADJUSTMENT PERCENTAGE		9%	11%	15%
ADJUSTED PRICE INDICATION		\$192,920	\$208,520	\$173,110

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 2019 and 2020. There are typically few sales each year of similar homes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes 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 the comparables are similar in overall quality of construction. No adjustment was necessary in this category.

Condition: The subject residence and Home Sale 1 are similar in overall condition. No adjustment was necessary in this category for this sale. Home Sales 2 and 3 were considered to be in inferior condition compared to the subject residence. Upward adjustments of 10% were made to these sales in this category. This adjustment percentage is considered to be reflective of the actions of market participants relative to residence condition.

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

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 \$90 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 1 and 2 do not include basements. No adjustment was necessary in this category for these sales. Home Sale 3 included 458 square feet of finished basement area. Market participants do not view finished basement areas the same as finished above grade area. An adjustment \$45/SF (half of the adjustment amount for the above grade area) was considered appropriate for this sale.

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 and fencing were estimated based upon depreciated costs calculated on the table on the following page.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Carport	288	Section 12/Page 35	\$28.25	\$8,136
Storage Building	288	Section 17/Page 16	\$24.45	\$7,042
Storage Building	104	Section 17/Page 16	\$24.45	\$2,543
Wood Shed	162	Section 17/Page 16	\$24.45	\$3,961
Open Storage	55	Section 17/Page 16	\$13.65	\$751
Pump House	33	Section 17/Page 16	\$24.45	\$807
Total Cost New				\$23,239
Less Depreciation - Age/Life - 10/30 Years = 33%				<u>-\$7,669</u>
Depreciated Cost Estimate				\$15,570
Rounded To				\$16,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$192,920, \$208,520 and \$173,110. The overall adjustment percentages form a tight range. Approximately equal weight is accorded the adjusted indications from all three comparables. A market value of \$192,000 (the rounded average of the indications from all three sales) is reasonable and well supported for the subject improvements.

Improvement Value	\$192,000
--------------------------	------------------

Total Value Conclusion

The total value conclusions are derived by adding the subject site values to the estimated value of improvements. The calculations assuming a septic system is permissible are below;

Subject Site Value	\$ 35,000
Subject Improvements Value	<u>\$192,000</u>
Total Value Indication	\$227,000

RECAPITULATION OF VALUE INDICATIONS

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

Lot #	Sale #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
18	1093	\$35,000	\$162,000	\$197,000	7/20/2020
23	1094	\$35,000	\$24,000	\$59,000	7/20/2020
30	1095	\$35,000	\$41,000	\$76,000	7/13/2020
37	1096	\$35,000	\$127,000	\$162,000	7/13/2020
45	1097	\$35,000	\$192,000	\$227,000	7/20/2020

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**

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

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

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



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State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAL-LIC-841

Status: **Active**
Expires: **03/31/2021**

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

This certificate verifies licensure as:
LICENSED APPRAISER

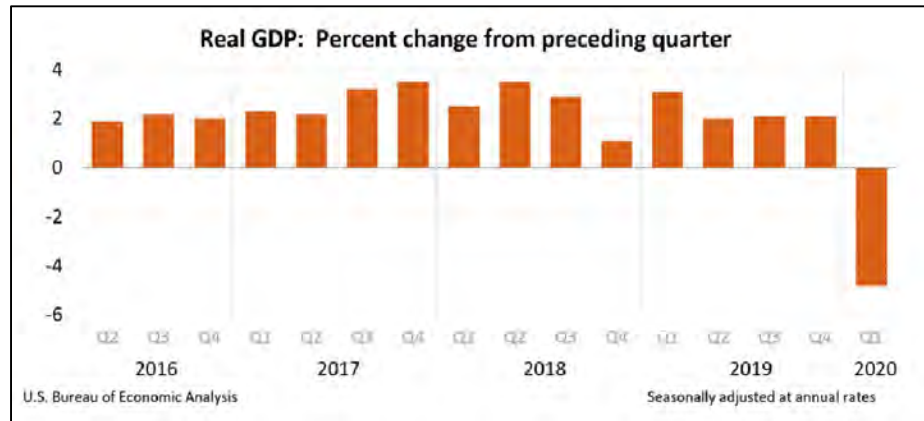


Montana Department of
LABOR & INDUSTRY
RENEW OR VERIFY YOUR LICENSE AT:
<https://elbiz.mt.gov/pol>

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

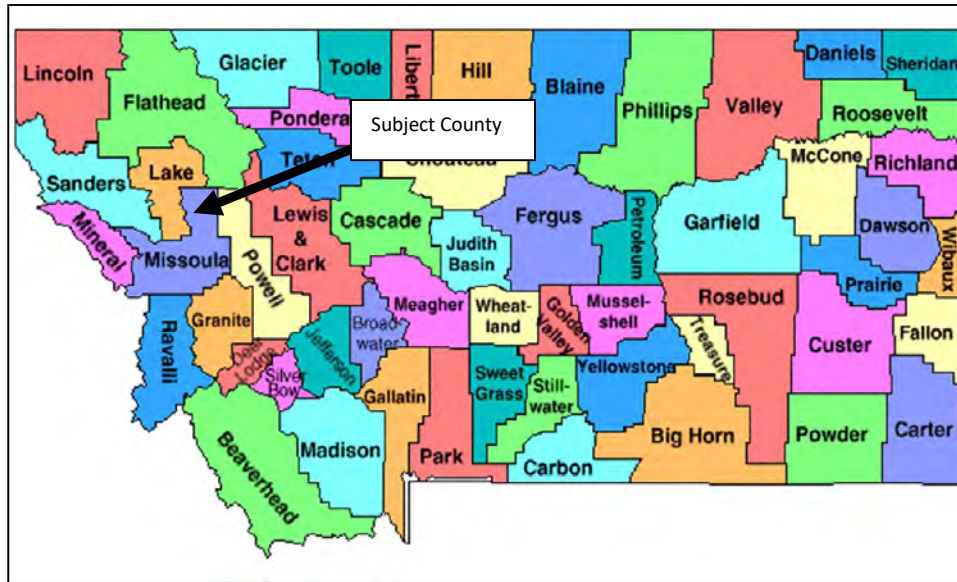
The University of Montana Bureau of Economic Research prepared a study titled “The Impacts of COVID-19 in Montana, Preliminary Analysis” in April of 2020. The principal findings from the study are below;

- 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.

MISSOULA COUNTY DATA

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



Geographical Information

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

City and Communities

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

Population

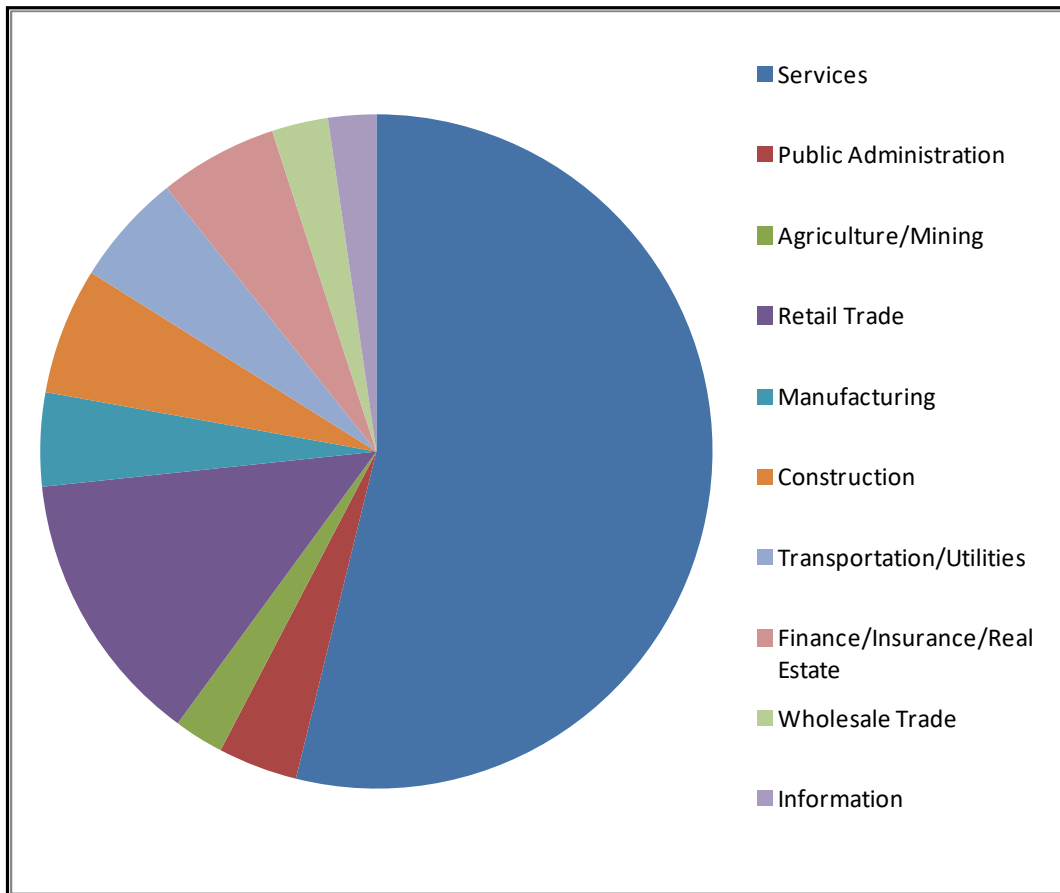
Missoula County is the 2nd most populous county in Montana. The 2019 county population estimate from ESRI based upon US Census Bureau data was 122,370. The population is projected to increase to 129,983 by 2024 or 1.24% per year.

Income

According to estimates from ESRI based upon US Census data, the median household income for Missoula County was \$53,890 in 2019. Approximately 15.9% of the population of Missoula County was below the poverty level in 2017. This is higher than the national average at 13.1%.

Employment

According to ESRI there were 56,415 people over 16 years of age in the workforce in Missoula County in 2010. The workforce percentages by industry are included on the chart below;

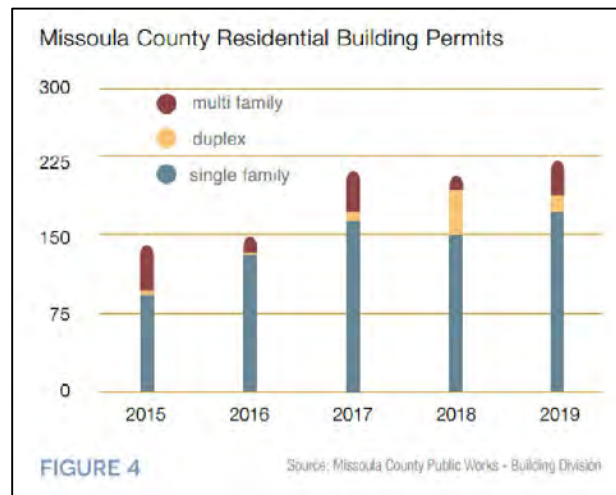


Services comprise the largest employment by substantial margin. The next largest category is retail trade.

Real Estate

According to ESRI estimates based upon US Census data there were 56,424 housing units in Missoula County in 2019. The home ownership rate was estimated at 48.9% in 2019. The median home value was estimated to be \$290,265 in 2019. It is expected to increase by approximately 2.42% per year to \$325,415 in 2024.

Residential building permits of all types issued in Missoula since 2015 are depicted on the graph below;



The total number of permits issues increased between 2018 and 2019.

Education & Healthcare

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

Linkages & Transportation

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

County Data Conclusion

Missoula County is one of the most populous counties in Montana. The population is slated to increase approximately 1.24% per year through 2024. Missoula County is the home of the University of Montana. The location of the university provides some stability in employment. The economy and the real estate market have remained relatively stable for the past several years. Missoula County did experience the most recent real estate “bubble”; however, the market appears to have stabilized. The economy of Missoula County is considered stable with growth likely in the foreseeable future

According to the Bureau of Business and Economic Research at the University of Montana, economic impacts on Northwest Montana Counties (which include Missoula 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. 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

(Page 1 of 5)

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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 Seeley Lake Development 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 Elizabeth M., John R., James H., Ruth Ann, & William J. Moody; Richard & Sharon Evans; Janet & Steven Gustuson; Rye Svingen, Callie Puls, & Timothy Svingen; and Timothy J. & Cindy A. Thurston. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject properties and is intended for use in the decision-making process concerning the potential sale of said subject properties.

DEFINITIONS:

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

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

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:

Rev 09/18

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

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

ASSIGNMENT CONDITIONS:

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

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

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

The appraisal will be an Appraisal Report, as per USPAP, that will describe adequately the information analyzed, appraisal methods, and techniques employed, and reasoning that support the analyses, opinions, and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values of the 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 Seeley Lake Development Appraisals

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

Subject Properties Located in Missoula County:

Sale Number	Acres	Legal Description	Address
1093	1.443 ±	Lot 18, Seeley Lake Development, COS 6161, T16N-R15W, Sec. 4, Missoula County	1524 Boy Scout Road Seeley Lake, MT 59868
1094	0.832 ±	Lot 23, Seeley Lake Development, COS 6161, T16N-R15W, Sec. 4, Missoula County	not known
1095	1.464 ±	Lot 30, Seeley Lake Development, COS 6161, T16N-R15W, Sec. 4, Missoula County	2277 Boy Scout Road Seeley Lake, MT 59868
1096	1.335 ±	Lot 37, Seeley Lake Development, COS 6161, T16N-R15W, Sec. 4, Missoula County	1697 Boy Scout Road Seeley Lake, MT 59868
1097	1.367 ±	Lot 45, Seeley Lake Development, COS 6161, T16N-R15W, Sec. 4, Missoula County	1253 Boy Scout Road Seeley Lake, MT 59868

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. 1093

Elizabeth M., John R., James H.,
Ruth Ann, & William J. Moody

Sale No. 1096

Rye Svingen, Callie Puls, &
Timothy Svingen

Sale No. 1094

Richard & Sharon Evans

Sale No. 1097

Timothy J. & Cindy A. Thurston

Sale No. 1095

Janet & Steven Gustuson

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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MISSOULA COUNTY SALES



Seeley Lake Development T16N-R15W, Sec. 4



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