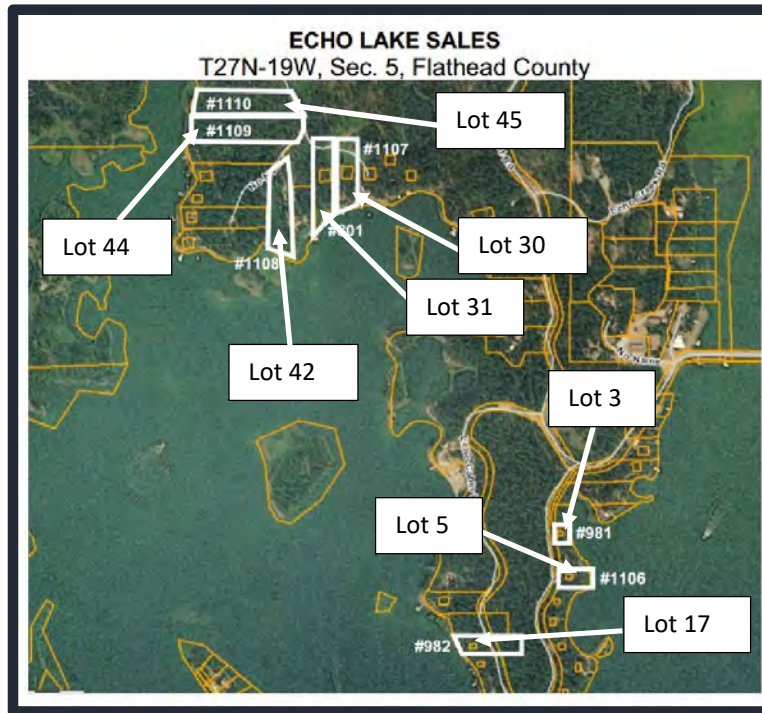


APPRAISAL REPORT OF:

**LOTS 3, 5, 17, 30, 31, 42, 44, & 45 OF COS # 18885
BIGFORK, FLATHEAD COUNTY, MONTANA**



PREPARED FOR:

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

MARKET VALUES AS OF:

August 5, 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

October 8, 2020

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

Re: Lots 3, 5, 17, 30, 31, 42, 44, & 45, Section 5, Township 27 North, Range 19 West, Bigfork, Flathead County, Montana

Dear Ms. Kelley:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on August 5, 2020. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. The property viewings, reviews, and analyses were made in order to prepare the attached summary appraisal report.

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

The values of the fee simple interests in the subject sites, the subject improvements, and the sites and improvements considered together are concluded in this report as applicable. 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

20-049ec

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SUMMARY OF SALIENT DATA AND CONCLUSIONS

IDENTIFICATION OF CLIENT/INTENDED USE

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

SUBJECT PROPERTY

Property Identifications	Lots 3, 5, 17, 30, 31, 42, 44, & 45 of COS #18885, Section 5, Township 27 North, Range 19 West, Flathead County, Montana
Site Sizes	See Property Description
Description of Improvements	See Property Description
Assessor Number(s)	See Property Description
Census Tract	30-029-0013.02
Flood Zone	Zone X, FEMA Map Panel 30029C1875G (Dated 9/28/2007 – Map Not Printed)
Zoning	SAG-5, Suburban Agricultural (5 Acre Minimum Site Area)

HIGHEST AND BEST USE(S)

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

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

Report Date	October 8, 2020
Inspection Date(s)	August 5, 2020
Effective Date of Value(s)	August 5, 2020
Property Rights Appraised	Fee Simple

Estimate of Market Values

Individual Lot Values	Property Valuation Section of Report & Page 121 of Report
Individual Improvement Values	Property Valuation Section of Report & Page 121 of Report
Individual Total Market Values	Property Valuation Section of Report & Page 121 of Report

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

MARKETING & EXPOSURE TIME

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

APPRAISER INFORMATION

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

CERTIFICATION OF APPRAISAL

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions, and conclusions.
- Elliott M. Clark, MAI and Christopher D. Clark have no present or prospective interest in the properties that are the subject of this report and no personal interest with respect to the parties involved.
- Clark Real Estate Appraisal prepared an appraisal for the client which included Lot 31 (one of the subject properties for this report) with a report effective date of June 26, 2019. We have performed no services, as appraisers or in any other capacity, regarding the remaining 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: October 8, 2020
Elliott M. Clark, MAI
MT REA-RAG-LIC-683



Date Signed: October 8, 2020
Christopher D. Clark
MT REA-RAL-LIC-841

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

SCOPE OF THE APPRAISAL

The subject properties are Lots 3, 5, 17, 30, 31, 42, 44, & 45, of COS #18885, Echo Lake, Bigfork, Flathead County, Montana.

The appraisers were asked to provide opinions of the market values of the fee simple interests in the sites and improvements for the subject properties 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 August 5, 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, Flathead County Records, and the area Multiple Listing Service.

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

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

Extraordinary Assumption(s)

An **Extraordinary Assumption** is defined in 2020-2021 version of the Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*an assumption, directly related to a specific assignment, as of the effective date of the assignment results which, if found to be false, could alter the appraiser's opinions or conclusions.*”

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

Hypothetical Conditions

A **Hypothetical Condition** is defined in 2020-2021 version of the Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for purpose of analysis.*”

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

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

Highest & Best Use

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

Appraisal Process

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

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

Environmental

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

General Data Sources

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

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

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

IDENTIFICATION OF THE SUBJECT PROPERTIES

The subject properties are identified on the table below;

Lot #	Sale #	Certificate of Survey	Section/Township/Range	County
3	981	18885	S5/T27N/R19W	Flathead
5	1106	18885	S5/T27N/R19W	Flathead
17	982	18885	S5/T27N/R19W	Flathead
30	1107	18885	S5/T27N/R19W	Flathead
31	801	18885	S5/T27N/R19W	Flathead
42	1108	18885	S5/T27N/R19W	Flathead
44	1109	18885	S5/T27N/R19W	Flathead
45	1110	18885	S5/T27N/R19W	Flathead

INTENDED USE & INTENDED USERS OF THE APPRAISAL

It is understood that the intended use of this appraisal is for decisions regarding possible sale of the subject properties by the client. This report was prepared for the, 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. Any Lessees for the subject lots are additional intended users of this report. The Lessees are listed below;

Lot #	Sale #	Lessee
3	981	None
5	1106	James Baird & Jolene Baird-Wynder
17	982	None
30	1107	Kevin Scott Hunter & Anna Crista Hunter
31	801	None
42	1108	None
44	1109	None
45	1110	None

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

PURPOSE OF THE APPRAISAL

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

DATE OF PROPERTY VIEWINGS

August 5, 2020

EFFECTIVE DATE OF MARKET VALUES

August 5, 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 Lots 5 and 30 are owned by the lessees. The lessees and the most recent transfer documents available online via Flathead County, Montana are identified below;

Lot #	Sale #	Lessee	Last Transfer Document
3	981	None	Unconditional Abandonment of Lease 2013
5	1106	James Baird & Jolene Baird-Wynder	Quitclaim Deed 1992
17	982	None	Unknown
30	1107	Kevin Scott Hunter & Anna Crista Hunter	Quitclaim Deed 2013
31	801	None	Tax Deed 2013
42	1108	None	Unknown
44	1109	None	Unknown
45	1110	None	Unknown

USE/MARKETING HISTORIES

The Montana Department of Natural Resources and Conservation manages hundreds of residential cabin sites which are owned by the State of Montana. The subject lots are in this program. According to the available information, the subject lots have either been vacant or have been used for recreational/residential purposes for the three years prior to the report effective date. Homes were constructed on Lots 3, 5, 30 and 31. The house construction dates and any recent listing information for the improvements via the area MLS for each property are below;

Lot #	Sale #	House Built	Listing History of Improvements via Area MLS
3	981	1960	Listed for Sale for \$15,000 from 11/01/2012 through 11/30/2012
5	1106	1958 (Updated & Addition)	N/A
17	982	N/A	N/A
30	1107	2013 Marlette Modular Home	Listed for Sale for \$75,000 and Lowered to \$29,000 from 12/21/2009 through 8/31/2010 (Modular Home not on Lot During this Listing Period)
31	801	1958	Listed for Sale for \$60,000 from 5/7/2010 through 4/18/2011
42	1108	N/A	N/A
44	1109	N/A	N/A
45	1110	N/A	N/A

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

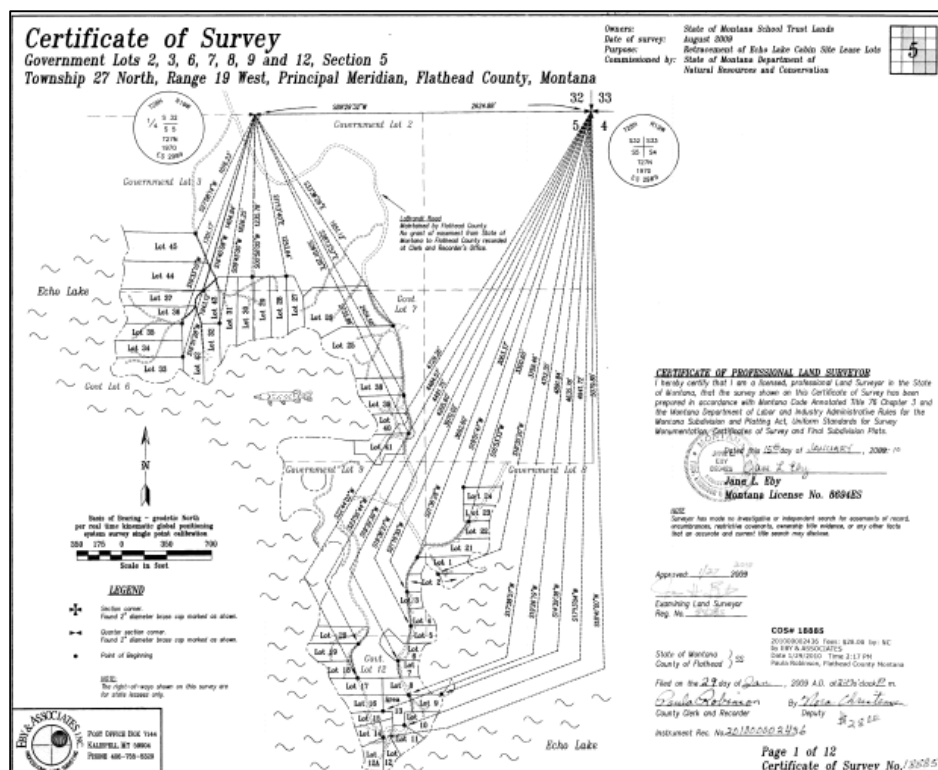
PROPERTY DESCRIPTIONS

GENERAL DESCRIPTIONS

The subject properties are Lots 3, 5, 17, 30, 31, 35, 42, 44, and 45 of Certificate of Survey # 18885 in Section 5, Township 27 North, Range 19 West, in Flathead County, Montana. The subject site sizes are below;

Lot #	Sale #	Gross Acres	Net Acres
3	981	0.327	0.268
5	1106	0.640	0.576
17	982	1.124	0.993
30	1107	1.460	1.340
31	801	1.866	1.766
42	1108	1.803	1.690
44	1109	3.462	3.399
45	1110	2.977	2.921

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



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

See Page 6 of 12

Lot 3

POINT OF BEGINNING
Lot 3

N89°56'04"W
35.50'

N86°31'57"E
(Radial)

Δ=04°50'08"
L=129.97'

R=1540.00'

20.04'

N86°29'10"E (Rad)

±114.26'

79.22'

±15.00'

65.01'

S00°26'43"E

516°10'47"E
59.56'

N86°39'01"E
±5.21'

N86°39'01"E
±118.25'

N81°37'53"E (Rad)

±15.00'

83.17'

±0.327 acres
(gross)

±0.268 acres
(net)

Detail View
No Scale

N89°56'04"W
134.87'

±114.26'

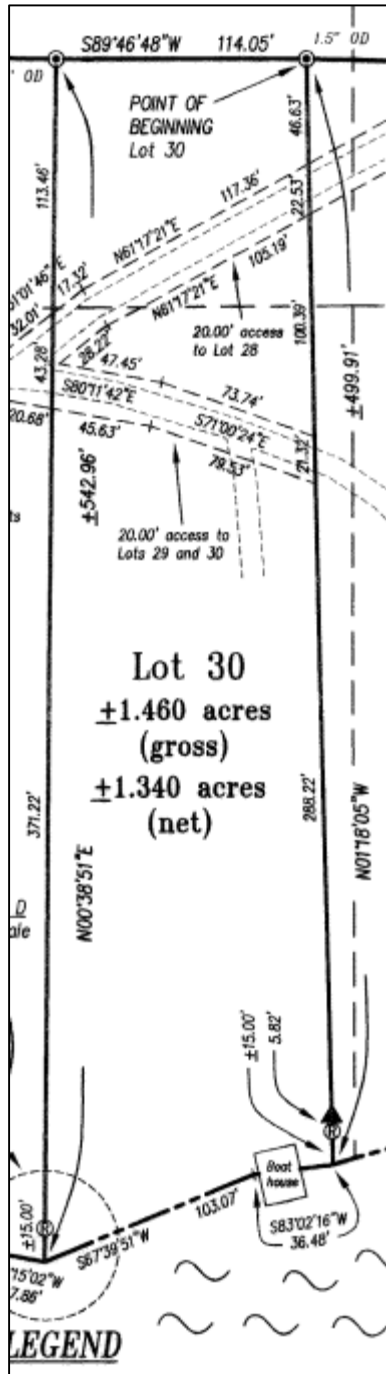
79.22'

±15.00'

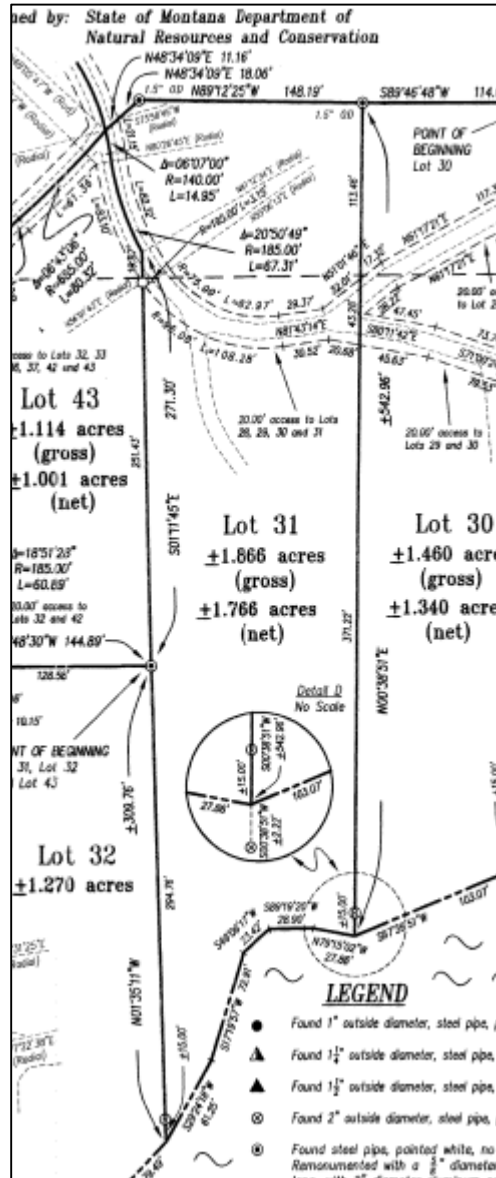
±2.70'

65.01'

Enlarged View of Page 3 of COS #18885



LOT 31
Enlarged View of Page 3 of COS #18885



[illegible]

ACCESS AND VIEWS

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

Lot #	Sale #	Lessee	Address	Water Frontage	Access
3	981	None	1874 Echo Cabin Loop	124.57 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop
5	1106	James Baird & Jolene Baird-Wynder	1866 Echo Cabin Loop	158.24 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop
17	982	None	Unknown	149.42 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Lot is Bisected by Road)
30	1107	Kevin Scott Hunter & Anna Crista Hunter	1720 LaBrant Rd	139.55 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road
31	801	None	1712 LaBrant Rd	214.34 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road
42	1108	None	Unknown	194.26 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road
44	1109	None	Unknown	224.00 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road
45	1110	None	Unknown	237.37 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road

IMPROVEMENTS

Subject Lots 3, 5, 30, and 31 included improvements. The improvements on these subject lots are described on the table below.

Sale #	981	1106	1107	801
Lot #	3	5	30	31
Residence SF	392 SF	880	1,080	357
Construction Type	Wood Frame	Wood Frame	Modular Home	Wood Frame
Foundation	Piers	Piers	Piers	Piers
Quality	Fair	Average	Average	Fair
Condition	Fiar	Good	Good	Fair
Year Built	1960	1958 (Updated & Additiona)	2013	1958
# of Bedrooms	0	1	3	0
# of Bathrooms	0	1	2	0
Porches	432 SF Deck	32 SF Enclosed Porch, 552 Enclosed Porch, & 348 SF Deck	20 SF Stoop & 521 SF Deck	194 SF Screened Porch
Outbuildings	None	552 SF Storage Under Deck & 72 SF Open Storage Building	224 SF Enclosed Storage, 364 SF Screened Porch, & 140 SF Bunk House	None
Well/Septic	None/None	Well/Septic	Well/Septic	None/None
Landscaping	None	Lawn, Firepit, & Steps to Beach Area	Lawn	None

EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

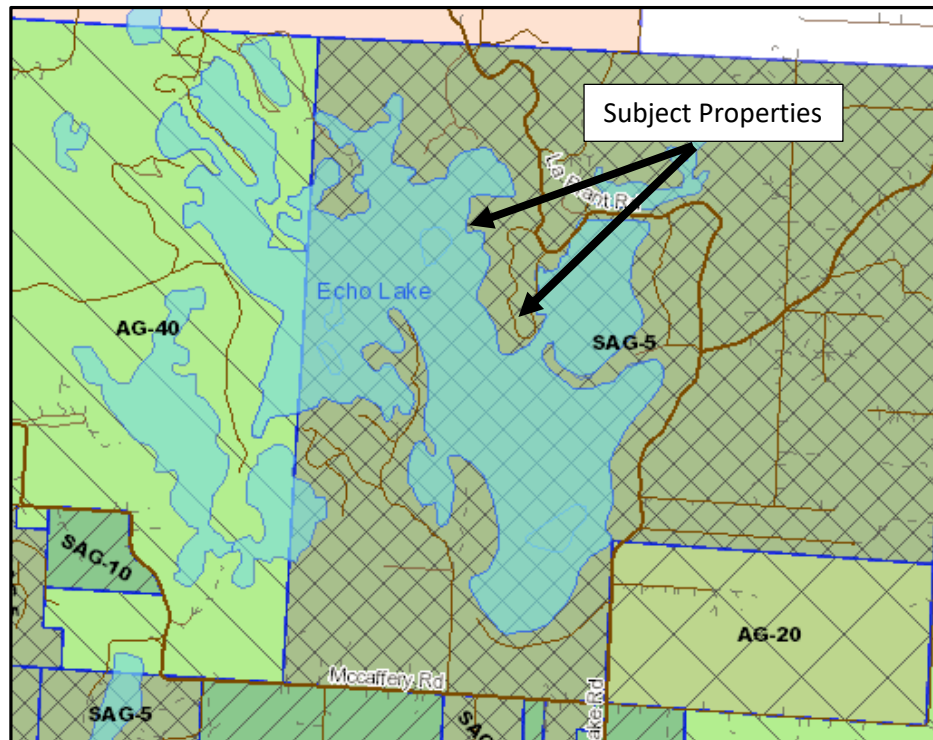
We were provided with Land Status Reports by the Montana Department of Natural Resources. These reports detail recorded easements relative to each subject property. The easements are summarized on the table below;

Lot #	Sale #	Lessee	Access	Easement Affecting Property
3	981	None	Driveway from Echo Cabin Loop	0.059 Acres Within Echo Cabin Loop Rd, Easement to Private Lot Owners for Private Access Road, Easement to State of Montana for a 20 Foot Wide Strip on West Side of Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
5	1106	James Baird & Jolene Baird-Wynder	Driveway from Echo Cabin Loop	0.064 Acres Within Echo Cabin Loop Rd, Easement to Private Lot Owners for Private Access Road, Easement to State of Montana for a 20 Foot Wide Strip on West Side of Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
17	982	None	Driveway from Echo Cabin Loop (Lot is Bisected by Road)	0.131 Acres Within LaBrant Rd, Easement to Private Lot Owners for Private Access Road, Easement to State of Montana for a 40 Foot Wide Strip Bisecting Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
30	1107	Kevin Scott Hunter & Anna Crista Hunter	Driveway from LaBrant Road	0.120 Acres of Shared Driveways for Lots 28 and 29 Within this Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
31	801	None	Driveway from LaBrant Road	0.100 Acres of Shared Driveways for Lots 28, 29, and 30 Within this Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
42	1108	None	Driveway from LaBrant Road	0.113 Acres of Shared Driveways for Lots 32, 33, 34, 35, & 36 Within this Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
44	1109	None	Driveway from LaBrant Road	0.063 Acres of Shared Driveways for Lots 28-37 and Lots 42-43 Within this Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable
45	1110	None	Driveway from LaBrant Road	0.056 Acres of Shared Driveways for Lots 28-37 and Lots 42-44 Within this Lot, ROW to Flathead Electric for Distribution Pole Line, & ROW to Northwestern Telephone Systems for an Underground Telephone Line and Buried Telephone Cable

All of the subject lots are encumbered with easements that would likely impact value. The easement associated with Lot 17 (bisecting road) would have a greater impact than the easements encumbering the remaining subject properties. If additional easements, restrictions, or encroachments other than those noted in this report are present on the subject properties, the values concluded in this report may be affected.

ZONING

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



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

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

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

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

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

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

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

ASSESSMENT/REAL PROPERTY TAXES

The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The 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.

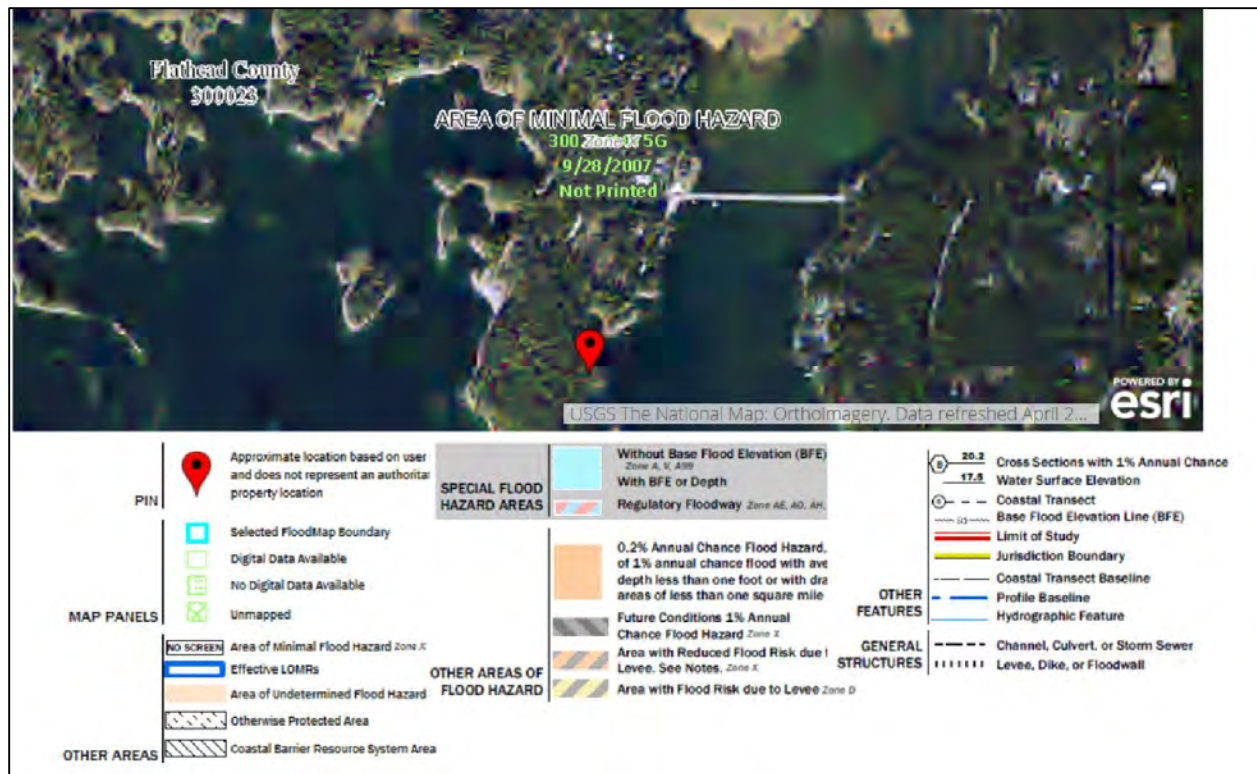
The improvements on each site are taxable. The 2019 tax bills and taxable market values for the applicable **subject improvements** (as per the Montana Department of Revenue) are included on the table below;

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
3	981	None	\$227,500	N/A - Tax Exempt	N/A	N/A
5	1106	James Baird & Jolene Baird-Wynder	\$220,000	0773612	\$69,150	\$584.71
17	982	None	\$263,500	N/A	N/A	N/A
30	1107	Kevin Scott Hunter & Anna Crista Hunter	\$324,000	T511599	\$68,000	\$599.99
31	801	None	\$423,900	N/A - Tax Exempt	N/A	N/A
42	1108	None	\$467,853	N/A	N/A	N/A
44	1109	None	N/A	N/A	N/A	N/A
45	1110	None	N/A	N/A	N/A	N/A

There were no tax bills for the improvements on Lot 3 or Lot 31 as these improvements are owned by the MT DNRC and are tax exempt.

TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE

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



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

Lot #	Sale #	Lessee	Topography
3	981	None	Sloping
5	1106	James Baird & Jolene Baird-Wynder	Sloping
17	982	None	Sloping with Level Area at Top
30	1107	Kevin Scott Hunter & Anna Crista Hunter	Rolling with Level Areas
31	801	None	Rolling with Level Areas
42	1108	None	Rolling with Level Areas
44	1109	None	Rolling with Level Areas
45	1110	None	Rolling with Level Areas

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

The subject lots include native vegetation and/or landscaping.

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

UTILITIES

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

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
3	981	None	No	None	Yes (1)	
5	1106	James Baird & Jolene Baird-Wynder	Yes	Well	Yes (1)	1992 Septic Permit
17	982	None	No	None	Yes (2)	
30	1107	Kevin Scott Hunter & Anna Crista Hunter	Yes	Well	Yes (2 Individual & 1 Shared)	2013 Septic Permit
31	801	None	No	None	Yes (1 Individual & 1 Shared)	
42	1108	None	No	None	No	
44	1109	None	No	None	No	
45	1110	None	No	None	No	

PUBLIC SAFETY AND SERVICES

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

SITE SUITABILITY

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

SUBJECT BUILDING SKETCHES & PHOTOGRAPHS

LOT 3 – BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM					
SUBJECT INFO					
File No.:		Parcel No.: Echo Lake Lot 3			
Property Address: 1874 Echo Cabin Loop					
City: Bigfork	County: Flathead	State: MT	ZipCode: 59911		
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date:		
SKETCH					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	392.0	84.0	392.0
P/P	Deck	1.0	432.0	124.0	432.0
COMMENT TABLE 1					
Net LIVABLE			cnt	1 (rounded)	392
COMMENT TABLE 2			COMMENT TABLE 3		

LOT 3 - SUBJECT PHOTOGRAPHS



North Side of Cabin on Lot 3 Looking South



West Side of Cabin



Deck along East Side of Cabin



Cabin from Water Frontage Looking West



Cabin Interior



Cabin and Driveway

ADDITIONAL PHOTOGRAPHS



Echo Lake View from Deck



Lot 3 Interior Looking Southeast



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



View South along Echo Lake Frontage



View North along Echo Lake Frontage

ADDITIONAL PHOTOGRAPHS



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



View East along Approximate South Boundary



View East along Approximate North Boundary



Echo Cabin Loop Looking North



Echo Cabin Loop Looking South

LOT 5 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Echo Lake Lot 5				
Property Address:	1666 Echo Cabin Loop				
City:	Bigfork	County:	Flathead	State:	MT
Zip Code:	59911				
Owner:					
Client:	MT DNRC				
Appraiser Name:	Clark Real Estate Appraisal		Inspection Date:		

SKETCH

Sketch by Apex Sketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	880.0	128.0	880.0		
GAR	Open Storage	1.0	72.0	34.0			
	Enclosed Storage	1.0	552.0	94.0	624.0		
P/P	Deck	1.0	348.0	77.0			
	Enclosed Porch	1.0	204.0	65.0			
	Enclosed Entry	1.0	32.0	24.0	584.0		
						<div style="background-color: #f2f2f2; padding: 5px; border: 1px solid black; margin-bottom: 5px;">COMMENT TABLE 2</div> <div style="background-color: #f2f2f2; padding: 5px; border: 1px solid black;">COMMENT TABLE 3</div>	
Net LIVABLE cnt 1 (rounded) 880							

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LOT 5 - SUBJECT PHOTOGRAPHS



Residence on Lot 5 Looking West from Water Frontage



South Side of Residence



North Side of Residence



West Side of Residence



Deck



Kitchen

ADDITIONAL PHOTOGRAPHS



Living Area



Living Area



Bedroom



Bathroom



Walk-in Closet



Enclosed Porch

ADDITIONAL PHOTOGRAPHS



Open Storage Building



View of Echo Lake from Deck



Steps to Lake



Lot 5 Looking West from Lakeshore



Septic System

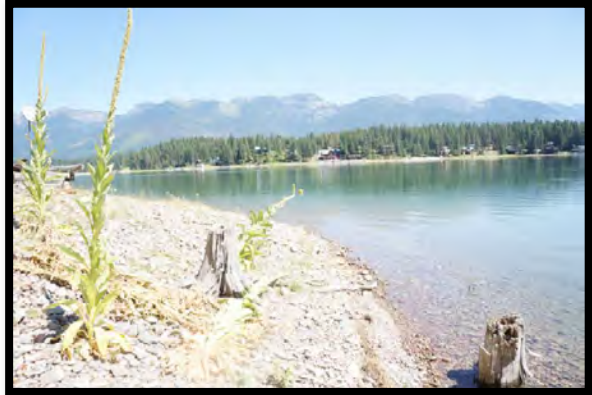


Echo Lake Looking Northeast near NW Property Corner

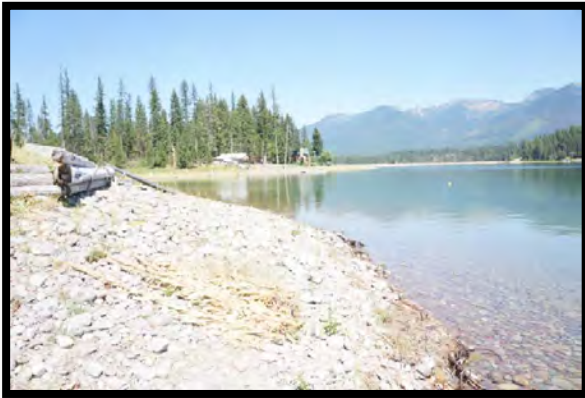
ADDITIONAL PHOTOGRAPHS



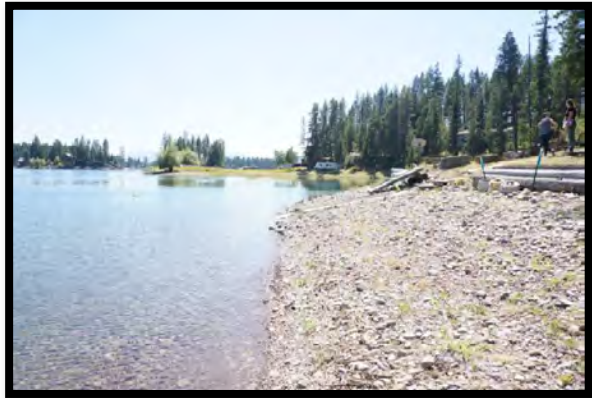
View West along Approximate South Property Boundary



Echo Lake Frontage Looking Northeast



Echo Lake Frontage Looking North



Echo Lake Frontage Looking South



View West along Approximate North Property Boundary



View East along Approximate North Property Boundary

ADDITIONAL PHOTOGRAPHS



View of Parking Area and West Portion of Lot 5 Looking South



View of Parking Area Looking North



Echo Cabin Loop Looking North



Echo Cabin Loop Looking South

LOT 17 - SUBJECT PHOTOGRAPHS



Lot 17 Looking West from Driveway



Echo Lake Looking West



Echo Lake from Lot 17 Lakeshore



Echo Lake Frontage Looking North



Echo Lake Frontage Looking South



Old Pump Building

ADDITIONAL PHOTOGRAPHS



Lot 17 Looking East from Lakeshore



View East from East Portion of Lot 17



Southwest Property Boundary Marker Looking North



View East along South Property Boundary



Northwest Property Boundary Marker Looking South



View East along North Property Boundary

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



View North along East Property Boundary



View West along South Property Boundary



Parking Area on Lot 17



Driveway to Lot 17

ADDITIONAL PHOTOGRAPHS



Echo Lake Loop Looking South



Echo Lake Loop Looking North

LOT 30 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM					
SUBJECT INFO					
File No.:		Parcel No.: Echo Lake Lot 30			
Property Address: 1720 LaBrant Rd.					
City: Bigfork	County: Flathead	State: MT	ZipCode: 59911		
Owner:					
Client: MT DNRC		Client Address:		Inspection Date:	
Appraiser Name: Clark Real Estate Appraisal					
SKETCH					
<p>The sketch shows a main building layout with the following components and dimensions:</p> <ul style="list-style-type: none"> First Floor: A large central rectangle, 40' wide and 27' high. Deck: Attached to the top of the First Floor, 33' wide and 13' high. Screened Porch: Attached to the left side of the First Floor, 26' high and 14' wide. Enclosed Storage: Attached to the bottom left of the First Floor, 16' high and 14' wide. Covered Porch: Attached to the top right of the First Floor, 6' high. Bunk House: Attached to the right side of the First Floor, 14' high and 10' wide. 					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	1080.0	134.0	1080.0
GLA3	Bunk House	1.0	140.0	48.0	140.0
GAR	Enclosed Storage	1.0	224.0	60.0	224.0
P/P	Deck	1.0	521.0	138.0	
	Covered Porch	1.0	60.0	32.0	
	Screened Porch	1.0	364.0	80.0	
	Sloop	1.0	20.0	18.0	965.0
Net LIVABLE		cnt	2	(rounded)	1,220
COMMENT TABLE 1					
COMMENT TABLE 2			COMMENT TABLE 3		

LOT 30 - SUBJECT PHOTOGRAPHS



Residence on Lot 30 Looking South



North Side of Residence



North Side of Residence and Storage Building



South Side of Residence and Deck



Lot 30 from Lakeshore



Screened Porch and Storage Building

ADDITIONAL PHOTOGRAPHS



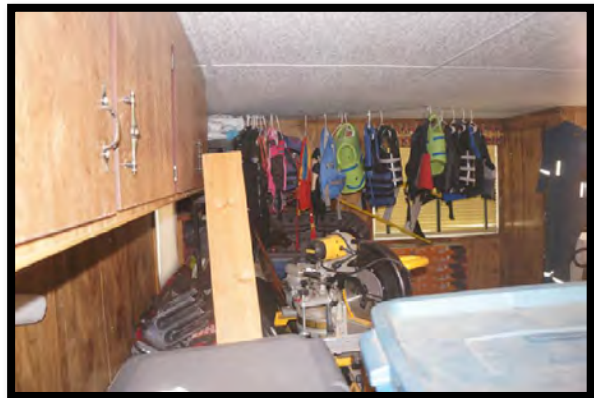
Screened Porch Building



Screened Porch Interior



Screened Porch Interior



Enclosed Storage



Bunk House



Rear of Bunk House

ADDITIONAL PHOTOGRAPHS



Bunk House Interior



View of Echo Lake from Lot 30



Floating Dock



Floating Dock and Lake View



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North

ADDITIONAL PHOTOGRAPHS



Echo Lake Frontage Looking West



Echo Lake Frontage Looking East



Southwest Property Boundary Marker Looking North



View South along Approximate West Property Boundary



Driveways across Wetland Area on North Portion of Lot 30



Northwest Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Driveway to Lot 30



Driveway and Parking Area



Power Lines across Lot 30 Looking East



Outhouse on Lot 30



Driveway to Lot 30



LaBrant Road Looking South

LOT 31 - BUILDING SKETCH

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Echo Lake Lot 31				
Property Address:	1712 LaBrant Road				
City:	Bigfork	County:	Flathead	State:	MT
Owner:			ZipCode:	59911	
Client:	MT DNRC		Client Address:		
Appraiser Name:	Clark Real Estate Appraisal		Inspection Date:		

SKETCH

Sketch by Apex Sketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	357.2	78.0	357.2		
P/P	Screened Porch	1.0	194.4	64.6	194.4		
						<div style="display: flex; justify-content: space-between; font-weight: bold; font-size: small;"> COMMENT TABLE 2 COMMENT TABLE 3 </div>	
Net LIVABLE		cmt	1	(rounded)	357		

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LOT 31 - SUBJECT PHOTOGRAPHS



Cabin on Lot 31 Looking West



North Side of Cabin



North Side of Cabin



South Side of Cabin



East Side of Cabin



West Side of Cabin

ADDITIONAL PHOTOGRAPHS



Screened Porch



Cabin Interior



Cabin Interior



Lot 31 Looking South toward Echo Lake



Storage Building



Lot 31 Interior Looking North

ADDITIONAL PHOTOGRAPHS



Lot 31 Interior Looking North



View North toward Wetland Area



Southeast Property Boundary Marker Looking North



Lot 31 Water Frontage Looking East



View North along Approximate West Property Boundary



View North along Approximate West Boundary

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking South



Northeast Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Boundary Marker along West Boundary Looking South



Wetland Area on Northwest Portion of Lot 31

ADDITIONAL PHOTOGRAPHS



LaBrant Road Looking South



Driveway to Lot 31



Signage for Lot 31

LOT 42 - SUBJECT PHOTOGRAPHS



Lot 42 Interior Looking South



View South toward Echo Lake and Peninsula



View North of Elevated Portion of Lot 42



View North toward Lot 42 from Peninsula to South of Lot



View of Echo Lake from Peninsula



Lot 42 Interior Looking West

ADDITIONAL PHOTOGRAPHS



Northwest Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking South



Southwest Property Boundary Marker Looking East



Southeast Property Boundary Marker Looking Northwest



Southeast Property Boundary Marker Looking North

ADDITIONAL PHOTOGRAPHS



View North between Lots 42 and 32



LaBrant Road Looking South

LOT 44 - SUBJECT PHOTOGRAPHS



Lot 44 Lake Frontage Looking North



Southwest Property Boundary Marker Looking East



Southwest Property Boundary Marker Looking North



Echo Lake Looking West



Northwest Property Boundary Marker Looking West



Northwest Property Boundary Marker Looking South

ADDITIONAL PHOTOGRAPHS



Lot 44 Interior Looking West



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking Northeast



Lot 44 Looking West from LaBrant Road



Center Boundary Marker along East Boundary



Northeast Property Boundary Marker Looking Southwest

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking West



LaBrant Road Looking South

LOT 45 - SUBJECT PHOTOGRAPHS



Echo Lake from Lot 45 Looking West



Lot 45 Lake Frontage Looking South



Lot 45 Interior Looking West



Southeast Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking West

ADDITIONAL PHOTOGRAPHS



Northeast Property Boundary Marker Looking South



Northwest Property Boundary Marker Looking West



Northwest Boundary Marker Looking South



Southwest Property Boundary Marker Looking West



Southwest Property Boundary Marker Looking North



LaBrant Road along East Property Boundary Looking North

SUBJECT MARKET ANALYSIS

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

Subject Productivity Analysis

General Property Description

The subject properties were described in detail in prior sections of this report. The subject sites range in size from 0.327 up to 3.462 in gross acres. All have frontage along Echo Lake. The subject lot front footages range from 124.57 up to 237.37. Subject Lots 3, 5, 30, and 31 include residences.

Area Land Use Trends

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

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

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

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

Potential Users of Subject Property

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

Demand Analysis

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

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

Lakefront Lot Sales

Sales of sites (or sites with minimal improvements) with frontage along similar lakes in Flathead County that closed since 2018 are included on the table on the following page.

Lakefront Lot Sales Analysis										
Address	City	Lake	Front Feet	Site Acres	Sale Date	Sales Price	Value of Improvements	Sales Price Less Improvement Value	Price/FF	Days on Market
804 Abbot Village	Kalispell	Abbot Lake	96.00	0.77	2018	\$270,000	\$10,000	\$260,000	\$2,708	214
828 Abbott Village	Kalispell	Abbot Lake	95.97	0.57	2018	\$210,000	\$0	\$210,000	\$2,188	76
4885 Ashley Lake Rd	Kalispell	Ashley Lake	101.00	0.60	2018	\$192,000	\$0	\$192,000	\$1,901	56
5400 N Ashley Lake Rd	Kalispell	Ashley Lake	145.00	1.89	2018	\$440,000	\$0	\$440,000	\$3,034	280
4521 N Ashley Lake Rd	Kalispell	Ashley Lake	95.00	0.23	2018	\$169,500	\$0	\$169,500	\$1,784	31
3966 N Ashley Lake Rd	Kalispell	Ashley Lake	178.00	2.02	2020	\$430,000	\$20,000	\$410,000	\$2,303	0
3910 N Ashley Lake Rd	Kalispell	Ashley Lake	156.00	0.46	2020	\$320,000	\$20,000	\$300,000	\$1,923	808
4545 Ashley Lake Rd	Kalispell	Ashley Lake	110.00	2.70	2020	\$290,000	\$0	\$290,000	\$2,636	52
1030 N Bitterroot Rd	Marion	Bitterroot Lake	155.15	1.45	2018	\$340,000	\$0	\$340,000	\$2,191	692
1524 Pleasant Valley Rd	Marion	Bitterroot Lake	129.00	1.01	2018	\$309,000	\$0	\$309,000	\$2,395	96
26 Schmid Point Place	Marion	Bitterroot Lake	226.00	1.03	2020	\$290,000	\$5,000	\$285,000	\$1,261	403
104 Bitterroot Cove Ct	Marion	Bitterroot Lake	228.48	1.05	2020	\$385,000	\$10,000	\$375,000	\$1,641	37
1120 N Bitterroot Rd	Marion	Bitterroot Lake	152.00	1.16	2020	\$385,000	\$0	\$385,000	\$2,533	28
1536 Pleasant Valley Rd	Marion	Bitterroot Lake	144.77	0.90	2020	\$399,000	\$5,000	\$394,000	\$2,722	140
1650 Bitterroot Ln	Marion	Bitterroot Lake	50.00	0.34	2020	\$210,000	\$0	\$210,000	\$4,200	450
638 Leksand Trail	Whitefish	Blanchard Lake	51.40	0.75	2018	\$120,000	\$0	\$120,000	\$2,335	48
1170 Echo Lake Rd	Bigfork	Echo Lake	100.00	0.47	2018	\$295,000	\$0	\$295,000	\$2,950	361
583 E Village Dr	Bigfork	Echo Lake	136.00	0.40	2020	\$465,000	\$10,000	\$455,000	\$3,346	30
185 Weaver Ln	Kalispell	Lake Blaine	150.00	2.04	2018	\$362,500	\$0	\$362,500	\$2,417	292
243 Lake Blaine Dr	Kalispell	Lake Blaine	102.80	0.52	2019	\$400,000	\$20,000	\$380,000	\$3,696	366
930 McGregor Ln	Marion	McGregor Lake	139.00	1.34	2018	\$337,000	\$0	\$337,000	\$2,424	111
1020 McGregor Ln	Marion	McGregor Lake	139.39	1.12	2018	\$320,000	\$15,000	\$305,000	\$2,188	800
140 McGregor Ln	Marion	McGregor Lake	237.00	3.81	2020	\$450,000	\$10,000	\$440,000	\$1,857	60
840 McGregor Ln	Marion	McGregor Lake	138.00	1.20	2020	\$329,000	\$15,000	\$314,000	\$2,275	2,893
1024 McGregor Ln	Marion	McGregor Lake	170.05	1.10	2020	\$325,000	\$15,000	\$310,000	\$1,823	32
12342 Paradise Loop	Marion	McGregor Lake	160.00	1.20	2020	\$359,000	\$0	\$359,000	\$2,244	51
1060 Lake Dr	Columbia Falls	Spoon Lake	237.03	1.09	2018	\$165,000	\$0	\$165,000	\$696	280
1100 Lake Dr	Columbia Falls	Spoon Lake	110.57	1.07	2019	\$165,000	\$30,000	\$135,000	\$1,221	28

Of the lakes included, there were 13 in 2018, 2 in 2019, and 13 in 2020 Year-to-Date. Two of the sales located included frontage along Echo Lake.

Based upon analysis of available data, the sales price per front foot typically decreases as the amount of front footage increases. Of the 28 sales on the table above, 19 sales (or approximately 70% of the sales) fall within the frontage range of 100 to 180. Based upon analysis of these sales this is considered to be the typical range of front footage.

Lakefront Home Sales

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

Lakefront Home Sales Analysis				
Smaller Recreational Lakes - Flathead County				
Year	# Home Sales	Days on Market	Low Sales Price*	High Sales Price*
2016	15	237	\$200,000	\$975,000
2017	20	269	\$285,000	\$1,800,000
2018	22	253	\$200,000	\$1,300,000
2019	28	199	\$290,000	\$1,506,625
2020 Year-to-Date	17	162	\$280,000	\$5,795,000
Actives	12	130	\$269,900	\$2,999,000
*Prices Noted for Actives are List Prices				

Competitive Supply

There were 5 active listings of lots with less than 10 acres and frontage along smaller lakes in Flathead County as of the report effective date. The marketing time for the active listings was approximately 113 days.

There were 12 active listings of homes on smaller area lakes in Flathead County and with 10 acres or less for sale as of the report effective date. The marketing time for the active home listings was approximately 130 days.

Interaction of Supply and Demand

Based upon the average sales volume for 2018, 2019, and 2020 to date, there is an approximately 0.40 year supply of vacant lots on smaller area lakes for sale. Annual demand exceeds current supply.

Based upon sales volumes per year in 2018, 2019, and 2020 to date there is less than 1 year supply of homes for sale on smaller area lakes in the search parameters identified.

Subject Marketability Conclusion

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

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

Estimated Marketing and Exposure Times

Nine of thirteen lakefront lake sales that were utilized in this analysis and that closed in 2020 were listed in 2020. These sales exhibited an average marketing time of 48 days. **Marketing times of**

approximately 1 to 3 months are appropriate for the subject sites, as if vacant. If the subject sites, as if vacant, had sold on the effective date of this report, at the appraised values concluded in this report, 1 to 3 month **exposure times** would have been reasonable.

The 17 sales of homes on similar area lakes that sold during 2020 to date were marketed for an average of 162 days. **Marketing times** of approximately 3 to 6 months are appropriate for the subject properties as improved. If the properties, as improved, had sold on the effective date of this report, at the appraised values concluded in this report, 3 to 6 month **exposure times** would have been reasonable.

HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

SUBJECT PROPERTIES - AS IF VACANT

Legally Permissible

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

Physically Possible

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

Financially Feasible

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

Maximally Productive

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

Highest & Best Use Conclusion

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

AS IMPROVED

Subject Lots 17, 42, 44, and 45 do not include improvements and a highest and best use analysis as improved was not applicable to this lot.

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

THE APPRAISAL PROCESS

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

APPROACHES IN THE VALUATION OF REAL PROPERTY

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

Cost Approach

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

Sales Comparison Approach

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

Income Capitalization Approach

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

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

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

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

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

LOT SALES

We conducted a search for sales of sites with frontage along Echo Lake. Properties with frontage along Echo Lake that most recently transferred from MT DNRC to Lessees were excluded as these transfers were not considered to meet the definition of an “arms-length” transaction as these properties included leasehold improvements. Two sales of vacant sites or sites with minimal improvements were located with frontage along Echo Lake. Due to the limited market data located, it was necessary to expand the search to other lakes in Flathead County. A table with sales of lots on smaller lakes in Flathead County is included in the Subject Market Analysis section of this report. The five most similar and recent sales from this data were selected as comparables for the subject lots. We analyzed price per lot, price per acre, and price per front footage for the sales presented in the Subject Market Analysis. The price per front foot resulted in a closer statistical relationship than the other units of comparison. The comparables selected are described on the table below;

Sale #	Address	City	Water Frontage	Sale Date	Acres	Front Feet	Sales Price	Value of Improvements	Sales Price Less Improvements	Price Per Front Foot
1	1170 Echo Lake Rd	Bigfork	Echo Lake	2018	0.470	100.00	\$295,000	\$2,500	\$292,500	\$2,925
2	583 E Village Dr	Bigfork	Echo Lake	2020	0.400	136.04	\$465,000	\$10,000	\$455,000	\$3,345
3	243 Lake Blaine Dr	Kalispell	Lake Blaine	2019	0.523	102.80	\$400,000	\$20,000	\$380,000	\$3,696
4	3966 N Ashley Lake Rd	Kalispell	Ashley Lake	2020	2.018	178.00	\$430,000	\$20,000	\$410,000	\$2,303
5	104 Bitterroot Cove Ct	Marion	Bitterroot Lake	2020	1.048	228.48	\$385,000	\$10,000	\$375,000	\$1,641

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


Map of Comparable Lot Sales




LAND SALE 1

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


LAND SALE 2

COMPARABLE SALE INFORMATION			
	Location	583 East Village Drive	
	City/State	Bigfork, Montana	
	County	Flathead	
	Assessor Number	0000563325	
	Zoning	SAG-5, Suburban Ag/5 Acre Min	
	Site Size: Acres	0.400	
	Square Feet	17,424	
	Date of Sale	July 22, 2020	
	Sales Price	\$465,000	
	Less Value of Improvements*	\$10,000	
Sales Price Adjusted	\$455,000		
MLS #	22009170		
ANALYSIS OF SALE			
Price per Acre	\$1,137,500	Price per Square Foot	\$26.11
		Price Per Front Foot	\$3,345
TRANSFER INFORMATION			
Grantor	The Estate of Harold Richard Haven	Grantee	Dallen Tate Leavitt
Type of Instrument	Warranty Deed	Document #	202000020466
Financing/Conditions	Cash/Market	Marketing Time	30 Days on Market
Legal Description	Lot 27 of North Village of Echo Chalet Village, Flathead County, Montana	Verified By	Phillippa Labuda, Listing Agent
Section/Township/Range	S5/T27N/R19W	Intended Use/Comments	Purchased for Residential / Recreational Use
PROPERTY DETAILS			
Access	E Village Drive	View	Lake, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C1875G, this property is not in an area of elevated flood risk.	Improvements	Septic System
Water	Echo Lake	Value of Improvements*	\$10,000
Water Frontage/Front Feet	136.04	Miscellaneous	A portion of East Village Drive runs within this property. This property includes two frontages on Echo Lake. The two frontages total 136.04 feet. Contributory value of septic system in place determined by appraisers based upon cost.
Utilities	Electricity & Telephone at road.		
Report File # 18-049ec			


LAND SALE 3

COMPARABLE SALE INFORMATION					
	Location		243 Lake Blaine Drive		
	City/State		Kalispell, Montana		
	County		Flathead		
	Assessor Number		0000563325		
	Zoning		No Zoning		
	Site Size: Acres		0.523		
	Square Feet		22,782		
	Date of Sale		September 18, 2019		
	Sales Price		\$400,000		
	Less Value of Improvements*		\$20,000		
	Sales Price Adjusted		\$380,000		
	MLS #		21811932		
ANALYSIS OF SALE					
Price per Acre		\$726,577	Price per Square Foot	\$16.68	
			Price Per Front Foot	\$3,696	
TRANSFER INFORMATION					
Grantor		T-4 Tams Investments, LLC		Grantee	Danette Ockey
Type of Instrument		Warranty Deed		Document #	201900023310
Financing/Conditions		Cash/Market		Marketing Time	366 Days on Market
Legal Description		Lot 36 of the First Addition to the William Rada Lake Blaine Lots, Flathead County, Montana		Verified By	Dane Hollinger, Listing Agent
Intended Use/Comments		Purchased for Residential / Recreational Use			
Section/Township/Range		S35/T29N/R20W			
PROPERTY DETAILS					
Access		Lake Blaine Dr		View	Lake, Mountains
Topography		Sloping		Lot Dimensions	Various
Flood Plain		According to FEMA Map Panel 30029C1875G, this property is not in an area of elevated flood risk.		Improvements	Septic System & Shared Well
Water		Lake Blaine		Value of Improvements*	\$20,000
Water Frontage/Front Feet		102.80		Miscellaneous	An existing driveway which provides access to six properties to the Northwest of this site runs within this property. The contributory value of the improvements were estimated based upon cost.
Utilities		Electricity & Telephone at road.			
Report File # 18-049ec					

LAND SALE 4

COMPARABLE SALE INFORMATION			
	Location	3966 N Ashley Lake Road	
	City/State	Kalispell, Montana	
	County	Flathead	
	Assessor Number	0000003400	
	Zoning	Ashley Lake Zoning District	
	Site Size: Acres	2.018	
	Square Feet	87,891	
	Date of Sale	March 10, 2020	
	Sales Price	\$430,000	
		Less Value of Improvements*	\$20,000
	Sales Price Adjusted	\$410,000	
	MLS #	22004436	
ANALYSIS OF SALE			
Price per Acre	\$203,202	Price per Square Foot	\$4.86
		Price Per Front Foot	\$2,303
TRANSFER INFORMATION			
Grantor	Bradley L. Petrick & Leona P. Petrick	Grantee	Ward W. Johnson & Doretta Johnson
Type of Instrument	Warranty Deed	Document #	202000006468
Financing/Conditions	Conventional/Market	Marketing Time	0 Days on Market
Legal Description	Lot 15 of Emerald Point on Ashley Lake No. 2, Flathead County, Montana	Verified By	Dusty Dziza, Listing Agent
Section/Township/Range	S1/T28N/R24W	Intended Use/Comments	Purchased for Residential / Recreational Use
PROPERTY DETAILS			
Access	N Ashley Lake Road	View	Lake, Mountains
Topography	Level	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C1775G, this property is not in an area of elevated flood risk.	Improvements	Septic System & Community Water System
Water	Ashley Lake	Value of Improvements*	\$20,000
Water Frontage/Front Feet	178.00	Miscellaneous	A 0.25 acre portion of N Ashley Lake Road runs within this property. The contributory value of the improvements were estimated based upon cost.
Utilities	Electricity & Telephone at road.		
Report File # 18-049ec			

LAND SALE 5

COMPARABLE SALE INFORMATION			
	Location	104 Bitterroot Cove Court	
	City/State	Marion, Montana	
	County	Flathead	
	Assessor Number	0000007782	
	Zoning	Little Bitterroot Lake Zoning District	
	Site Size: Acres	1.048	
	Square Feet	45,651	
	Date of Sale	May 22, 2020	
	Sales Price	\$385,000	
	Less Value of Improvements*	\$10,000	
Sales Price Adjusted	\$375,000		
MLS #	22004843		
ANALYSIS OF SALE			
Price per Acre	\$357,824	Price per Square Foot	\$8.21
		Price Per Front Foot	\$1,641
TRANSFER INFORMATION			
Grantor	David L. Pritchard	Grantee	David L. Fretz & Ruth A. Fretz
Type of Instrument	Warranty Deed	Document #	202000013354
Financing/Conditions	Conventional/Market	Marketing Time	37 Days on Market
Legal Description	Lot 14 of Bitterroot Cove Subdivision, Flathead County, Montana	Verified By	Jeremy Feldmann, Listing Agent
		Intended Use/Comments	Purchased for Residential / Recreational Use
Section/Township/Range	S5/T27N/R24W		
PROPERTY DETAILS			
Access	Bitterroot Cove Court	View	Lake, Mountains
Topography	Sloping	Lot Dimensions	Various
Flood Plain	According to FEMA Map Panel 30029C1750G, this property is not in an area of elevated flood risk.	Improvements	Well
Water	Bitterroot Lake	Value of Improvements*	\$10,000
Water Frontage/Front Feet	228.48	Miscellaneous	A 0.12 acre portion of Bitterroot Cover Court runs within this property. The contributory value of the improvements were estimated based upon cost.
Utilities	Electricity & Telephone at road.		
Report File # 18-049ec			

HOME SALES

We conducted a search for sales of homes on sites with frontage along smaller lakes in Flathead County. Since the subject residences vary in quality and condition it was necessary to utilize 4 improved comparable sales. The most applicable and recent comparable 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	1132 Bitterroot Dr	Marion	2020	\$320,000	\$210,000	\$110,000
Home Sale 2	595 E Village Dr	Bigfork	2019	\$440,000	\$342,000	\$98,000
Home Sale 3	936 Bitterroot Dr	Marion	2019	\$350,000	\$250,000	\$100,000
Home Sale 4	695 Lodgepole Dr	Marion	2020	\$300,000	\$282,000	\$18,000

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



Map of Comparable Home Sales





HOME SALE 1

[illegible]

HOME SALE 2


COMPARABLE SALE INFORMATION			
	Location	595 E Village Drive	
	City/State	Bigfork, Montana	
	County	Flathead	
	Assessor Number	0000563329	
	Zoning	SAG-5	
	Site Size: Acres	0.400	
	Square Feet	17,424	
	Date of Sale	September 3, 2019	
	Sales Price	\$440,000	
	Adjustment to Sales Price	\$0	
	Adjusted Sales Price	\$440,000	
	MLS #	21909079	
TRANSFER INFORMATION			
Grantor	William W. Walker & Kathleen D. Walker	Grantee	Matthew Alden Parker & Kristen Marie Willms
Recording Data	WD #201900021129	Marketing Time	360 Days on Market
Financing/Conditions	Conventional/Market	Verified By	Joyce Polish, Listing Agent
Legal Description	Lot 33 of North Village of Echo Chalet Village, Flathead County, Montana	Intended Use	Residential/Recreational
Section/Township/Range	S5/T17N/R19W		
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
Body of Water	Echo Lake	Sales Price	\$440,000
Front Footage	171.06	Estimated Site Value	\$342,000
Access	Public Road - Paved	Sales Price of Improvements	\$98,000
House Square Feet	1,050	Improvement Price/SF	\$93
Bedroom/Bathrooms	3 BR/1 BA		
Year Built or Renovated	1957 (Updated)		
Construction	Wood Frame		
Quality	Average		
Condition	Average		
Water/Sewer	Well & Community Sewer		
Utilities	Electricity & Telephone		
Topography	Level		
Outbuildings	None		
Miscellaneous	A portion of E Village Drive is within the property boundaries. House includes a deck.		
		Report File # 20-049ec	

HOME SALE 3

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

Report File # 19-023ec

HOME SALE 4

COMPARABLE SALE INFORMATION					
	Location		695 Lodgepole Drive		
	City/State		Marion, Montana		
	County		Flathead		
	Assessor Number		0000598445		
	Zoning		Little Bitterroot Lake Zoning District		
	Site Size: Acres		0.700		
	Square Feet		30,492		
	Date of Sale		August 11, 2020		
	Sales Price		\$300,000		
	Adjustment to Sales Price		\$0		
	Adjusted Sales Price		\$300,000		
	MLS #		22000110		
TRANSFER INFORMATION					
Grantor		Norman C. Bjelland	Grantee	Cody J. Brass	
Recording Data		VD #202000023092	Marketing Time		360 Days on Market
Financing/Conditions		Conventional/Market	Verified By		Jill Hinrichs, Listing Agent
Legal Description		Lot 20 of Blue Grouse Subdivision, Flathead County, Montana	Intended Use		Residential/Recreational
Section/Township/Range		S6/T27N/R24W			
DESCRIPTION OF IMPROVEMENTS			ANALYSIS OF SALE		
Body of Water		Bitterroot Lake			
Front Footage		88.00			
Access		Public Road - Paved			
House Square Feet		715			
Bedroom/Bathrooms		1 BR/1 BA			
Year Built or Renovated		1960 (Gutted)			
Construction		Wood Frame			
Quality		Fair			
Condition		Fair			
Water/Sewer		Lake Water & Septic			
Utilities		Electricity & Telephone			
Topography		Level			
Outbuildings		276 SF Shed			
Miscellaneous		Home includes a 35 SF Open Porch & a 217 SF Deck. Property was gutted and ready for renovation at time of sale.			

PROPERTY VALUATIONS

LOT 3

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 3, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1874 Echo Cabin Loop	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	0.327	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	124.57	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.327	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	124.57	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot and Land Sales 1, 3, and 5 have sloping topography. No adjustment was necessary for these comparables in this category. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to sloping sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to sloping sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of sloping sites.

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

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

Easements Affecting Value: The subject site includes 0.059 acres of Echo Cabin Loop Road within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 124.57 feet of frontage along Echo Lake. Land Sales 1 and 2 bracket the subject property in the amount of front footage and are both along Echo Lake. These sales are most similar to the subject. All weight is accorded the adjusted indications from these sales. The average of these indications is \$2,895. A market value of \$2,895 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

124.57 FF @ \$2,895/FF	\$360,630
Rounded To	\$361,000

Improvement Value Estimate

The home on Lot 3 is considered to be of fair quality of construction and in fair condition. There was limited recent market data for homes of this quality and in this condition on lakefront lots. Due to the current pricing for lakefront lots, market participants generally would opt to demolish or substantially remodel homes in the condition of the residence on Lot 3. Home Sale 4 was the only appropriate recent comparable located for the improvements on this site. A sales comparison analysis for the subject property utilizing this comparable is below;

SALES COMPARISON ANALYSIS FOR LOT 3, COS #18885, ECHO LAKE, BIGFORK, MONTANA		
DESCRIPTION	SUBJECT	SALE 5
IDENTIFICATION		695 Lodgepole Dr
LOCATION		Marion, MT
SALES PRICE		\$300,000
LIST ADJUSTMENT		
PROPERTY RIGHTS	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0
FINANCING	Market	Market
FINANCING ADJUSTMENT		\$0
CONDITIONS OF SALE	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0
ADJUSTMENTS FOR BUYER EXPENDITURES		
DEMOLITION		\$0
ENVIRONMENTAL		\$0
OTHER		\$0
LEGAL/ZONING		\$0
DATE OF SALE		08/11/20
MARKET CONDITIONS FACTOR		1.00
ADJUSTED PRICE		\$300,000
LESS SITE VALUE		(\$282,000)
ADJUSTED IMPROVEMENT PRICE		\$18,000
ADJUSTMENT FOR:		
LOCATION/SITE	Echo Lake	Bitterroot Lake
		\$0
QUALITY	Fair	Fair
		\$0
CONDITION	Fair	Fair
		\$0
BATHROOMS	0	1
		-\$5,000
HOUSE SIZE/SF	392	715
		-\$4,845
FINISHED BASEMENT SIZE/SF	0	0
		\$0
OUTBUILDINGS	None	Superior
		-\$1,000
TOTAL ADJUSTMENT		-\$10,845
NET ADJUSTMENT PERCENTAGE		-60%
ADJUSTED PRICE INDICATION		\$7,155

Discussion of Adjustments

List Adjustment: The comparable sale closed in 2020 just after the report effective date. This sale was under contract as of the report effective date. For this reason, no adjustment was necessary in this category.

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

Market Conditions: The comparable sale closed in August of 2020 and was under contract as of the report effective date. No adjustments were made in this category.

Location: The contributory site value for the sale was removed. This results in the comparison of the subject improvements to the improvements associated with the sale. The site sales utilized to determine the site values for the improved sale were presented in the subject market analysis.

Quality: The subject residence is considered to be of similar quality compared to the comparable. No adjustment was necessary in this category.

Condition: The subject residence is considered to be in similar condition compared to the comparable. No adjustment was necessary in this category.

Bathrooms: The subject residence does not include a bathroom. The improved sale was gutted at the time of sale; however, there was plumbing in place for one bathroom. A downward adjustment of \$5,000 was made in this category. This adjustment is considered to reflect the actions of market participants relative to bathroom plumbing.

House Size: Based upon the indication of the sale price per residence square footage for the comparable 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 price per square foot for the comparable residence without the contributory site value. Market participants do not typically pay a dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

Outbuildings: The subject property does not include outbuildings. A downward adjustment was made for our estimate of the contributory value of the outbuilding for the comparable.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparable provided adjusted an indication of market value for the subject improvements of \$7,155. Since this is the only comparable located, the adjusted indication from this sale is accorded all weight. A market value of \$7,200 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$361,000
Subject Improvements Value	<u>\$ 7,200</u>
Total Value Indication	\$368,200

LOT 5

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 5, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1866 Echo Cabin Loop	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	0.640	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	158.24	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.640	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	158.24	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot and Land Sales 1, 3, and 5 have sloping topography. No adjustment was necessary for these comparables in this category. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to sloping sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to sloping sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of sloping sites.

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

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

Easements Affecting Value: The subject site includes 0.064 acres of Echo Cabin Loop Road within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 158.24 feet of frontage along Echo Lake. Land Sales 2 and 4 bracket the subject property in the amount of front footage. These sales are most similar to the subject. All weight is accorded the adjusted indications from these sales. The average of these indications is \$2,542. A market value of \$2,542 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

158.24 FF @ \$2,542/FF	\$402,246
Rounded To	\$402,000

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

SALES COMPARISON ANALYSIS FOR LOT 5, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1132 Bitterroot Ln	595 E Village Dr	936 Bitterroot Dr	
LOCATION	Marion, MT	Bigfork, MT	Bigfork, MT	
SALES PRICE		\$320,000	\$440,000	\$350,000
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	07/31/20	09/03/19	05/24/19	
MARKET CONDITIONS FACTOR	1.00	1.00	1.00	1.00
ADJUSTED PRICE	\$320,000	\$440,000	\$350,000	
LESS SITE VALUE		(\$210,000)	(\$342,000)	(\$250,000)
ADJUSTED IMPROVEMENT PRICE		\$110,000	\$98,000	\$100,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Echo Lake	Bitterroot Lake
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Average	Good
		\$0	\$9,800	\$0
BATHROOMS	1	1	1	1
		\$0	\$0	\$0
HOUSE SIZE/SF	880	753	1,050	772
		\$7,620	-\$10,200	\$6,480
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Enclosed Storage & Open Storage	Inferior	Inferior	Inferior
		\$4,000	\$4,000	\$3,000
TOTAL ADJUSTMENT		\$11,620	\$3,600	\$9,480
NET ADJUSTMENT PERCENTAGE		11%	4%	9%
ADJUSTED PRICE INDICATION		\$121,620	\$101,600	\$109,480

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2019 and 2020 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence and Improved Sales 1 and 3 are considered similar in condition and no adjustment was necessary in this category. Improved Sale 2 was considered inferior in condition compared to the subject residence. An upward adjustment of 10% was considered reasonable and appropriate for this sale in this category. This adjustment is considered to be reflective of the actions of market participants with regard to quality.

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

House Size: Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$60 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Storage Beneath House	552	Section 17/Page 16	\$9.46	\$5,222
Open Storage	72	Section 17/Page 16	\$9.46	\$681
Total Cost New				\$5,903
Less Depreciation - Age/Life - 5/20 Years = 25%				-\$1,476
Depreciated Cost Estimate				\$4,427
Rounded To				\$4,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$121,620, \$101,600, and \$109,480. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$110,900. A market value of \$111,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$402,000
Subject Improvements Value	<u>\$111,000</u>
Total Value Indication	\$513,000

LOT 17

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 17, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	NHN Echo Cabin Loop	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	1.124	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	149.42	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Steeply Sloping with Level Areas	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.124	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	149.42	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-20%	-25%	-15%	-25%	-15%
TOTAL ADJUSTMENT ADJUSTMENT		-\$585	-\$836	-\$554	-\$576	-\$246
ADJUSTED PRICE PER FRONT FOOT		\$2,340	\$2,508	\$3,142	\$1,728	\$1,395

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has steeply sloping topography at the lake frontage. Land Sales 1, 3, and 5 have sloping topography but do not slope as steeply toward the lake as the subject site. Some downward adjustment was necessary for these comparables. Downward adjustments of 5% were considered appropriate for these comparables. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to sloping sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to sloping sites. We have made downward adjustments of 15% to Land Sales 2 and 4 (10% greater than the adjustments made to Land Sales 1, 3, and 5 in this category) in this category. These adjustment percentages are considered reflective of the actions of market participants relative to risk associated with development of sloping sites.

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

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

Easements Affecting Value: The subject site is bisected by 0.131 acres of LaBrant Road. This easement significantly impacts the usable site area for this property. Land Sales 2, 3, 4, and 5 include less impactful easements which limit usable site area and some adjustment was necessary for these sales. Downward adjustments of 10% were made to these sales. Land Sale 1 does not include a similar easement and a larger downward adjustment was considered necessary in this category for this sale. A downward adjustment of 15% was made to Land Sale 1 in this category. These adjustments are considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,340, \$2,508, \$3,142, \$1,728, and \$1,395 per front foot, respectively. The subject property includes 149.42 feet of frontage along Echo Lake. Land Sales 2 and 4 most closely bracket the subject property in the amount of front footage. These sales are most similar to the subject; however, of these sales Land Sale 2 is more similar in the amount of front footage. The adjusted indication from Land Sale 2 is accorded 2/3 of the weight and the adjusted indication from Land Sale 4 is accorded 1/3 of the weight. The resulting value indication is \$2,248. A market value of \$2,248 per front foot is well supported by this analysis for the subject site. The resulting value calculations are below;

149.42 FF @ \$2,248/FF	\$335,896
Rounded To	\$336,000

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 #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1720 LaBrant Rd	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	1.460	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	139.55	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Rolling	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.460	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	139.55	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has rolling topography. Land Sales 1, 3, and 5 have sloping topography and are considered similar to the subject in this category and no adjustment was necessary. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to rolling sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to rolling sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of rolling sites.

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

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

Easements Affecting Value: The subject site includes 0.12 acres of shared driveways within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 139.55 feet of frontage along Echo Lake. Land Sales 2 and 4 most closely bracket the subject property in the amount of front footage. These sales are most similar to the subject; however, of these sales Land Sale 2 is far more similar in the amount of front footage. The adjusted indication from Land Sale 2 is accorded 3/4 of the weight and the adjusted indication from Land Sale 4 is accorded 1/4 of the weight. The resulting value indication is \$2,776. A market value of \$2,776 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

139.55 FF @ \$2,776/FF
Rounded To

\$387,391
\$387,000

Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 30, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION		1132 Bitterroot Ln	595 E Village Dr	936 Bitterroot Dr
LOCATION		Marion, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$320,000	\$440,000	\$350,000
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		07/31/20	09/03/19	05/24/19
MARKET CONDITIONS FACTOR		1.00	1.00	1.00
ADJUSTED PRICE		\$320,000	\$440,000	\$350,000
LESS SITE VALUE		(\$210,000)	(\$342,000)	(\$250,000)
ADJUSTED IMPROVEMENT PRICE		\$110,000	\$98,000	\$100,000
ADJUSTMENT FOR:				
LOCATION/SITE	Echo Lake	Bitterroot Lake	Echo Lake	Bitterroot Lake
		\$0	\$0	\$0
QUALITY	Average	Average	Average	Average
		\$0	\$0	\$0
CONDITION	Good	Good	Average	Good
		\$0	\$9,800	\$0
BATHROOMS	2	1	1	1
		\$5,000	\$5,000	\$5,000
HOUSE SIZE/SF	1,080	753	1,050	772
		\$19,620	\$1,800	\$18,480
FINISHED BASEMENT SIZE/SF	0	0	0	0
		\$0	\$0	\$0
OUTBUILDINGS	Enclosed Storage, Screened Porch, & Bunk House	Inferior	Inferior	Inferior
		\$14,000	\$14,000	\$13,000
TOTAL ADJUSTMENT		\$38,620	\$30,600	\$36,480
NET ADJUSTMENT PERCENTAGE		35%	31%	36%
ADJUSTED PRICE INDICATION		\$148,620	\$128,600	\$136,480

Discussion of Adjustments

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

Market Conditions: The comparable sales closed in 2019 and 2020 and were the most recent located. There is little relevant market data on which to base an adjustment in this category and the sales selected were the most recent available. For these reasons, no adjustments were made in this category.

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

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

Condition: The subject residence and Improved Sales 1 and 3 are considered similar in condition and no adjustment was necessary in this category. Improved Sale 2 was considered inferior in condition compared to the subject residence. An upward adjustment of 10% was considered reasonable and appropriate for this sale in this category. This adjustment is considered to be reflective of the actions of market participants with regard to quality.

Bathrooms: The subject residence has two bathrooms and comparables include one bathroom each. Upward adjustments of \$5,000 were made to the comparables in this category. This adjustment amount is considered indicative of the actions of market participants relative to an additional 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 \$60 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

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

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Bunkhouse	140	Section 12/Page 29	\$64.50	\$9,030
Enclosed Storage	224	Section 17/Page 16	\$17.10	\$3,830
Screened Porch	364	Section 12/Page 38	\$40.25	\$14,651
Total Cost New				\$27,511
Less Depreciation - Age/Life - 10/20 Years = 50%				<u>-\$13,756</u>
Depreciated Cost Estimate				\$13,756
Rounded To				\$14,000

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$148,620, \$128,600, and \$136,480. Approximately equal weight is accorded the adjusted indications from all three comparables. The average of the indications is \$137,900. A market value of \$138,000 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$387,000
Subject Improvements Value	<u>\$138,000</u>
Total Value Indication	\$525,000

LOT 31

Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 31, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1712 LaBrant Rd	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	1.866	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	214.34	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Rolling	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.866	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	214.34	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has rolling topography. Land Sales 1, 3, and 5 have sloping topography and are considered similar to the subject in this category and no adjustment was necessary. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to rolling sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to rolling sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of rolling sites.

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

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

Easements Affecting Value: The subject site includes 0.10 acres of shared driveways within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 214.34 feet of frontage along Echo Lake. Land Sales 4 and 5 most closely bracket the subject property in the amount of front footage. These sales are most similar to the subject; however, of these sales Land Sale 5 is far more similar in the amount of front footage. The adjusted indication from Land Sale 5 is accorded 2/3 of the weight and the adjusted indication from Land Sale 4 is accorded 1/3 of the weight. The resulting value indication is \$1,785. A market value of \$1,785 per front foot is well supported by this analysis for the subject site as if vacant. The resulting value calculations are below;

214.34 FF @ \$1,785/FF	\$382,597
Rounded To	\$383,000

Improvement Value Estimate

The home on Lot 31 is considered to be of fair quality of construction and in fair condition. There was limited recent market data for homes of this quality and in this condition on lakefront lots. Due to the current pricing for lakefront lots, market participants generally would opt to demolish or substantially remodel homes in the condition of the residence on Lot 31. Home Sale 4 was the only appropriate recent comparable located for the improvements on this site. A sales comparison analysis for the subject property utilizing this comparable is below;

SALES COMPARISON ANALYSIS FOR LOT 31, COS #18885, ECHO LAKE, BIGFORK, MONTANA		
DESCRIPTION	SUBJECT	SALE 5
IDENTIFICATION		695 Lodgepole Dr
LOCATION		Marion, MT
SALES PRICE		\$300,000
LIST ADJUSTMENT		
PROPERTY RIGHTS	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0
FINANCING	Market	Market
FINANCING ADJUSTMENT		\$0
CONDITIONS OF SALE	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0
ADJUSTMENTS FOR BUYER EXPENDITURES		
DEMOLITION		\$0
ENVIRONMENTAL		\$0
OTHER		\$0
LEGAL/ZONING		\$0
DATE OF SALE		08/11/20
MARKET CONDITIONS FACTOR		1.00
ADJUSTED PRICE		\$300,000
LESS SITE VALUE		(\$282,000)
ADJUSTED IMPROVEMENT PRICE		\$18,000
ADJUSTMENT FOR:		
LOCATION/SITE	Echo Lake	Bitterroot Lake
		\$0
QUALITY	Fair	Fair
		\$0
CONDITION	Fair	Fair
		\$0
BATHROOMS	0	1
		-\$5,000
HOUSE SIZE/SF	357	715
		-\$5,370
FINISHED BASEMENT SIZE/SF	0	0
		\$0
OUTBUILDINGS	None	Superior
		-\$1,000
TOTAL ADJUSTMENT		-\$11,370
NET ADJUSTMENT PERCENTAGE		-63%
ADJUSTED PRICE INDICATION		\$6,630

Discussion of Adjustments

List Adjustment: The comparable sale closed in 2020 just after the report effective date. This sale was under contract as of the report effective date. For this reason, no adjustment was necessary in this category.

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

Market Conditions: The comparable sale closed in August of 2020 and was under contract as of the report effective date. No adjustments were made in this category.

Location: The contributory site value for the sale was removed. This results in the comparison of the subject improvements to the improvements associated with the sale. The site sales utilized to determine the site values for the improved sale were presented in the subject market analysis.

Quality: The subject residence is considered to be of similar quality compared to the comparable. No adjustment was necessary in this category.

Condition: The subject residence is considered to be in similar condition compared to the comparable. No adjustment was necessary in this category.

Bathrooms: The subject residence does not include a bathroom. The improved sale was gutted at the time of sale; however, there was plumbing in place for one bathroom. A downward adjustment of \$5,000 was made in this category. This adjustment is considered to reflect the actions of market participants relative to bathroom plumbing.

House Size: Based upon the indication of the sale price per residence square footage for the comparable 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 price per square foot for the comparable residence without the contributory site value. Market participants do not typically pay a dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

Outbuildings: The subject property does not include outbuildings. A downward adjustment was made for our estimate of the contributory value of outbuilding for the comparable.

Reconciliation of Sales Comparison Approach for Subject Improvements

The comparable provided adjusted an indication of market value for the subject improvements of \$6,630. Since this is the only comparable located, the adjusted indication from this sale is accorded all weight. A market value of \$6,600 is reasonable and well supported for the subject improvements.

Total Value Conclusion

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

Subject Site Value	\$383,000
Subject Improvements Value	<u>\$ 6,600</u>
Total Value Indication	\$389,600

LOT 42

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 42, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	NHN LaBrant Rd	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	1.803	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	194.26	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Rolling	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.803	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	194.26	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has rolling topography. Land Sales 1, 3, and 5 have sloping topography and are considered similar to the subject in this category and no adjustment was necessary. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to rolling sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to rolling sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of rolling sites.

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

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

Easements Affecting Value: The subject site includes 0.113 acres of shared driveways within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 194.26 feet of frontage along Echo Lake. Land Sales 4 and 5 most closely bracket the subject property in the amount of front footage. These sales are most similar to the subject; however, of these sales Land Sale 4 is far more similar in the amount of front footage. The adjusted indication from Land Sale 4 is accorded 2/3 of the weight and the adjusted indication from Land Sale 5 is accorded 1/3 of the weight. The resulting value indication is \$1,929. A market value of \$1,929 per front foot is well supported by this analysis for the subject site. The resulting value calculations are below;

194.26 FF @ \$1,929/FF	\$374,727
Rounded To	\$375,000

LOT 44

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 44, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	NHN LaBrant Rd	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	3.462	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	224.00	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Rolling	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	3.462	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	224.00	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has rolling topography. Land Sales 1, 3, and 5 have sloping topography and are considered similar to the subject in this category and no adjustment was necessary. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to rolling sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to rolling sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of rolling sites.

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

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

Easements Affecting Value: The subject site includes 0.063 acres of shared driveways within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 224.00 feet of frontage along Echo Lake. Land Sale 5 is most similar in the most similar to the subject in the amount of front footage. All weight is accorded the adjusted indication from this sale. The resulting value indication is \$1,641. A market value of \$1,641 per front foot is well supported by this analysis for the subject site. The resulting value calculations are below;

224.00 FF @ \$1,641/FF	\$367,584
Rounded To	\$368,000

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 #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	NHN LaBrant Rd	1170 Echo Lake Rd	583 E Village Dr	243 Lake Blaine Dr	3966 N Ashley Lake Rd	104 Bitterroot Cove Ct
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Kalispell, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$295,000	\$465,000	\$400,000	\$430,000	\$385,000
ADJUSTMENT FOR IMPROVEMENTS		-\$2,500	-\$10,000	-\$20,000	-\$20,000	-\$10,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		03/30/18	07/22/20	09/18/19	03/10/20	05/22/20
MARKET CONDITIONS FACTOR		1.00	1.00	1.00	1.00	1.00
ADJUSTED PRICE		\$292,500	\$455,000	\$380,000	\$410,000	\$375,000
SITE SIZE/GROSS ACRES	2.977	0.470	0.400	0.523	2.018	1.048
FRONT FEET ON LAKE	237.37	100.00	136.04	102.80	178.00	228.48
ADJUSTED SALES PRICE PER FRONT FOOT		\$2,925	\$3,345	\$3,696	\$2,303	\$1,641
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Lake Blaine 382 Acres	Ashley Lake 2,850 Acres	Bitterroot Lake 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Rolling	Sloping	Level	Sloping	Level	Sloping
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Public Road	Driveway form Private Road	Driveway from Public Road	Driveway from Public Road	Private Road
ZONING	SAG-5	SAG-5	SAG-5	Not Zoned	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	No	Yes	Yes	Yes	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	2.977	0.470	0.400	0.523	2.018	1.048
SITE SIZE/FRONT FEET	237.37	100.00	136.04	102.80	178.00	228.48
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	0%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		-\$146	-\$334	\$0	-\$230	\$0
ADJUSTED PRICE PER FRONT FOOT		\$2,779	\$3,010	\$3,696	\$2,073	\$1,641

Discussion of Adjustments

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

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

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

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

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

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

Market Conditions: The comparables sold in 2018, 2019, and 202. The sales utilized were the most recent located. There is not sufficient market data available on which to base an adjustment in this category. For that reason, no adjustment was made.

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

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

Topography: The subject lot has rolling topography. Land Sales 1, 3, and 5 have sloping topography and are considered similar to the subject in this category and no adjustment was necessary. Land Sales 2 and 4 have level topography. There are typically fewer development issues associated with level sites compared to rolling sites. There is less risk and possibly less cost associated with planning for improvement placement for level sites compared to rolling sites. We have made downward adjustments of 10% to Land Sales 2 and 4 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk associated with development of rolling sites.

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

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

Easements Affecting Value: The subject site includes 0.063 acres of shared driveways within the lot boundaries. This easement limits the usable site area for this property. Land Sales 2, 3, 4, and 5 include similar easements which limit usable site area and no adjustment was necessary for these sales in this category. Land Sale 1 does not include a similar easement. Some downward adjustment was considered necessary in this category for this sale. A downward adjustment of 5% was made to Land Sale 1 in this category. This adjustment is considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

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

Reconciliation of Sales Comparison Approach for Subject Site

The comparables provide adjusted indications of value for the subject site of \$2,779, \$3,010, \$3,696, \$2,073, and \$1,641 per front foot, respectively. The subject property includes 237.37 feet of frontage along Echo Lake. Land Sale 5 is most similar in the most similar to the subject in the amount of front footage. All weight is accorded the adjusted indication from this sale. The resulting value indication is \$1,641. A market value of \$1,641 per front foot is well supported by this analysis for the subject site. The resulting value calculations are below;

237.37 FF @ \$1,641/FF	\$389,524
Rounded To	\$390,000

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
3	981	\$361,000	\$7,200	\$368,200	8/5/2020
5	1106	\$402,000	\$111,000	\$513,000	8/5/2020
17	982	\$336,000	\$0	\$336,000	8/5/2020
30	1107	\$387,000	\$138,000	\$525,000	8/5/2020
31	801	\$383,000	\$6,600	\$389,600	8/5/2020
42	1108	\$375,000	\$0	\$375,000	8/5/2020
44	1109	\$368,000	\$0	\$368,000	8/5/2020
45	1110	\$390,000	\$0	\$390,000	8/5/2020

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**



Montana Department of
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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

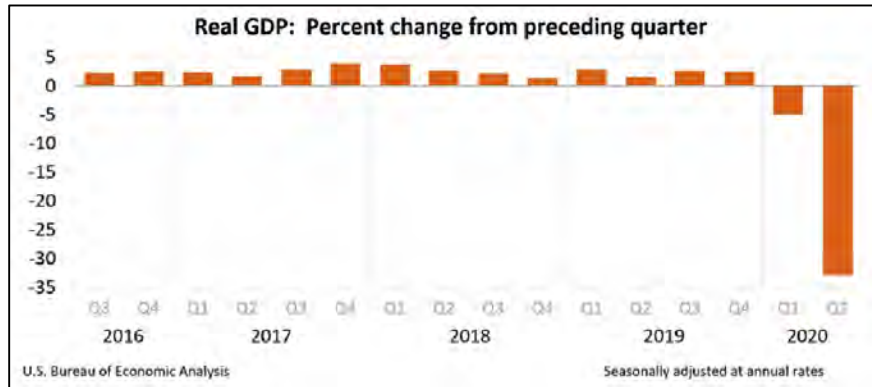


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ADDENDUM

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 32.9% in the second quarter of 2020 after decreasing 5.0% in the first quarter of 2020. According to the BEA, “the decline in the second quarter GDP reflected the response to COVID-19, as “stay at home” orders issued in March and April were partially lifted in some areas of the country in May and June, and government pandemic assistance payments were distributed to household and businesses. This led to rapid shifts in activity, as



businesses and schools continued remote work and consumers and businesses cancelled, restricted, or redirected their spending. The full economic effects of the COVID-10 pandemic cannot be quantified in the GDP estimate for the second 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;

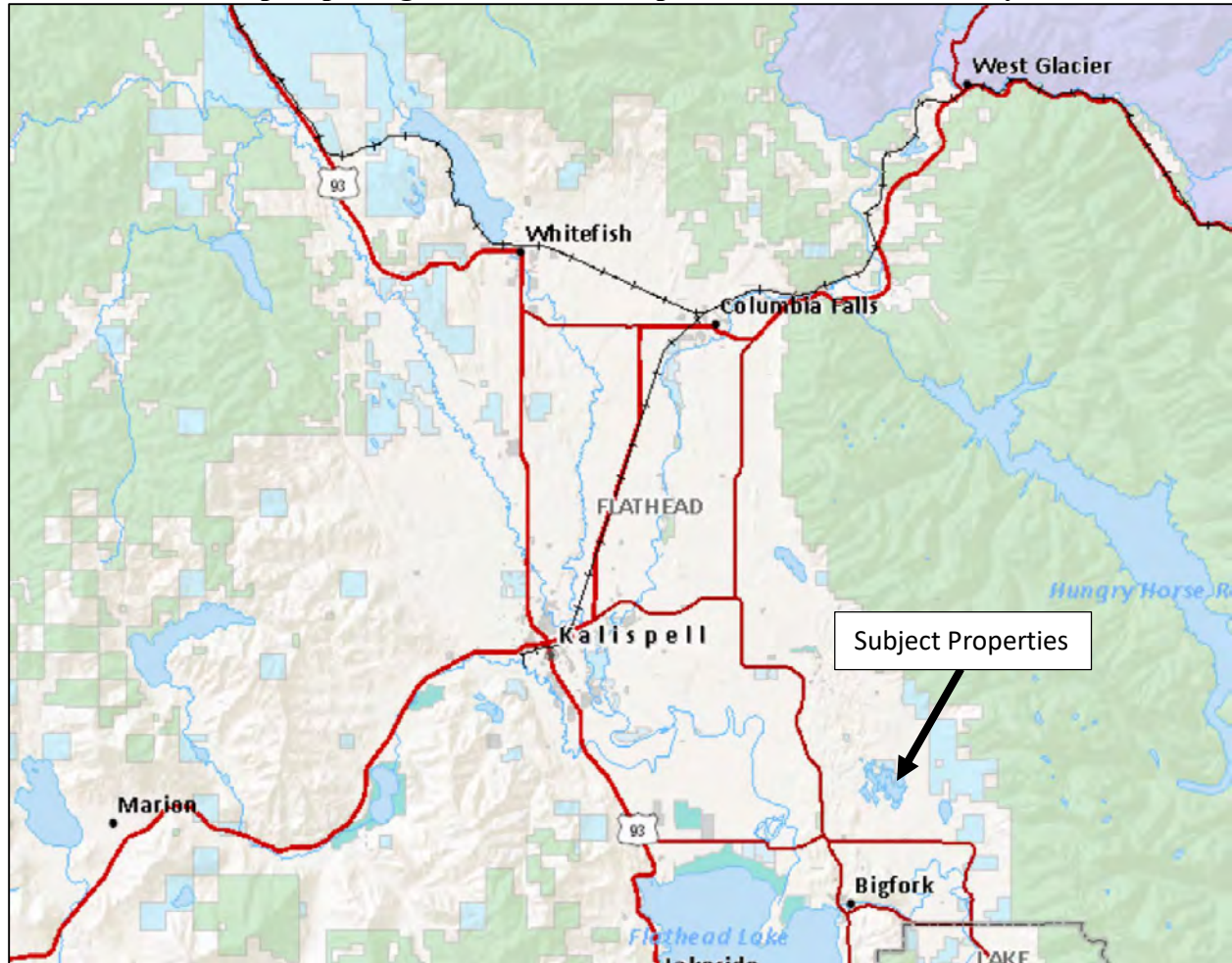
- Job losses in the state of 7.3% are forecasted for calendar year 2020; however, some improvement is forecasted for the fourth quarter.
- Personal income will be \$3.9 billion lower in Montana than was projected by the Bureau in December of 2019.
- Job losses will be seen all over Montana; however,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

The Bureau forecasts stronger economic growth in 2021 and 2022.

FLATHEAD COUNTY DATA

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

Map Depicting the Three Municipalities in Flathead County



Geographical Information

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

Population

According to 2019 ESRI estimates based upon US Census data, the population of Flathead County was 104,225. The population is forecasted to increase to 111,980 by 2024, or by approximately 1.45% per year.

Employment

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

Income

The median annual household income for Flathead County was estimated to be \$58,364 in 2019 based upon ESRI forecasts using US Census data. According to ESRI forecasts, the median annual household income is to increase by approximately 1.11% per year through 2024.

Unemployment

According to the US Bureau of Labor and Statistics, the non-seasonally adjusted unemployment rate for Flathead County was 9.2% in June 2020. This is down from the peak unemployment post COVID-19 in April of 16.6%. Unemployment fluctuations for the county since 1990 are included in the following graph.



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

Construction & Development

Historical data for building permits issued for single family residences of all types in the three municipalities of Flathead County is shown in the following table.

Single Family Building Permits Issued Per Year																
City	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% Change: 2018-2019
Kalispell	378	349	322	186	103	92	72	98	124	98	72	104	115	91	94	3%
Whitefish	80	60	22	26	14	23	36	51	75	72	48	49	57	64	95	48%
Columbia Falls	52	38	25	12	5	5	1	4	9	20	17	15	10	19	14	-26%
Total	510	447	369	224	122	120	109	153	208	190	137	168	182	174	203	17%

The 15-year high for residential single-family permits in the three municipalities is 510 permits issued in 2005. Thousands of new residential subdivision lots were created in Flathead County (incorporated and unincorporated areas) during the early and mid-2000’s. Supply exceeded demand for the years immediately following the national recession. According to research by Clark Real Estate Appraisal, supply and demand has moved closer to a balanced level in the municipalities in Flathead County over the past 7 years.

Healthcare

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

Tourism

Glacier National Park is a significant draw in Flathead County with 1.8 to over 2.9 million visitors each year over the last 10 years. There are many area recreational opportunities that draw resident and nonresident travelers. These include natural amenities such as the numerous lakes, rivers and mountain ranges and manmade amenities such as ski and mountain biking areas.

Linkages & Transportation

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

Whitefish and Columbia Falls are connected by Montana Highway 40. There was some commercial development along Montana Highway 40 prior to the most recent national recession; however, there has been little new construction along this highway in recent years.

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

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

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

City and Communities

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

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

County Economic Data Conclusion

Attractions such as Glacier National Park, Flathead Lake, and Big Mountain Ski Resort will continue to be a draw for second home buyers, nonresident travelers, and Montana residents to the Flathead Valley. The short and long-term outlooks for the area are positive due to the abundance of natural resources and the potential for a diverse economic base.

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

BIGFORK ECONOMIC DATA

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



Recreation

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



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

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

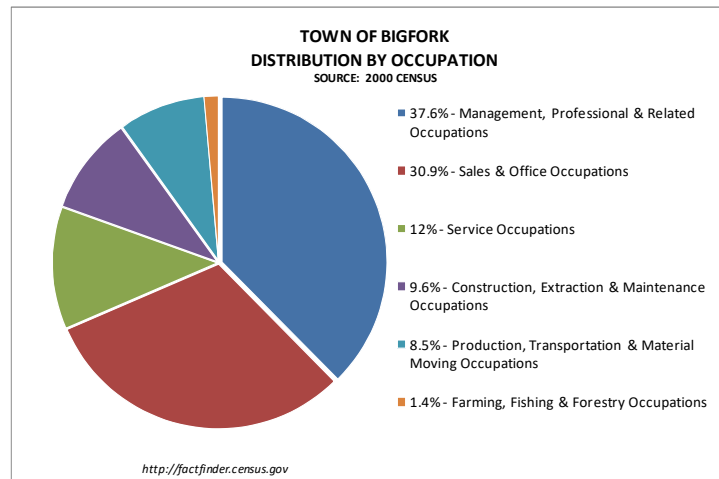
Population and Income

According to ESRI forecasts based upon US Census data, the population of the Bigfork Census Designated Place was 5,599 for 2020. The population is forecasted to increase by 2.15% per year and would be 6,228 by 2025.

According to ESRI forecasts based upon US Census data, the median household income in Bigfork was approximately \$61,274 in 2020 and is projected to increase to \$66,998 by 2025.

Employment

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



Linkages and Transportation

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

Commercial Real Estate

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

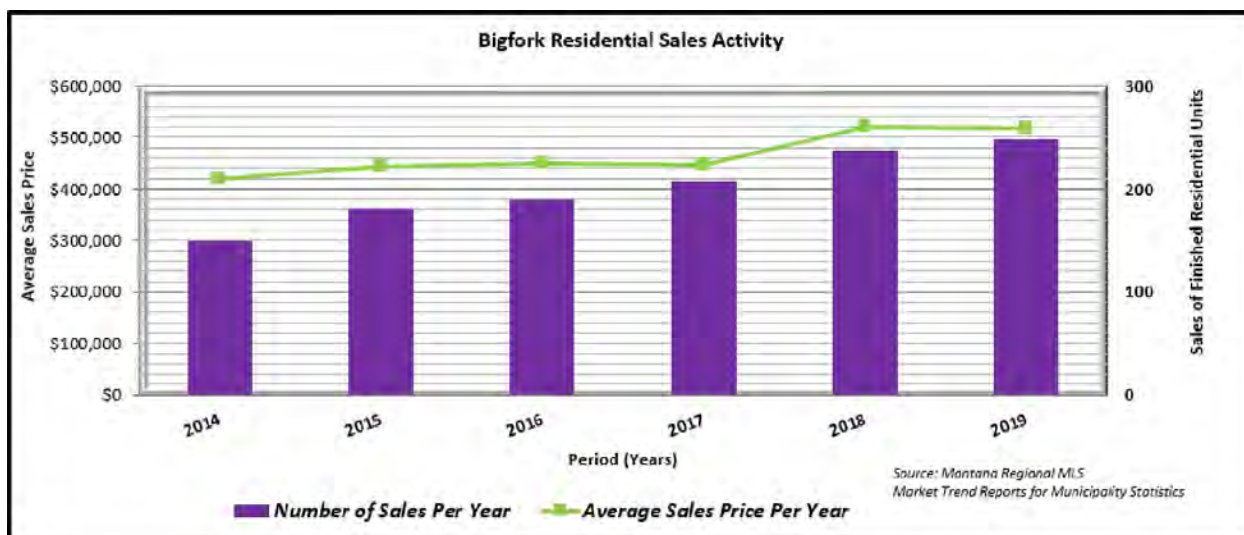
Improved commercial properties along the Montana Highway 35 corridor includes neighborhood shopping centers, a grocery store, bank branches, convenient stores, hotels, specialty shops, professional offices, restaurants and retail/service type businesses. Commercial properties located south of the village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

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

Residential Real Estate

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

The chart below includes sales volume and sales price for single family residences in Bigfork. Average home sales prices and sales volume have generally increased since 2014.

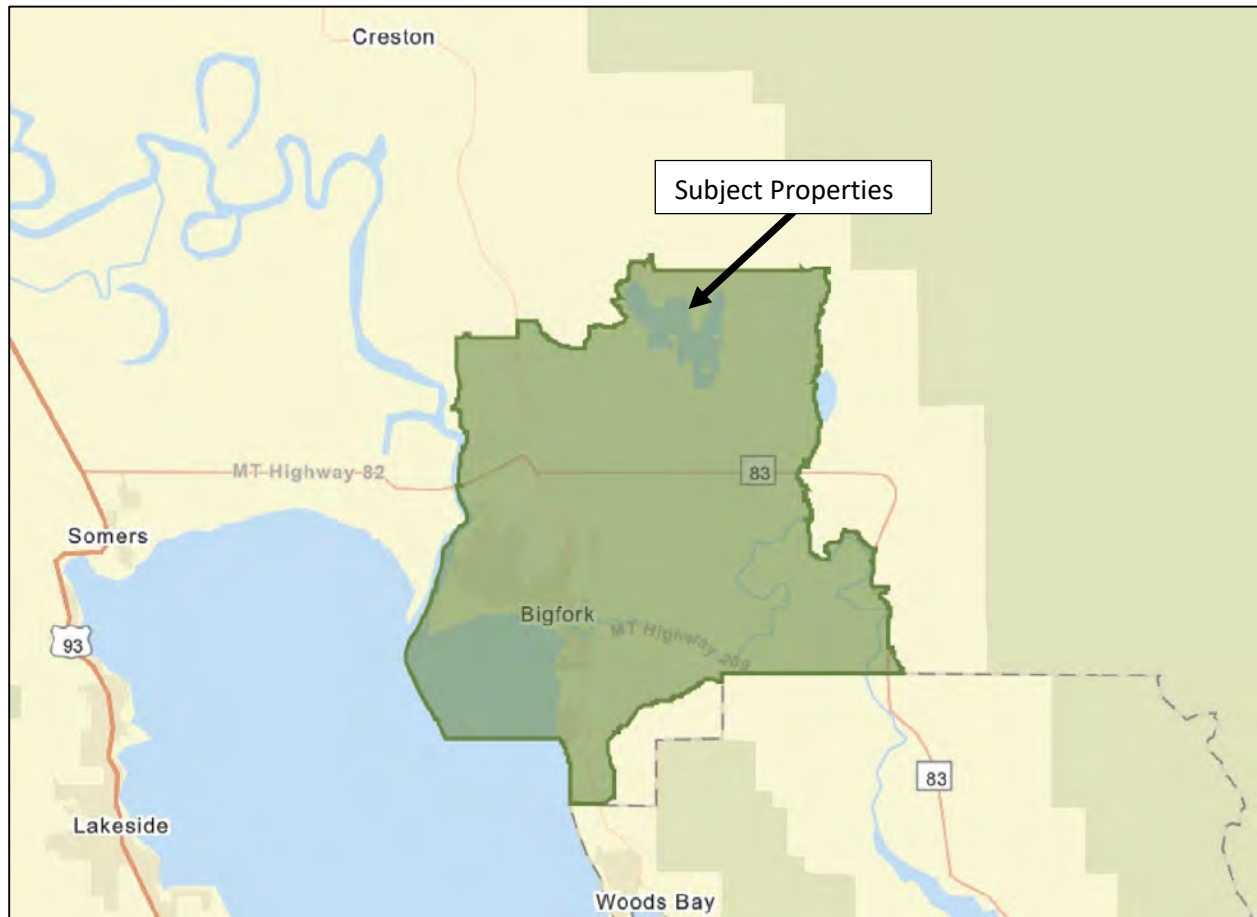


Conclusion

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

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

**Map of Bigfork Census Designated Place
(Identified with Green Shading)**



SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS

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ATTACHMENT A

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

*Scope of Work for the Appraisal of Potential Property Sales Through the Cabin/Home Site Sales Program:
2020 Echo Lake Appraisals*

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board), and the Department of Natural Resources and Conservation (DNRC). The intended users are the State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), and Lessees James Baird & Jolene Baird-Wynder; and Kevin Scott & Anna Crista Hunter. 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:

The legal descriptions and other characteristics of the state's property that are known by the state will be

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provided to the appraiser. However, the appraiser should verify, as best as possible, any information provided. Further, should any adverse conditions be found by the appraiser in the course of inspecting the property and neighborhood, or through researching information about the property, neighborhood, and market, those conditions shall be communicated to the clients and may change the scope of work required.

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

ASSIGNMENT CONDITIONS:

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

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

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

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

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

Subject Properties Located in Flathead County:

Sale #	Acres	Legal Description	Site Address (if known)
1106	0.64 ±	Lot 5, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	1866 Echo Cabin Loop Bigfork, MT 59911
1107	1.46 ±	Lot 30, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	1720 LaBrant Road Bigfork, MT 59911
981	0.327 ±	Lot 3, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	1874 Echo Cabin Loop Bigfork, MT 59911
982	1.124 ±	Lot 17, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	not known
801	1.866 ±	Lot 31, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	1712 LaBrant Road Bigfork, MT 59911
1108	1.803 ±	Lot 42, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	not known
1109	3.462 ±	Lot 44, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	not known
1110	2.977 ±	Lot 45, Echo Lake, COS 18885, T27N-R19W, Sec. 5, Flathead County	not known

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 #1106

James Baird & Jolene Baird-Wynder

Sale #1107

Kevin Scott Hunter & Anna Crista Hunter

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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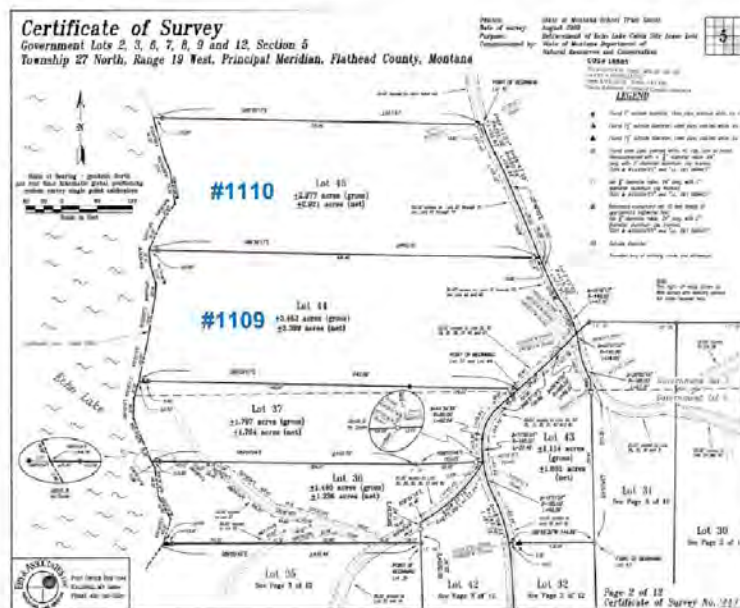
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ECHO LAKE SALES
T27N-19W, Sec. 5, Flathead County

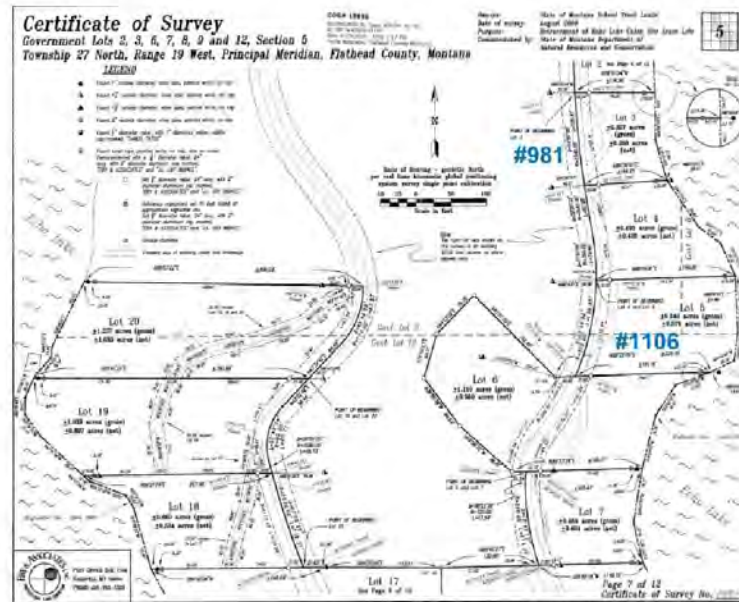
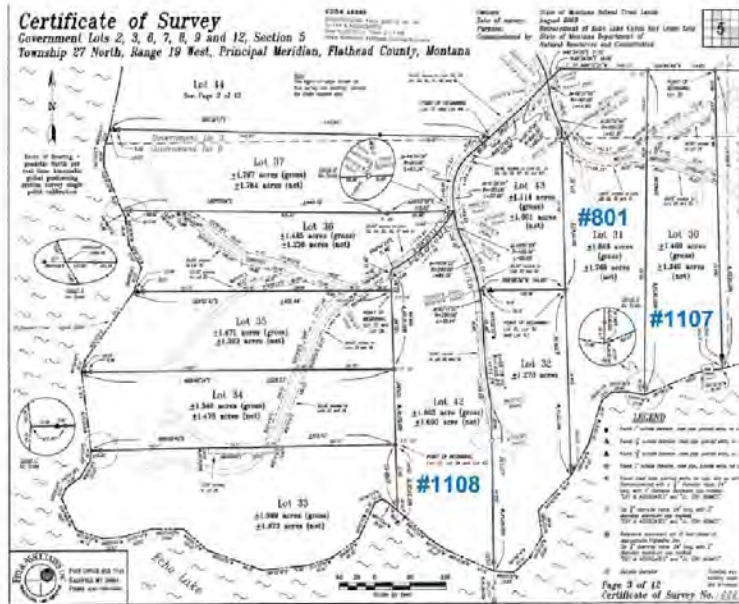


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