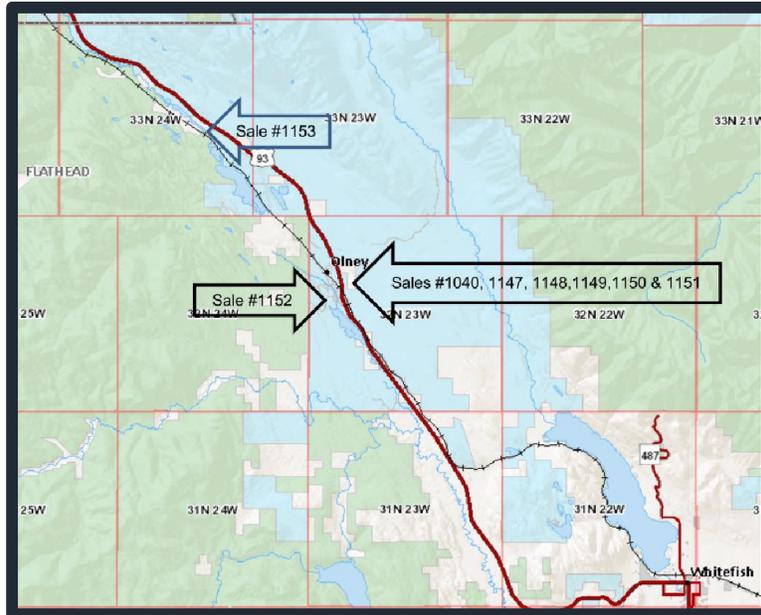


*APPRAISAL REPORT OF:*

**LOTS 4, 11, 19, 24, PARCEL 3, & PARCEL 2 OF COS #21331;  
TRACT 9 OF COS #21990; AND TRACT 3 OF COS # 21787  
OLNEY, 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: Mr. Seth Goodwin, Real Estate Specialist**

*MARKET VALUES AS OF:*

**July 20, 2021**

*PREPARED BY:*

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



704-C East 13<sup>th</sup> Street, #509  
Whitefish, Montana 59937

---

## LETTER OF TRANSMITTAL

November 1, 2021

Mr. Seth Goodwin, Real Estate 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 4, 11, 19, 24, Parcel 3, and Parcel 2 of COS #21331; Tract 9 of COS #21990; and Tract 3 of COS #21787, Olney, Flathead County, Montana

Dear Mr. Goodwin:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on July 20, 2021. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. This visual inspection, review and analyses were made in order to prepare the attached summary appraisal report.

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

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

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

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

We certify that, to the best of our knowledge and belief, the statements and opinions contained in this appraisal report are full true and correct. We certify that we have no interest in the subject properties and that neither the employment to make this appraisal nor the compensation is contingent upon the value conclusions for the properties. We specifically certify that we are competent (geographically and with regard to the property type) to complete this appraisal report. This appraisal assignment was not made nor was the appraisal rendered on the basis of requested minimum valuations or specific valuations.

This appraisal is subject to the attached Certification of Appraisal and Statement of Limiting Conditions. We further certify that this appraisal was made in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (USPAP).

Respectfully submitted,



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



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

21-038ec

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## SUMMARY OF SALIENT DATA AND CONCLUSIONS

### IDENTIFICATION OF CLIENT/INTENDED USE

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

### SUBJECT PROPERTY

<b>Property Identifications</b>	Lots 4, 11, 19, 24, Parcel 3, & Parcel 2 of COS #21331; Tract 9 of COS #21990; and Tract 3 of COS #21787, Olney, Montana
<b>Site Sizes</b>	See Property Description
<b>Description of Improvements</b>	See Property Description
<b>Assessor Number(s)</b>	See Property Description
<b>Census Tract</b>	30-029-0001.00
<b>Flood Zone</b>	See Property Description
<b>Zoning</b>	None

### HIGHEST AND BEST USE(S)

<b>As Is</b>	Recreational and/or Residential Use
<b>As Improved</b>	Recreational and/or Residential Use

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

<b>Report Date</b>	November 1, 2021
<b>Inspection Date(s)</b>	July 20, 2021
<b>Effective Date of Value(s)</b>	July 20, 2021
<b>Property Rights Appraised</b>	Fee Simple

#### Estimate of Market Values

<b>Individual Lot Values</b>	Property Valuation Section of Report & Page 172 of Report
<b>Individual Improvement Values</b>	Property Valuation Section of Report & Page 172 of Report
<b>Individual Total Market Values</b>	Property Valuation Section of Report & Page 172 of Report

<b>Extraordinary Assumption(s)</b>	See Scope of the Appraisal
<b>Hypothetical Condition(s)</b>	See Scope of the Appraisal

### MARKETING & EXPOSURE TIME

The appraised values for the subject lots, as if vacant, are based upon 6 to 12 month marketing and exposure times. The appraised value for the subject lots as improved, are based upon a 2 to 4 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

<b>Appraiser(s)</b>	Elliott M. Clark, MAI & Christopher D. Clark
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## **CERTIFICATION OF APPRAISAL**

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

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

*Elliott M. Clark*

---

Dated Signed: November 1, 2021  
Elliott M. Clark, MAI  
MT REA-RAG-LIC-683

*Christopher D. Clark*

---

Date Signed: November 1, 2021  
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 4, 11, 19, 24, Parcel 3, and Parcel 2 of COS #21331, Tract 9 of COS #21990 Survey, and Tract 3 of COS #21787, Olney, 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 July 20, 2021. We measured the improvements on the subject lots and walked the lots. We viewed the interiors of all of the homes with the exceptions of those on Lots 4 and 19 of COS #21331. We relied upon information from one the Lessees (Kathaleen Krass) for information about the interiors of those homes.

### **Scope of Research**

The history of ownership, historical uses and current intended uses were researched via the Montana Department of Natural Resources, 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
4	1040	21331	S7/T32N/R23W	Flathead
11	1147	21331	S7/T32N/R23W	Flathead
19	1148	21331	S7/T32N/R23W	Flathead
24	1149	21331	S7/T32N/R23W	Flathead
Parcel 3	1150	21331	S7/T32N/R23W	Flathead
Parcel 2	1151	21331	S7/T32N/R23W	Flathead
Tract 9	1152	21990	S18/T32N/R23W	Flathead
Tract 3	1153	21787	S23/T33N/R24W	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. The Lessees for the subject lots are additional intended users of this report. The Lessees are listed below;

Lot #	Sale #	Lessee
4	1040	Joseph & Kathaleen Krass
11	1147	Vincent L. Marks
19	1148	Joseph & Kathaleen Krass
24	1149	Nathan & Patti Conkle
Parcel 3	1150	John & Karen Streat
Parcel 2	1151	John & Karen Streat
Tract 9	1152	Starla & Ted Paul Guckenber
Tract 3	1153	Kotraba, Fredenberg

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

## **PURPOSE OF THE APPRAISAL**

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

## **DATES OF PROPERTY VIEWINGS**

The property viewing dates are the effective date of market values. The subject properties were all viewed by the appraisers on July 20, 2021.

## **EFFECTIVE DATE OF MARKET VALUES**

July 20, 2021

## **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."*<sup>1</sup>

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

---

<sup>1</sup> 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 and any improvements are owned by the State of Montana. The most recent transfer documents located for the improvements are identified below;

Lot #	Sale #	Lessee	Last Transfer Document
4	1040	Joseph & Kathaleen Krass	2000 Notice of Purchaser's Interest
11	1147	Vincent L. Marks	N/A
19	1148	Joseph & Kathaleen Krass	N/A
24	1149	Nathan & Patti Conkle	N/A
Parcel 3	1150	John & Karen Strean	2014 Deed of Conveyance
Parcel 2	1151	John & Karen Strean	N/A
Tract 9	1152	Starla & Ted Paul Guckenberg	2009 Warranty Deed
Tract 3	1153	Kotraba, Fredenberg	2020 Personal Representative's Deed of Conveyance

### 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 used for recreational/residential purposes for the three years prior to the report effective date. The subject lots all include single family residences or manufactured homes. The house construction date and any recent listing information for the improvements via the area MLS for each property are below;

Lot #	Sale #	Lessee	House Built	Listing History of Improvements via Area MLS
4	1040	Joseph & Kathaleen Krass	1925	N/A
11	1147	Vincent L. Marks	1973	N/A
19	1148	Joseph & Kathaleen Krass	1970's	N/A
24	1149	Nathan & Patti Conkle	1998	N/A
Parcel 3	1150	John & Karen Strean	1940's	N/A
Parcel 2	1151	John & Karen Strean	1950's	N/A
Tract 9	1152	Starla & Ted Paul Guckenberg	1930	N/A
Tract 3	1153	Kotraba, Fredenberg	1960	N/A

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

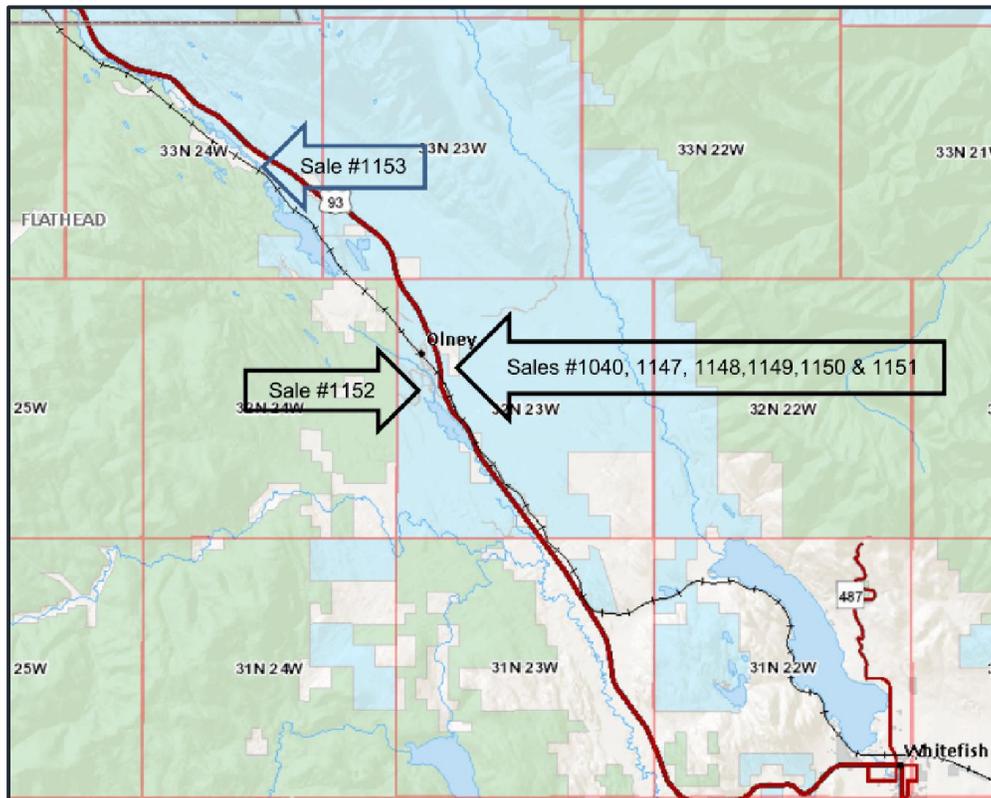
## PROPERTY DESCRIPTIONS

### GENERAL DESCRIPTIONS

The subject properties are Lots 4, 11, 19, 24, Parcel 3, and Parcel 2 of COS #21331; Tract 9 of COS #21990; and Tract 3 of COS #21787, Olney, Flathead County, Montana. The subject site sizes are below;

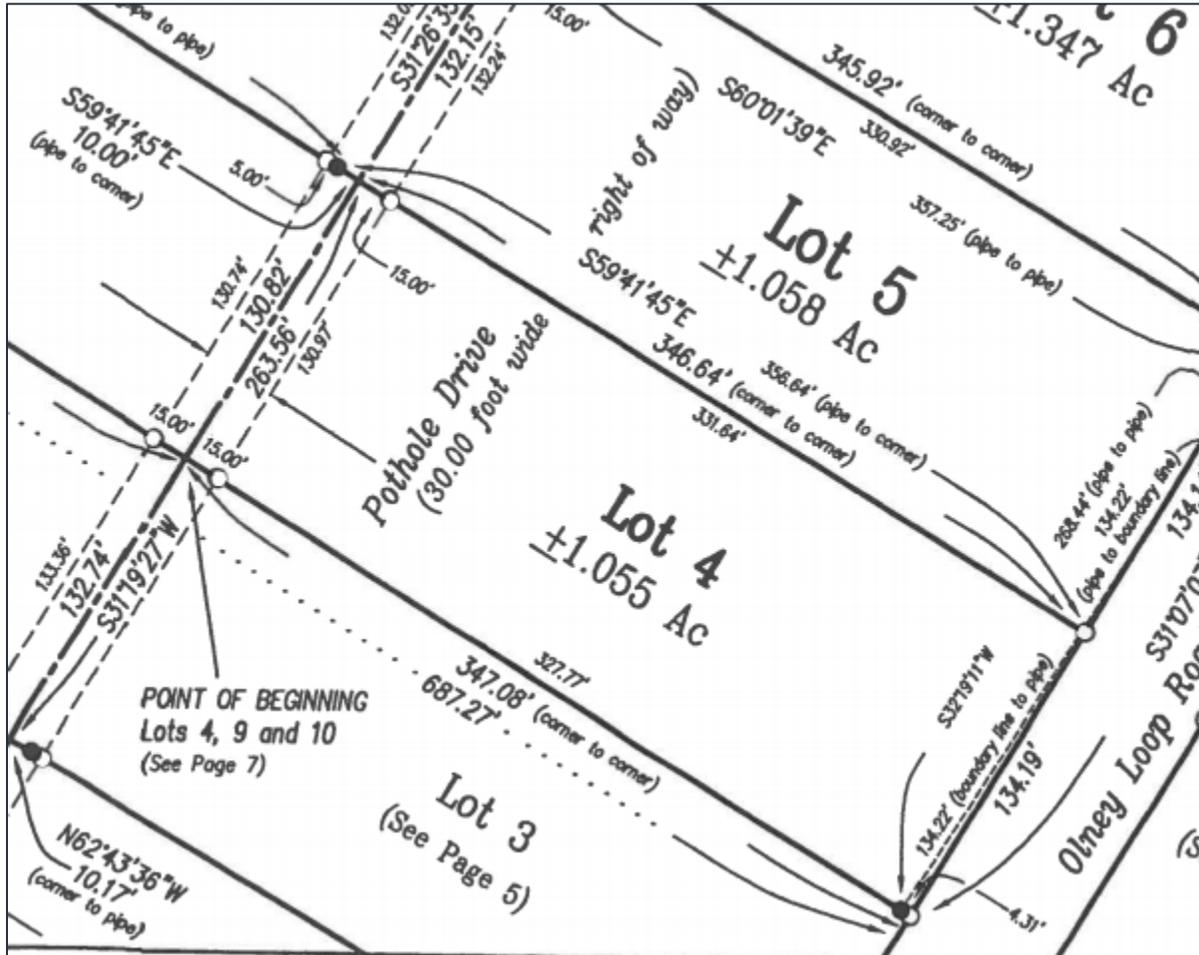
Lot #	Sale #	Gross Acres
4	1040	1.055
11	1147	1.045
19	1148	1.619
24	1149	1.064
Parcel 3	1150	2.771
Parcel 2	1151	3.546
Tract 9	1152	4.000
Tract 3	1153	2.000

The general locations of the Subject Lots are depicted on the image below;



Enlarged views of each site as part of the relevant Certificate of Survey are included on the following pages.

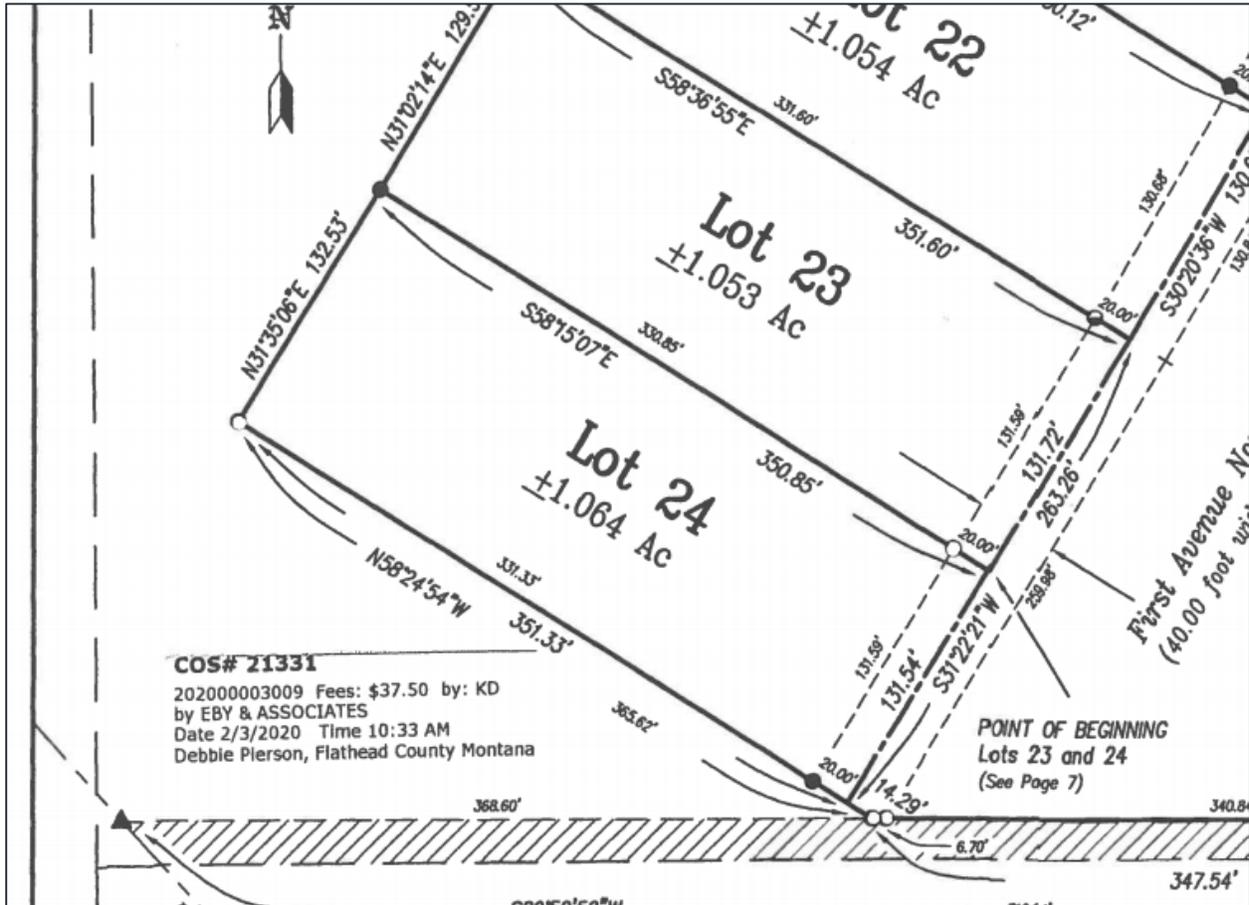
**LOT 4**  
**Enlarged View of Page 3 of COS #21331**



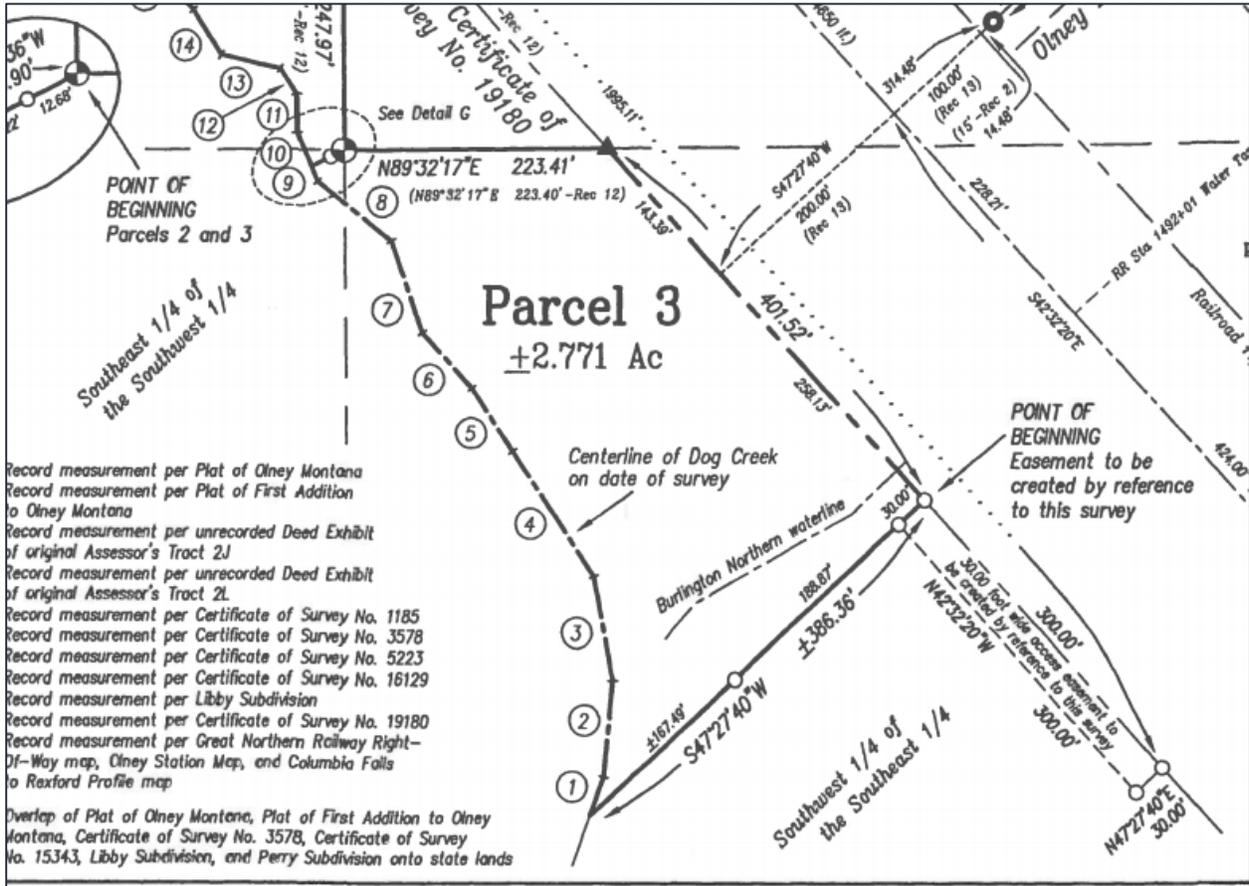




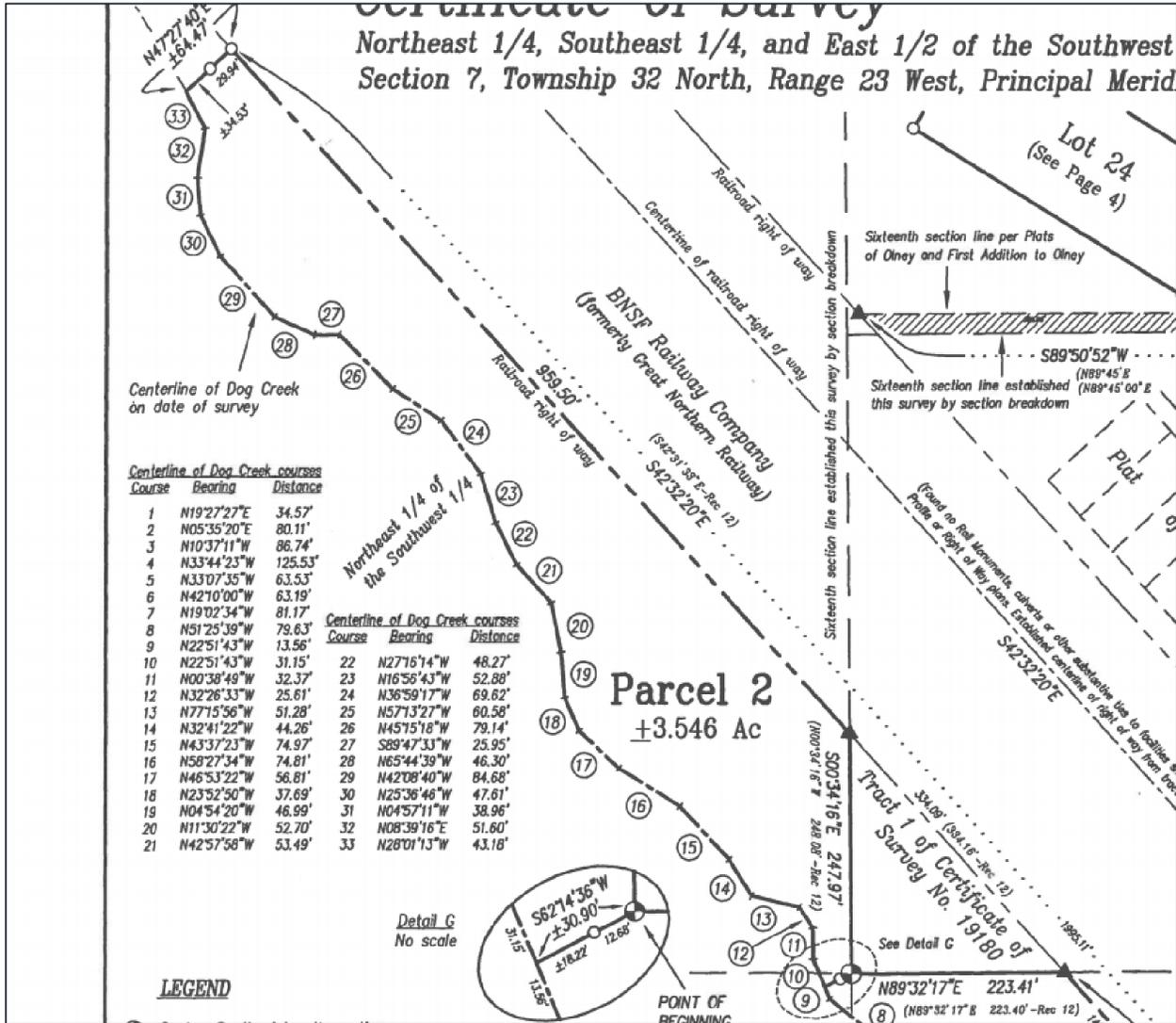
**LOT 24**  
**Enlarged View of Page 4 of COS #21331**



**PARCEL 3**  
**Enlarged View of Page 6 of COS #21331**

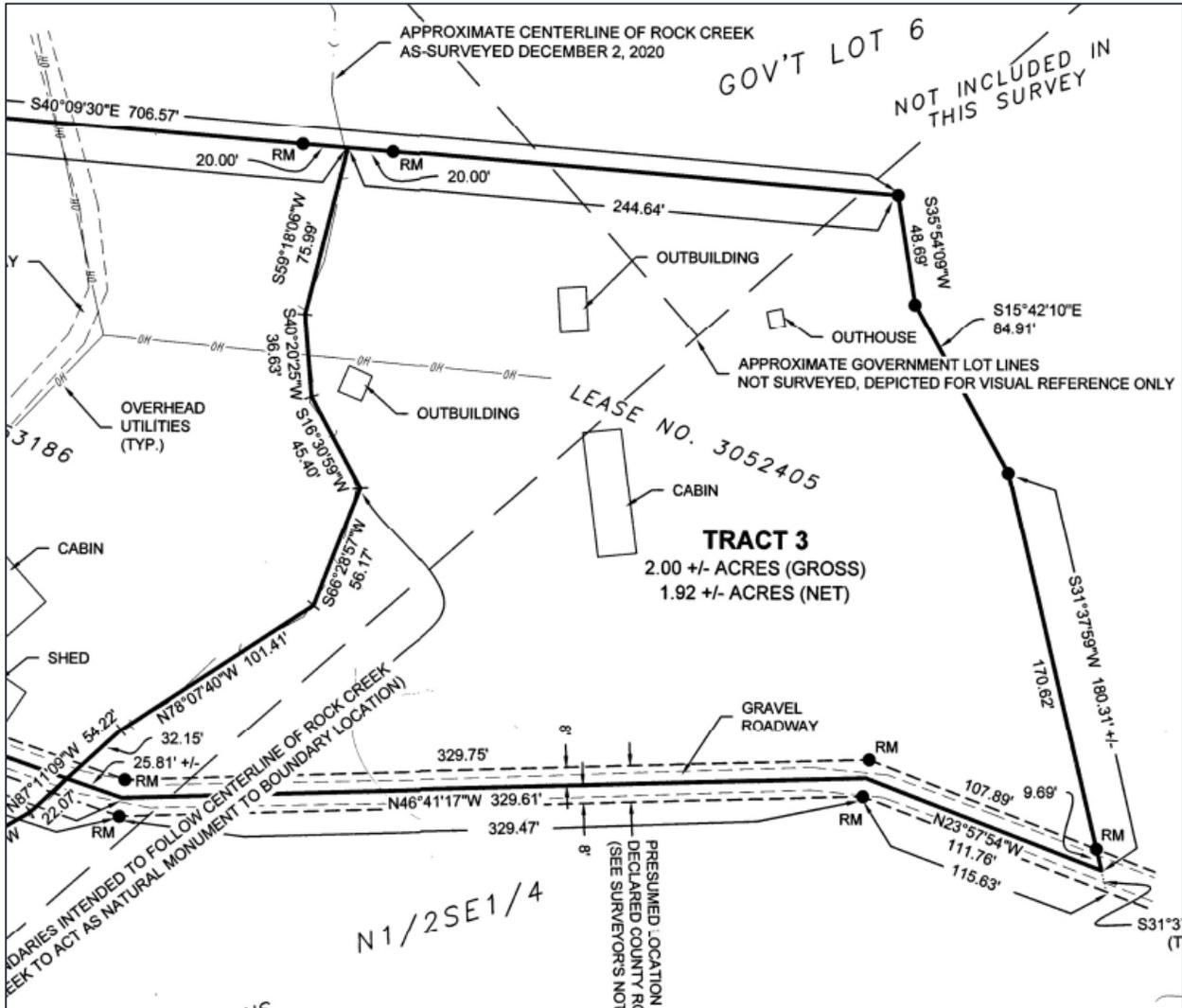


**PARCEL 2**  
**Enlarged View of Page 6 of COS #21331**





**TRACT 3**  
**Enlarged View of Page 2 of COS #21787**



## ACCESS AND VIEWS

The subject properties have vehicular access from county roads or a highway. Four of the subject lots have creek or river frontage. Access and water frontage for each site is described on the table below;

Lot #	Sale #	Lessee	Address	Water Frontage	Access
4	1040	Joseph & Kathaleen Krass	10 Olney Loop, Olney MT	None	Driveway from Olney Loop
11	1147	Vincent L. Marks	18 First Ave. North, Olney MT	None	Driveway from First Ave N.
19	1148	Joseph & Kathaleen Krass	42 First Ave. North, Olney MT	None	Driveway from First Ave N.
24	1149	Nathan & Patti Conkle	First Ave. North, Olney MT	None	Driveway from First Ave N.
Parcel 3	1150	John & Karen Strean	1296 Martin Camp Rd, Olney MT	628.03 Feet of Frontage along Dog Creek	Driveway from Martin Camp Rd
Parcel 2	1151	John & Karen Strean	1298 Martin Camp Rd, Olney MT	1,230.90 Feet of Frontage along Dog Creek	Driveway from Martin Camp Rd
Tract 9	1152	Starla & Ted Paul Guckenber	1350 Martin Camp Rd, Olney MT	551.15 Feet of Frontage along Stillwater River	Driveway from Martin Camp Rd
Tract 3	1153	Kotraba, Fredenberg	Highway 93 N, Olney MT	369.82 Feet of Frontage along Rock Creek	Gravel Road from Highway 93 N.

## IMPROVEMENTS

The subject lots all included improvements. The improvements on these subject lots are described on the tables below and on the following page.

Sale #	1040	1147	1148	1149
Lot #	4	11	19	24
Residence SF	1,842	840 SF	1,056 SF	1,568 SF
Construction Type	Wood Frame	Mobile Home(Champion Titan)	Mobile Home	Log Frame
Foundation	Partial Foundation	Piers	Piers	Crawl Space
Quality	Poor	Average	Average	Good
Condition	Poor	Average	Average	Good
Year Built	1925	1973	1970's	1998
# of Bedrooms	3	2	3	2
# of Bathrooms	1	1	1	2
Porches	168 SF Deck	455 SF Covered Porch & 28 SF Enclosed Area	24 SF Stoop	330 SF Covered Deck
Outbuildings	1,380 SF Shop/Garage	400 SF Shop, 140 SF Storage, 168 SF Lean-to, 288 SF Storage, & 228 SF Wood Shed	80 SF Chicken Coop	256 SF Storage Building, 576 SF Carport, 192 SF Enclosed Storage, 192 SF Open Storage, 216 SF Greenhouse, 930 Sf Pole Building, & 156 SF Covered Deck
Well/Septic	Well/Septic	Well/Septic	Well/Septic	Well/Septic
Landscaping	Lawn	Lawn	Lawn	Lawn

Sale #	1150	1151	1152	1153
Lot #	Parcel 3	Parcel 2	Tract 9 of COS #21990	Tract 3 of COS #21787
Residence SF	1,922 SF	1,801 SF	1,557 SF	570 Sf
Construction Type	Wood Frame	Wood Frame	Wood Frame	Log Frame
Foundation	Partial Basement/Partial Crawl Space	547 SF Finished Basement	Crawl Space	None
Quality	Good	Good	Good	Average
Condition	Unfinished (50% Complete)	Good	Good	Average
Year Built	1940's	1950's	1930	1960
# of Bedrooms	2	3	3	1
# of Bathrooms	2	1	1	1
Porches	24 SF Covered Stoop & 224 SF Covered Porch	95 SF Covered Porch, & 35 SF Covered Stoop	144 SF Covered Porch & 136 SF Covered Porch	None
Outbuildings	1,488 SF Barn, 527 SF Garage, 194 SF Lean-to, & 357 SF Pole Building	310 SF Garage, 496 SF Enclosed Storage, & 1,333 SF Pole Building	312 SF Carport, 108 SF Enclosed Storage, 144 SF Lean-to, 128 SF Storage Building, 112 SF Lean-to, 105 SF Storage Building, & 36 Sf Pump House	275 SF Open Storage, 210 SF Pole Building, 30 SF Outhouse, & 77 SF Pump House
Well/Septic	Well/Septic	Well/Septic	Well/Septic	Well/Septic
Landscaping	Lawn	Lawn	Lawn	Lawn

## 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	Easement Affecting Property
4	1040	Joseph & Kathaleen Krass	30' Wide Portion of Pothole Rd, Right of Way Deeds to Flathead County (1), Lincoln Electric (1), and Northwestern Telephone Systems (1)
11	1147	Vincent L. Marks	21.77' of First Ave N and 15.03' of Pothole Rd, Right of Way Deeds to Lincoln Electric (1) and Northwestern Telephone Systems (1)
19	1148	Joseph & Kathaleen Krass	20' of First Ave N, Right of Way Deeds to Lincoln Electric (1) and Northwestern Telephone Systems (1)
24	1149	Nathan & Patti Conkle	20' of First Ave N, Right of Way Deeds to Lincoln Electric (1) and Northwestern Telephone Systems (1)
Parcel 3	1150	John & Karen Streaan	Right of Way Deeds to Lincoln Electric (1) and Pacific Power and Lights (1)
Parcel 2	1151	John & Karen Streaan	Right of Way Deeds to Lincoln Electric (1) and Pacific Power and Lights (1)
Tract 9	1152	Starla & Ted Paul Guckenber	Right of Way Deed to Pacific Power & Light, Right of Way Deed to Flathead County for Public Highway, 30' Wide Portion of Access Easement for 2 Additional Tracts
Tract 3	1153	Kotraba, Fredenberg	9.69' of Gravel Roadway, Right of Way Deeds to Flathead County (1) and Pacific Power and Lights (1)

The easements on the table are considered necessary and do not affect the marketability of the subject properties. Lot 19 also is crossed diagonally by an overhead electrical distribution line which is considered to impact marketability for this subject lot. Portions on the structures (including the residence) on Parcel 2 are within a railway right-of-way area owned by BNSF Railway Company. The location of this right-of-way is considered to impact the values of the improvements on this property.

If additional easements, restrictions, or encroachments other than those noted in this report are present on the subject properties, the values concluded in this report may be affected.

**ZONING**

The subject properties are in a portion of Flathead County that is not zoned. Lots 4, 11, 19, and 24 of COS #21331 and Tract 3 of COS #21787 are within the Scenic Corridor overlay zoning district. This zoning district is not significantly regulatory but regulate signage along highways.

**ASSESSMENT/REAL PROPERTY TAXES**

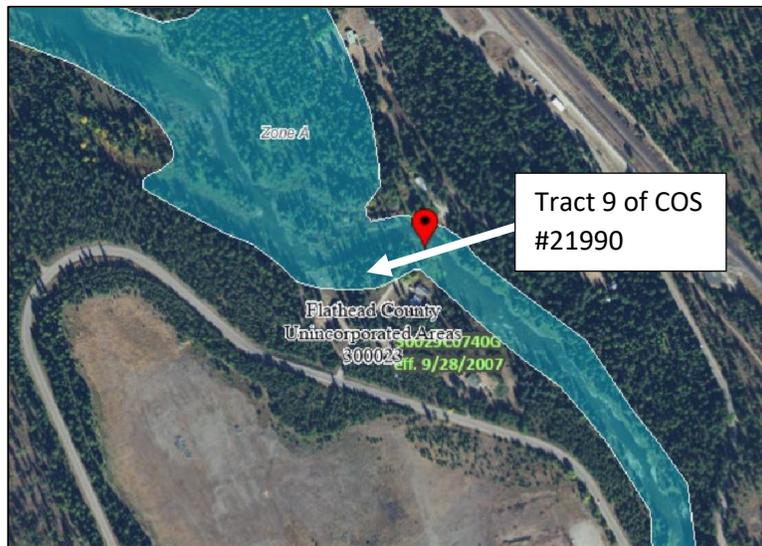
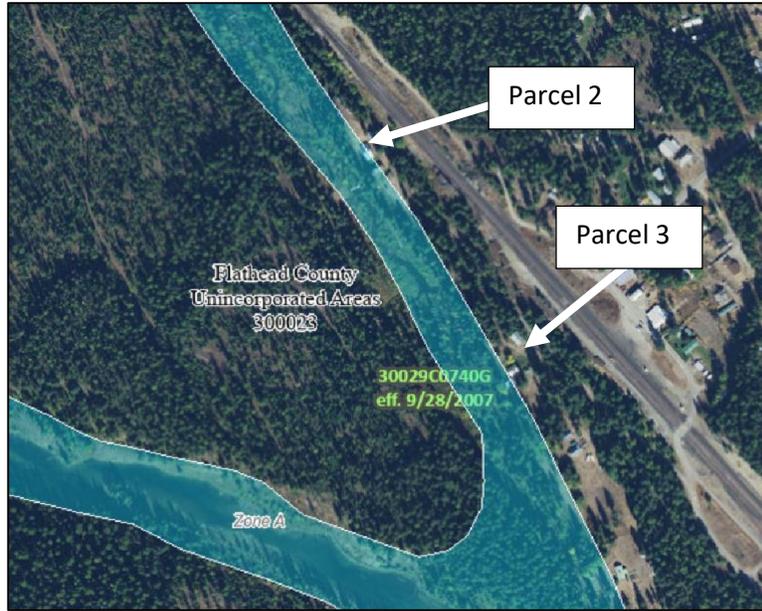
The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates.

The improvements on each site are taxable. The 2020 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 Bills for Improvements					
Lot #	Sale #	Lessees	Assessor # for Improvements	2020 Taxable Market Value	2020 Tax Bill Amount
4	1040	Joseph & Kathleen Krass	0914740	\$77,430	\$198.72
11	1147	Vincent L. Marks	T223850	\$12,040	\$128.25
19	1148	Joseph & Kathleen Krass	Unknown	Unknown	Unknown
24	1149	Nathan & Patti Conkle	025925	\$124,620	\$1,030.32
Parcel 3	1150	John & Karen Streaan	119610	\$43,990	\$416.08
Parcel 2	1151	John & Karen Streaan	0836300	\$156,360	\$1,215.57
Tract 9 of COS #21990	1152	Starla & Ted Paul Guckenber	0765545	\$107,160	\$897.65
Tract 3 of COS #21787	1153	Kotraba, Fredenberg	0005041	\$53,960	\$531.05

**TOPOGRAPHY, VEGETATION, WETLANDS, SOILS AND DRAINAGE**

Based upon available FEMA maps, Lots 4, 11, 19, 24 in COS #21331 and Tract 2 of COS #21787 are not within areas of flood hazard. Parcels 3 and 2 of COS #21331 and Tract 9 of COS #21990 are in areas of flood hazard. Images of these properties and the corresponding FEMA map panel numbers are on the following page.



Approximately 30% of Parcel 3 is within a Flood Zone A, approximately 70% of Parcel 2 is in Flood Zone A, and approximately 30% of Tract 9 of COS #21990 is in Flood Zone A. Location within Flood Zone A is considered to impact marketability.

The specific topography for each lot is stated on the table below;

Lot #	Sale #	Lessee	Topography
4	1040	Joseph & Kathaleen Krass	Level
11	1147	Vincent L. Marks	Level
19	1148	Joseph & Kathaleen Krass	Level
24	1149	Nathan & Patti Conkle	Level
Parcel 3	1150	John & Karen Strean	Level with Slope to Creek
Parcel 2	1151	John & Karen Strean	Level with Slope to Creek
Tract 9	1152	Starla & Ted Paul Guckenberg	Level with Low Area at River Frontage
Tract 3	1153	Kottraba, Fredenberg	Rolling with Level Area

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 on the table on the following page.

Lot #	Sale #	Lessees	Septic Tank	Water Source	Water Right
4	1040	Joseph & Kathleen Krass	Yes	Well	Yes (2)
11	1147	Vincent L. Marks	Yes	Shared Well with Lot 10	Water Right to be Shared with Lot 10
19	1148	Joseph & Kathleen Krass	Yes	Well	No
24	1149	Nathan & Patti Conkle	Yes	Well	No
Parcel 3	1150	John & Karen Streaan	Yes	Well	Yes (1)
Parcel 2	1151	John & Karen Streaan	Yes	Well	Yes (2)
Trac 9 of COS #21990	1152	Starla & Ted Paul Guckenber	Yes	Well	Yes (1)
Tract 3 of COS #21787	1153	Kottraba, Fredenberg	Yes	Well	Yes (1)

**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 4 BUILDING SKETCH

### SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.:				
Property Address: Olney Cabin Sites Lot #4					
City: Olney	County: Flathead	State: MT	ZipCode: 59927		
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 7/20/21		
SKETCH					
Sketch by Apex Sketch					
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	First Floor	1.0	1842.0	255.0	1842.0
GAR	Garage	1.0	1380.0	152.0	1380.0
P/P	Deck	1.0	168.0	52.0	168.0
Net LIVABLE      cnt      1      (rounded)					1,842
			COMMENT TABLE 2		COMMENT TABLE 3

**LOT 4 SUBJECT PHOTOGRAPHS**



Front of Residence on Lot 4



South Side of Residence



Rear of Residence



North Side of Original Portion of Residence



Front of Addition to Original Residence



Siding Deferred Maintenance

ADDITIONAL PHOTOGRAPHS



Fascia Deferred Maintenance



Fascia and Roof Deferred Maintenance



Shop Building



East Side of Shop Building



Lot 4 Interior Looking Southeast



Southwest Property Boundary Marker Looking Southeast

**ADDITIONAL PHOTOGRAPHS**



Southwest Property Boundary Marker Looking Northeast



Northwest Property Boundary Marker Looking Southeast



Northwest Property Boundary Marker Looking Southwest



Lot 4 Interior Looking Southeast from Rear of Property



View Northwest along Approximate South Property Boundary



View Northeast along Approximate East Property Boundary

**ADDITIONAL PHOTOGRAPHS**



Northeast Property Boundary Marker Looking Northwest



Northeast Property Boundary Marker Looking Southwest



Pothole Drive Looking Northeast



Pothole Drive Looking Southwest



Olney Loop Road Looking Northeast



Olney Loop Road Looking Southeast

## LOT 11 BUILDING SKETCH

### SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO									
File No.:	Parcel No.:								
Property Address: Olney Cabin Sites Lot #11									
City: Olney	County: Flathead	State: MT	ZipCode: 59927						
Owner:									
Client: MT DNRC		Client Address:							
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 7/20/21						
SKETCH									
Sketch by Apex Sketch									
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1				
Code	Description	Factor	Net Size	Perimeter	Net Totals				
GLA1	First Floor	1.0	840.0	148.0	840.0				
GAR	Shop Building	1.0	400.0	80.0					
	Storage Building	1.0	140.0	48.0					
	Lean-to	1.0	168.0	62.0					
	Storage Building	1.0	288.0	72.0	996.0				
OTH	Wood Shed	1.0	228.0	62.0	228.0				
P/P	Covered Porch	1.0	455.0	135.2					
	Enclosed Porch	1.0	28.0	22.0	483.0				
<p style="text-align: right;">Net LIVABLE      cnt      1      (rounded)      840</p>					<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: center;">COMMENT TABLE 2</th> <th style="text-align: center;">COMMENT TABLE 3</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </tbody> </table>	COMMENT TABLE 2	COMMENT TABLE 3		
COMMENT TABLE 2	COMMENT TABLE 3								

**LOT 11 SUBJECT PHOTOGRAPHS**



Residence on Lot 11



East Side of Residence



West Side of Residence



Rear of Residence



Kitchen



Living Room

**ADDITIONAL PHOTOGRAPHS**



Bedroom



Laundry / Bathroom



Laundry / Bathroom



Shop Building



Shop Building Interior



Shop and Storage Building

ADDITIONAL PHOTOGRAPHS



Storage Building Interior



Storage Building



Storage Building Interior



Storage Building and Lean-To



Storage Building Interior



Northwest Property Boundary Marker Looking Southeast

**ADDITIONAL PHOTOGRAPHS**



Northwest Property Boundary Marker Looking Southwest



Lot 11 Looking Southeast from 1<sup>st</sup> Avenue North



Southwest Property Boundary Marker Looking Northeast



Southwest Property Boundary Marker Looking Southeast



Southeast Property Boundary Marker Looking Northeast



Southeast Property Boundary Marker Looking Northwest

**ADDITIONAL PHOTOGRAPHS**



Northeast Property Boundary Marker Looking Southwest



Northeast Property Boundary Marker Looking Northwest



PotHole Drive Looking Northeast

## LOT 19 BUILDING SKETCH

### SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.:				
Property Address: Olney Cabin Sites Lot #19					
City: Olney	County: Flathead	State: MT	ZipCode: 59927		
Owner:					
Client: MT DNRC		Client Address:			
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 7/20/21		

### SKETCH

Sketch by Apex Sketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	1056.0	164.0	1056.0		
OTH	Chicken Coop	1.0	80.0	36.0	80.0		
P/P	Stoop	1.0	24.0	20.0	24.0		
						COMMENT TABLE 2	
						COMMENT TABLE 3	
Net LIVABLE		cnt	1	(rounded)	1,056		

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**LOT 9 SUBJECT PHOTOGRAPHS**



Front of Residence on Lot 19



Front of Residence



North Side of Residence



South Side of Residence



West Side of Residence



Chicken Coop

**ADDITIONAL PHOTOGRAPHS**



Wetland on East Portion of Lot 19



Septic System



Lot 19 Interior Looking West



Northwest Property Boundary Marker Looking Southwest



Northwest Property Boundary Marker Looking Southeast



Southwest Property Boundary Marker Looking Northeast

**ADDITIONAL PHOTOGRAPHS**



Southwest Property Boundary Marker Looking Southeast



Southeast Property Boundary Marker Looking Northwest



Southeast Property Boundary Marker Looking Northeast



View Northwest along Approximate North Property Boundary



View Southwest along approximate South Property Boundary



Driveway to Lot 19

**ADDITIONAL PHOTOGRAPHS**



1<sup>st</sup> Avenue North Looking Northeast

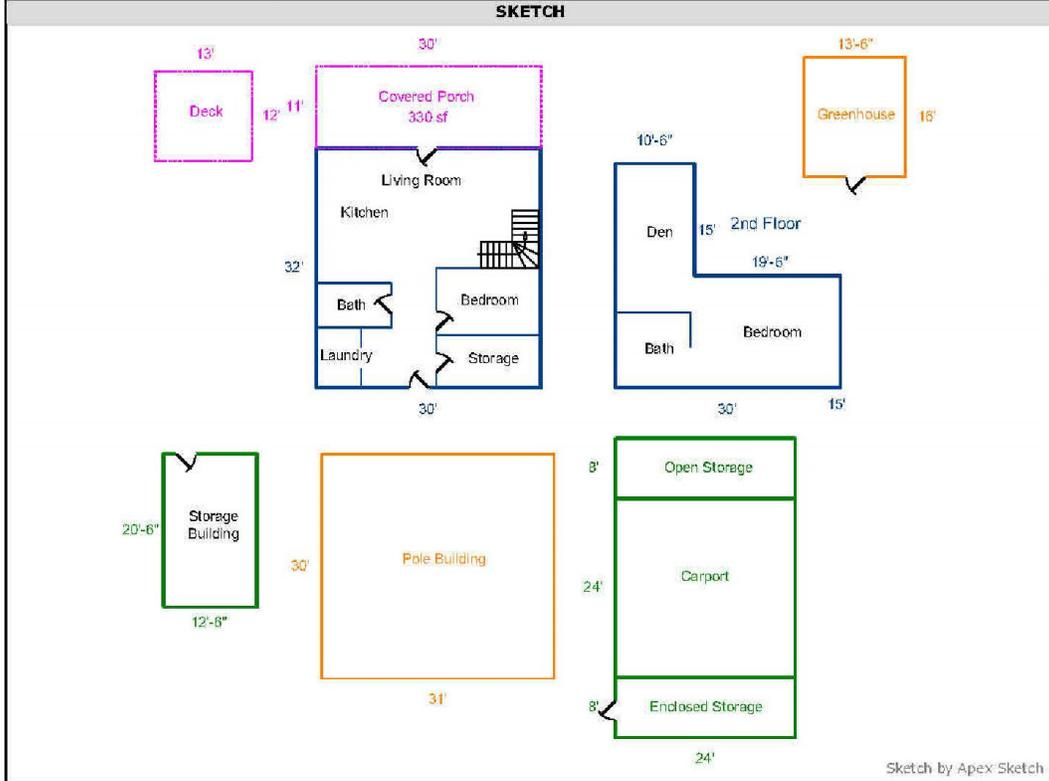


1<sup>st</sup> Avenue North Looking Southwest

## LOT 24 BUILDING SKETCH

### SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO			
File No.:	Parcel No.:		
Property Address: Olney Cabin Sites Lot #24			
City: Olney	County: Flathead	State: MT	ZipCode: 59927
Owner:			
Client: MT DNRC		Client Address:	
Appraiser Name: Clark Real Estate Appraisal		Inspection Date: 7/20/21	



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	960.0	124.0	960.0		
GLA2	2nd Floor	1.0	607.5	120.0	607.5		
GAR	Storage Building	1.0	256.3	66.0	1216.3		
	Carport	1.0	576.0	96.0			
	Enclosed Storage	1.0	192.0	64.0			
	Open Storage	1.0	192.0	64.0			
	Greenhouse	1.0	216.0	59.0			
OTH	Pole Building	1.0	930.0	122.0	1146.0		
	Covered Porch	1.0	330.0	82.0			
P/P	Deck	1.0	156.0	50.0	486.0	COMMENT TABLE 2	COMMENT TABLE 3
	Net LIVABLE	cnt	2 (rounded)		1,568		

**LOT 24 SUBJECT PHOTOGRAPHS**



Front of Residence on Lot 24



Southwest Side of Residence



Northeast Side of Residence



Rear of Residence from Lot 24 Interior



Kitchen



Bathroom

ADDITIONAL PHOTOGRAPHS



Living Room



Living Room



Bedroom



Closet/Storage



2<sup>nd</sup> Floor Loft Area



2<sup>nd</sup> Floor Bathroom

**ADDITIONAL PHOTOGRAPHS**



Second Floor Bedroom



View of Living Room Area from 2<sup>nd</sup> Floor



Pole Building



Carport and Storage



Storage Building



Covered Deck and Hot Tub

**ADDITIONAL PHOTOGRAPHS**



Yard and Covered Deck/Hot Tub



Greenhouse and Landscaping



Greenhouse



Lot 24 Interior and Landscaping



Northwest Property Boundary Marker Looking Southeast



Northwest Property Boundary Marker Looking Northeast

**ADDITIONAL PHOTOGRAPHS**



Northeast Property Boundary Marker Looking Southwest



Northeast Property Boundary Marker Looking Southeast



View Northwest along Northeast Property Boundary



View Southwest along Approximate Southeast Property Boundary



View Northwest along Approximate Southwest Property Boundary

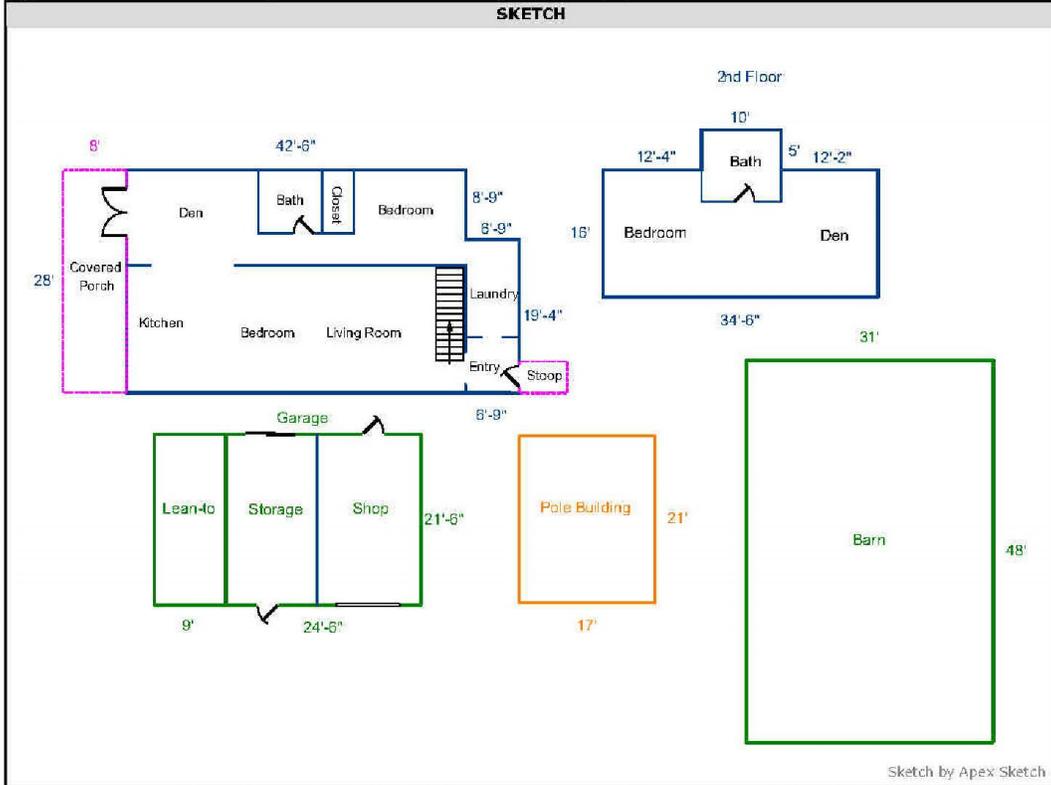


View Northeast along Approximate Southeast Property

# PARCEL 3 BUILDING SKETCH

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.:			
Property Address: Olney Cabin Sites Parcel 3				
City: Olney	County: Flathead	State: MT	ZipCode: 59927	
Owner:				
Client: MT DNRC		Client Address:		
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 7/20/21	



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	1320.1	154.6	1320.1		
GLA2	2nd Floor	1.0	602.0	111.0	602.0		
GAR	Barn	1.0	1488.0	158.0			
	Garage	1.0	526.8	92.0			
	Lean-to	1.0	193.5	61.0	2208.3		
OTH	Pole Building	1.0	357.0	76.0	357.0		
P/P	Covered Stoop	1.0	24.0	20.0			
	Covered Porch	1.0	224.0	72.0	248.0		
						COMMENT TABLE 2	COMMENT TABLE 3
Net LIVABLE		cnt	2	(rounded)	1,922		

**PARCEL 3 SUBJECT PHOTOGRAPHS**



Front of Residence on Parcel 3



Rear of Residence and Covered Porch



South Side of Residence



North Side of Residence



Covered Walk to Garage/Shop



Covered Porch on Rear of Residence

**ADDITIONAL PHOTOGRAPHS**



Entry



Laundry Room



Bathroom



Main Floor Living Area



Den



Main Floor toward Future Kitchen

ADDITIONAL PHOTOGRAPHS



2<sup>nd</sup> Floor Bedroom



2<sup>nd</sup> Floor Den Area



2<sup>nd</sup> Floor Bathroom



Crawlspace



Barn



Barn

**ADDITIONAL PHOTOGRAPHS**



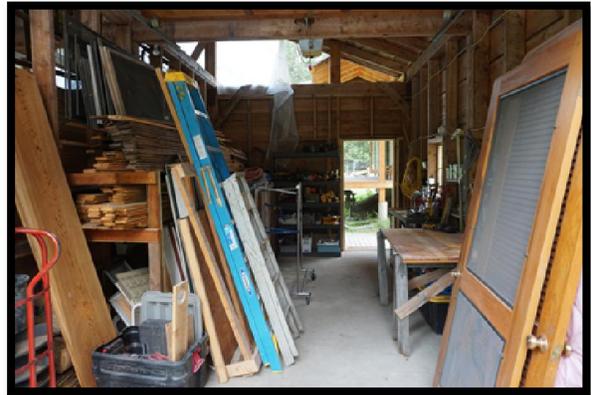
Barn Interior



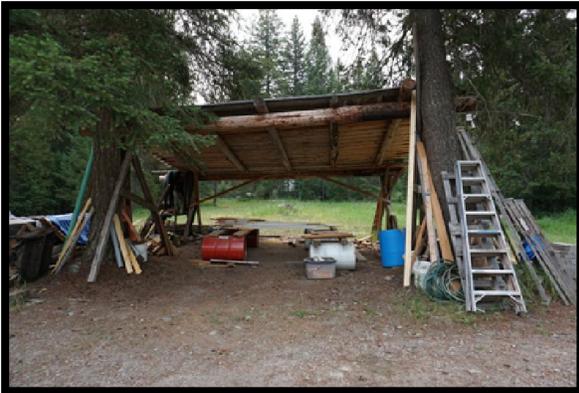
Garage/Shop Building



Storage Area in Garage



Shop Area in Garage



Pole Building



Dog Creek along West Property Boundary

ADDITIONAL PHOTOGRAPHS



Dog Creek



Dog Creek Looking North



Residence from Creek Area



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking Northeast



SE Property Boundary Marker Looking NW along Martin Camp Rd.

**ADDITIONAL PHOTOGRAPHS**



Southeast Boundary Marker Looking Southwest



NE Property Boundary Marker Looking SE along Martin Camp Rd.



View West along Approximate North Property Boundary



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking South



Driveway to Property from Martin Camp Road

## PARCEL 2 BUILDING SKETCH

### SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO									
File No.:	Parcel No.:								
Property Address:	Olney Cabin Sites Parcel #2								
City: Olney	County: Flathead	State: MT	ZipCode: 59927						
Owner:	Client Address:								
Client: MT DNRC	Inspection Date: 7/20/21								
Appraiser Name: Clark Real Estate Appraisal									
SKETCH									
Sketch by Apex Sketch									
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1				
Code	Description	Factor	Net Size	Perimeter	Net Totals				
GLA1	First Floor	1.0	1372.0	161.0	1372.0				
GLA2	2nd Floor	1.0	429.0	100.0	429.0				
BSMT	Finished BSMT	1.0	547.2	93.7	547.2				
GAR	Garage	1.0	310.0	71.0	310.0				
	Enclosed Storage	1.0	496.0	94.0	496.0				
OTH	Pole Building	1.0	1333.0	148.0	1333.0				
P/P	Covered Porch	1.0	95.0	48.0	95.0				
	Covered Stoop	1.0	35.0	24.0	35.0				
<b>Net LIVABLE</b> cnt      2      (rounded)      1,801					<table border="1" style="width: 100%; height: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: center;">COMMENT TABLE 2</th> <th style="text-align: center;">COMMENT TABLE 3</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </tbody> </table>	COMMENT TABLE 2	COMMENT TABLE 3		
COMMENT TABLE 2	COMMENT TABLE 3								

**PARCEL 2 SUBJECT PHOTOGRAPHS**



Front of Residence on Parcel 2



East Side of Residence



North Side of Residence



West Side of Residence



Residence and Pole Building from Bridge on Dog Creek



Entrance to Residence

ADDITIONAL PHOTOGRAPHS



Kitchen



Living Room



Den



Den



Primary Bedroom



Main Floor Bathroom

**ADDITIONAL PHOTOGRAPHS**



2<sup>nd</sup> Floor Bedroom 1



2<sup>nd</sup> Floor Storage and Bedroom 2



Stairway from Basement Level to Den



Bathroom in Basement



Living Area in Basement



Laundry Room in Basement

ADDITIONAL PHOTOGRAPHS



Pole Building



Pole Building Interior



Enclosed Storage on Side of Pole Building



Garage



North Side of Garage



Bridge over Dog Creek

**ADDITIONAL PHOTOGRAPHS**



Dog Creek Looking Northwest



Dog Creek Looking Southeast



Dog Creek from Bridge



Dog Creek Looking Northwest from Bridge



Property Boundary Marker near Southeast Corner of Residence



Property Boundary Marker near Northeast Corner of Residence

**ADDITIONAL PHOTOGRAPHS**



Property Boundary Marker near Southeast Corner of Pole Building



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking Northeast



Southeast Property Boundary Marker Looking Northeast



Northeast Property Boundary Marker Looking Southeast



Northeast Property Boundary Marker Looking West

**ADDITIONAL PHOTOGRAPHS**



Northwest Property Boundary Marker Looking East



View South along Approximate West Property Boundary



Driveway on Parcel 2 Looking Southeast

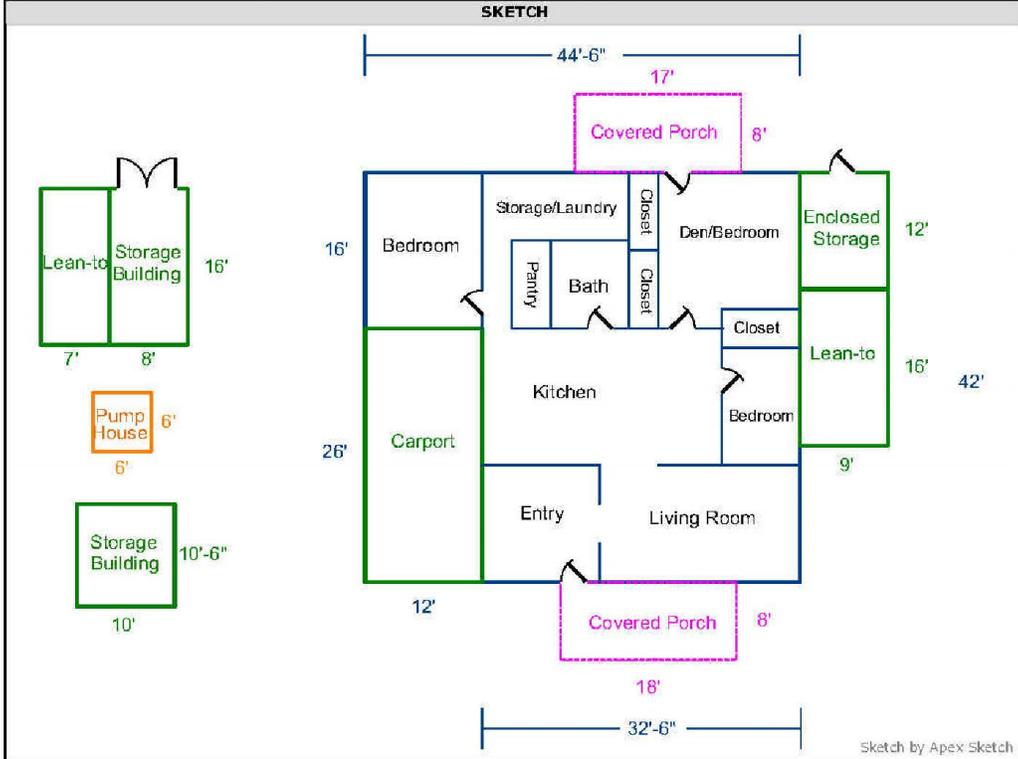


Martin Camp Road Looking North

# TRACT 9 BUILDING SKETCH

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.:			
Property Address: Olney Cabin Sites Tract 9				
City: Olney	County: Flathead	State: MT	ZipCode: 59927	
Owner:				
Client: MT DNRC		Client Address:		
Appraiser Name: Clark Real Estate Appraisal		Inspection Date: 7/20/21		



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	1557.0	173.0	1557.0		
GAR	Carport	1.0	312.0	76.0			
	Enclosed Storage	1.0	108.0	42.0			
	Lean-to	1.0	144.0	50.0			
	Storage Building	1.0	128.0	48.0			
	Lean-to	1.0	112.0	46.0			
	Storage Building	1.0	105.0	41.0	909.0		
OTH	Pump House	1.0	36.0	24.0	36.0		
P/P	Covered Porch	1.0	144.0	52.0			
	Covered Porch	1.0	136.0	50.0	280.0		
						COMMENT TABLE 2	COMMENT TABLE 3
	Net LIVABLE	cnt	1 (rounded)		1,557		

**TRACT 9 SUBJECT PHOTOGRAPHS**



Front of Residence on Tract 9



Southwest Side of Residence and Carport



Rear of Residence



Northeast Side of Residence



Rear Covered Porch



Front Covered Porch

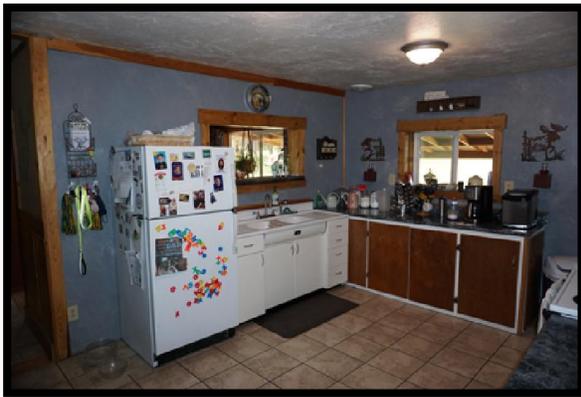
ADDITIONAL PHOTOGRAPHS



Entry



Living Room



Kitchen



Dining Area



Bedroom 1



Den

ADDITIONAL PHOTOGRAPHS



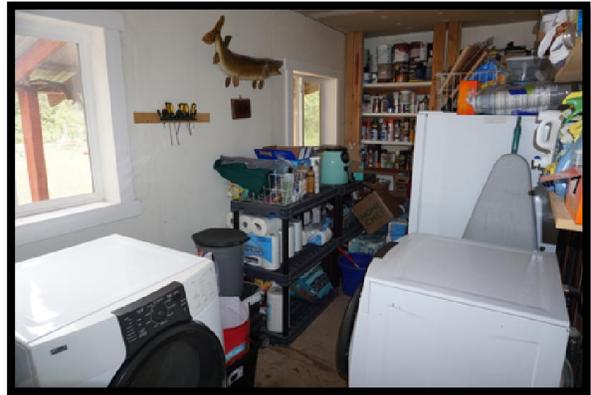
Woodstove



Bathroom



Primary Bedroom



Laundry/Storage



Pantry



Pump House

**ADDITIONAL PHOTOGRAPHS**



Storage Building



Storage Building and Lean-To



Stillwater River Looking Northwest



Stillwater River Looking Northeast



View Looking West along Approximate North Property Boundary



View Looking NE along Approximate North Property

**ADDITIONAL PHOTOGRAPHS**



Northwest Property Boundary Marker Looking East



Northwest Property Boundary Marker Looking Southwest



Southwest Property Boundary Marker Looking Northeast



Southwest Property Boundary Marker Looking East



SE Property Boundary Marker in Road Looking West



SE Property Boundary Marker in Road Looking Northeast

**ADDITIONAL PHOTOGRAPHS**



Northeast Property Boundary Marker Looking Southwest



Northeast Property Boundary Marker Looking Northwest



Stillwater River along Northeast Portion of Tract 9



Martin Camp Road Looking Northeast



Good Creek Road Looking East

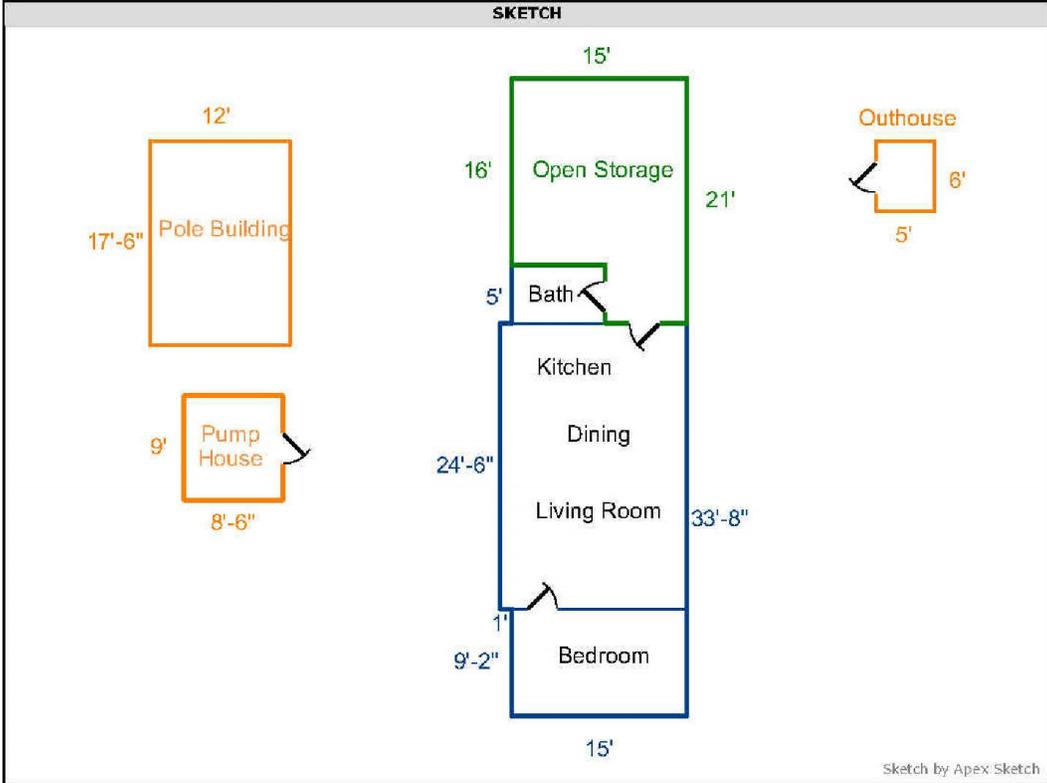


Good Creek Road Looking West

# TRACT 3 BUILDING SKETCH

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO				
File No.:	Parcel No.:			
Property Address: Tract 3 Olney Cabin Sites				
City: Olney	County: Flathead	State: MT	ZipCode: 59927	
Owner:				
Client: MT DNRC		Client Address:		
Appraiser Name: Clark Real Estate Appraisal			Inspection Date: 7/20/21	



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	569.5	109.3	569.5		
GAR	Open Storage	1.0	275.0	72.0	275.0		
OTH	Pole Building	1.0	210.0	59.0	316.5		
	Outhouse	1.0	30.0	22.0			
	Pump House	1.0	76.5	35.0			
Net LIVABLE      cnt      1      (rounded)      570						COMMENT TABLE 2	COMMENT TABLE 3

**TRACT 3 SUBJECT PHOTOGRAPHS**



Front of Cabin on Tract 3



Front of Cabin on Tract 3



North Side of Cabin & Attached Storage Building



West Side of Attached Storage Building & Cabin



South Side of Cabin



Cabin Living Room

ADDITIONAL PHOTOGRAPHS



Bathroom



Kitchen & Dining Area



Bedroom



Outhouse



Outhouse Interior



Pole Building

**ADDITIONAL PHOTOGRAPHS**



Pump House



Tract 3 Interior Looking South



Rock Creek along West Property Boundary



Rock Creek



Rock Creek



Rock Creek

**ADDITIONAL PHOTOGRAPHS**



Northwest Property Boundary Marker



Northeast Property Boundary Marker Looking Northwest



Northeast Property Boundary Marker Looking South



Southeast Property Boundary Marker Looking North



Southeast Property Boundary Marker Looking West



Southwest Property Boundary Marker Looking North

**ADDITIONAL PHOTOGRAPHS**



Southwest Property Boundary Marker Looking East



Driveway to Tract 3



Old Fort Steel Trail Looking Southeast



Old Fort Steel Trail Looking Northwest

## SUBJECT MARKET ANALYSIS

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

### Subject Productivity Analysis

#### General Property Description

The subject sites range in size from 1.045 acres to 4.00 acres. Subject Lots 4, 11, 19, 24, Parcel 3, and Parcel 2 of COS #21331 and Tract 9 of COS #21990 are in or near the community of Olney. Parcels 3 and 2 include frontage along Dog Creek and Tract 9 of COS #21990 includes frontage along the Stillwater River. Tract 3 of COS #21787 is located in a more remote area of Olney and includes frontage along Rock Creek.

#### Area Land Use Trends

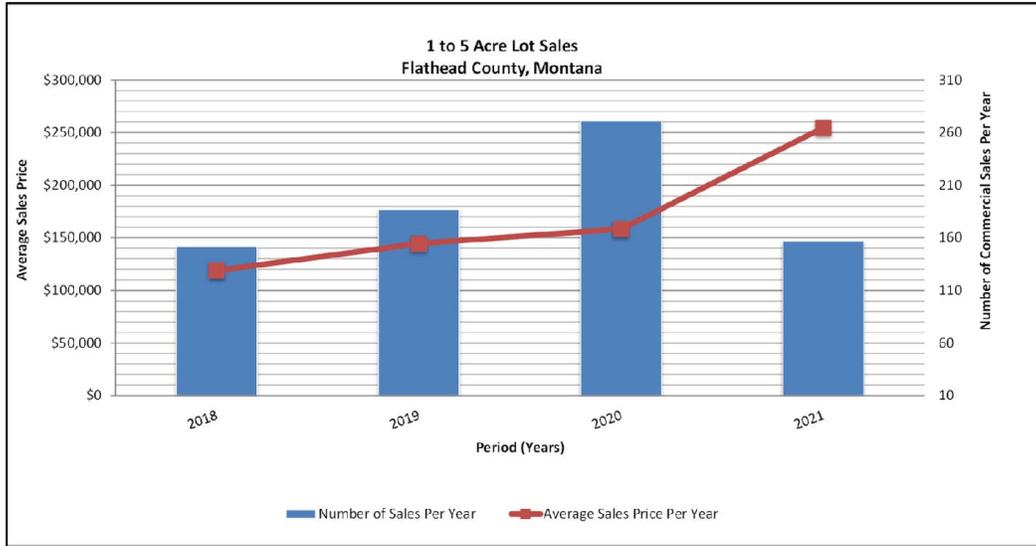
Olney is a small community in the Northwest portion of Flathead County near the boundary with Lincoln County, Montana. Most lots in the main community area are improved with single family residences. The greater area is attractive for recreational purposes due to the abundance of public land, lakes, rivers, and creeks.

### Potential Users of Subject Property

The potential users of the subject properties would be market participants seeking to own recreational/residential property in a rural portion of Flathead County, Montana.

### Demand Analysis

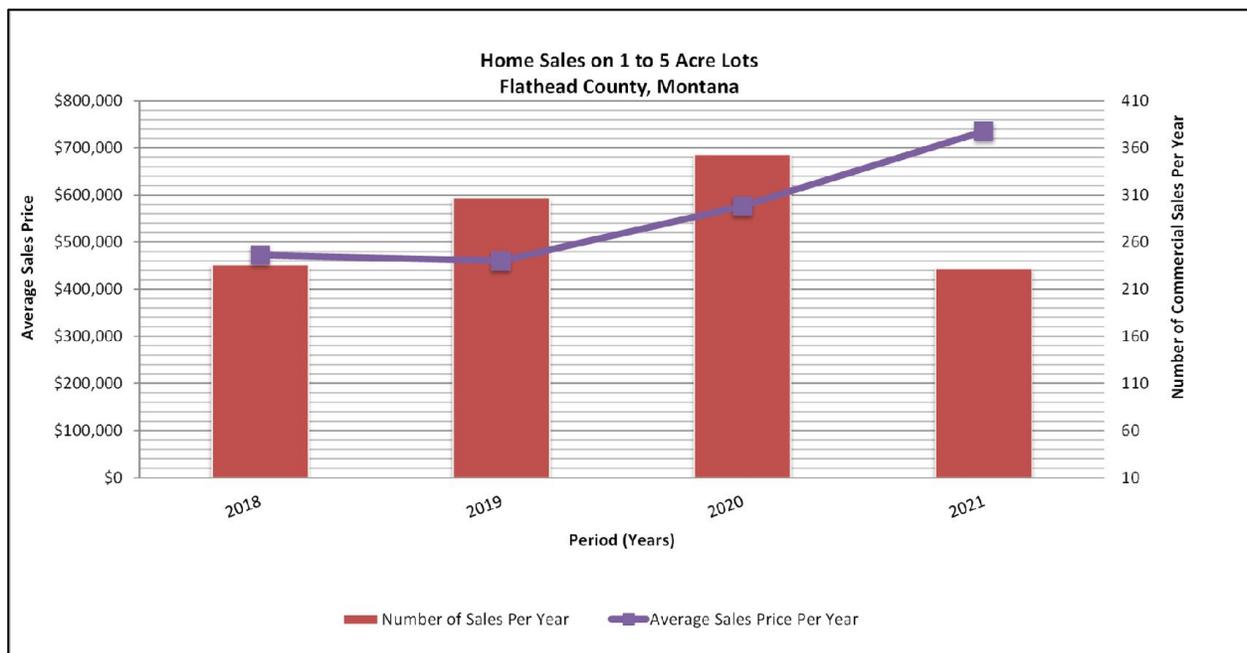
Analysis of historical activity (also known as Inferred Demand Analysis) can shed light on future demand. We conducted a search of the area MLS for sales of vacant residential sites, in Flathead County, with no water frontage, and ranging in size from 1.00 to 5.00 acres. Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the regional MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of this search are on the following page.



This data indicates that the average sales prices within the search parameters selected increased approximately 10% to 20% per year from 2018 through 2020. The average sales price increased by approximately 61% from 2020 to 2021 year-to-date. The average sales price has increased substantially for 1.00 to 5.00 acre lots in Flathead County since 2020.

**Residential Improved Properties**

We conducted a search of the area MLS for sales of single family residences, in Flathead County, with no water frontage, and on sites ranging in size from 1.00 to 5.00 acres. Montana is a non-disclosure state and every sale does not transfer via the area MLS; however, the regional MLS data is considered to provide an accurate depiction of general trends in real estate transfers. The results of this search are below.



This data indicates that the average home sales prices within the search parameters selected increased approximately by approximately 25% from 2019 to 2020. The average home sales price increased by approximately 28% from 2020 to 2021 year-to-date.

## **Competitive Supply**

### **Vacant Home Sites**

There 111 lots in the search parameters identified as active pending, or under contract. The average list price for these listings was \$321,079. **This is significant increase from the average price of the closed sales.**

### **Residential Improved Properties**

There 130 single family residences in the search parameters identified as active pending, or under contract. The average list price for these listings was \$1,202,553. **This is significant increase from the average price of the closed sales.**

## **Interaction of Supply and Demand**

### **Vacant Home Sites**

There is a less than 1 year supply of lots in the search parameters located. Demand exceeds annual supply.

### **Residential Improved Properties**

There is a less than 1 year supply of lots in the search parameters located. Demand exceeds annual supply.

## **Subject Marketability Conclusion**

### **Vacant Home Sites**

Due to the remote location of the subject lots, they are considered to have average or below average marketability compared to the competitive set.

### **Residential Improved Properties**

Due to the remote location of the subject single family residences, they are considered to have average or below average marketability compared to the competitive set.

## **Estimated Marketing and Exposure Times**

The average days on market for lot sales presented was 210 days in 2020 and 163 in 2021 Year-to-Date. Based upon this data, a **marketing time** between 6 to 12 months is appropriate for the subject lots as if vacant. If the subject lots had sold as if vacant on the effective date of this report, at the appraised values concluded, 6 to 12 month **exposure times** would have been reasonable.

The 353 home sales in Flathead County (in the search parameters selected) that closed in 2020 were marketed for an average of 104 days. The 232 home sales in Flathead County that closed in 2021 Year-to-Date were marketed for 83 days. A **marketing time** between 2 to 4 months are appropriate for the subject properties as improved. If the subject properties as improved had sold

on the effective date of this report, at the appraised values concluded in this report, 2 to 4 month **exposure time** would have been reasonable.

## HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

## **SUBJECT PROPERTIES - AS IF VACANT**

### *Legally Permissible*

The subject lots are in areas of Flathead County which are essentially not zoned.

### *Physically Possible*

There is sufficient space on each subject site for a single family residence and/or a manufactured home, and related outbuildings. All necessary utilities are available to each site.

### *Financially Feasible*

Most lots similar in size to the subject lots in the area are improved with single family residences or manufactured homes. Use of the subject lots for construction of single family residences and/or placement of manufactured homes are 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/or manufactured homes for recreational and/or residential use.

### *Highest and Best Use*

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

## **AS IMPROVED**

The subject lots all include single family residences or manufactured homes. There is market acceptance of many types of residences on lots in the subject market area. Alteration of the subject residences on these sites for any use other than as single family homes or manufactured homes would require large capital expenditures. Continued use as single family residences or manufactured homes for the subject properties 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. 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.

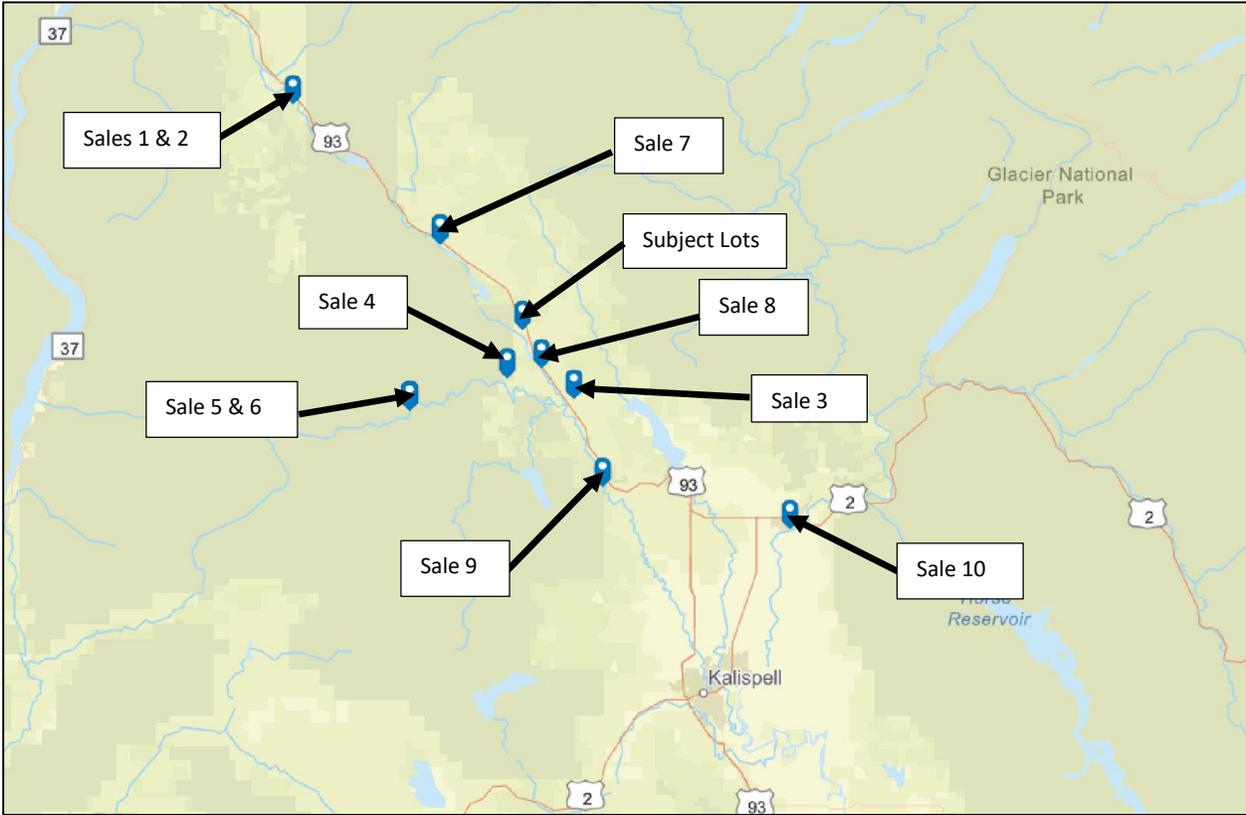
## LOT SALES

We conducted a search for sales of sites similar to each subject lot. Due to the differences between each subject lot and the limited amount of vacant site sales in Olney, it was necessary to expand the search back to 2018 and to areas further from the subject properties. The most applicable sales were selected for the valuation of each subject lot. The sales selected are summarized on the table below.

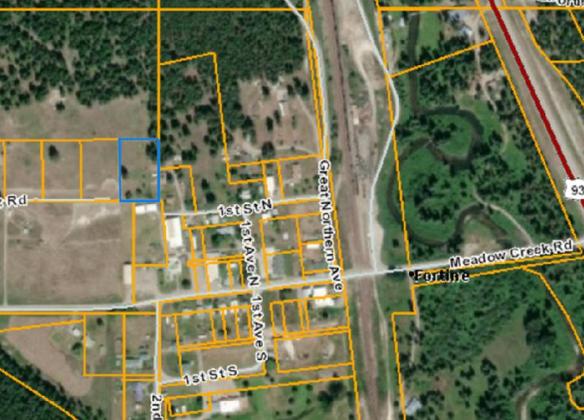
Sale #	Address	City	Site Size/Acres	Water Frontage Name	Sale Date	Sales Price*
1	Lot 5, NHN Khaz Rd	Fortine	1.000	None	2021	\$40,000
2	Lot 4, NHN Khaz Rd	Fortine	1.000	None	2021	\$34,999
3	Lot 5, Lupfer Heights	Whitiefish	5.000	None	2021	\$105,000
4	770 Potter Creek Rd	Olney	9.906	Seasonal Stream	2020	\$85,000
5	3737 Good Creek Rd	Olney	1.970	Good Creek	2018	\$39,000
6	3739 Good Creek Rd	Olney	1.360	Good Creek	2019	\$44,500
7	37 Little Cove Rd	Olney	4.500	Stillwater River	2020	\$95,000
8	6665 Us Hwy 93 N	Olney	1.000	Stillwater River	2020	\$94,000
9	NHN Wollan Way	Whitiefish	6.012	Stillwater River	2021	\$190,000
10	830 Riparian Dr	Columbai Falls	0.637	Flathead River	2020	\$155,000
<b>*Sales Price for Sale 8 Adjusted for Improvements</b>						

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 on the following page.

**Map of Comparable Lot Sales**



## LAND SALE 1

COMPARABLE SALE INFORMATION			
	<b>Location</b>	Lot 5 - NHN Khaz Road	
	<b>City/State</b>	Fortine, MT	
	<b>County</b>	Lincoln	
	<b>Assessor Number</b>	0000014319	
	<b>Zoning</b>	Unzoned Portion of Lincoln County	
	<b>Site Size: Acres</b>	1.000	
	<b>Square Feet</b>	43,560	
	<b>Date of Sale</b>	July 7, 2021	
	<b>Sales Price</b>	\$40,000	
	<b>Less Cost of Improvements*</b>	\$0	
	<b>Sales Price Adjusted</b>	\$40,000	
	<b>MLS #</b>	22105345	
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$40,000	<b>Price per Square Foot</b>	\$0.92
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Yerramilli, Saran, Bates, Gill	<b>Grantee</b>	Ross Holter & Janet Holter
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	294357
		<b>Marketing Time</b>	126 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Jeffrey Loomis, Listing Agent
<b>Legal Description</b>	Lot 5 of Khaz Subdivision	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S25/T35N/R26W		
PROPERTY DETAILS			
<b>Access</b>	Gravel Subdivision Road	<b>View</b>	Meadow, Trees, Mountains
<b>Topography</b>	Gradual Slope	<b>Lot Dimensions</b>	Approximately 172' x 253'
<b>Flood Plain</b>	According to Flood Map # 3001570425B, this property is not located in an area of elevated flood risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	N/A	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity & Telephone Available	<b>Miscellaneous</b>	Property is part of a 5 lot subdivision and is governed by CC&R's. The CC&R's prohibit manufactured homes and establish a road user's agreement for the 5 lot owners.
		<b>Report File #</b>	21-038ec

## LAND SALE 2

COMPARABLE SALE INFORMATION			
	<b>Location</b>		Lot 4 - NHN Khaz Road
	<b>City/State</b>		Fortine, MT
	<b>County</b>		Lincoln
	<b>Assessor Number</b>		0000014320
	<b>Zoning</b>		Unzoned Portion of Lincoln County
	<b>Site Size: Acres</b>		1.000
	<b>Square Feet</b>		43,560
	<b>Date of Sale</b>		June 4, 2021
	<b>Sales Price</b>		\$34,999
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$34,999
	<b>MLS #</b>		22100299
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$34,999	<b>Price per Square Foot</b>	\$0.80
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Jaslene Atwal	<b>Grantee</b>	Ross Holter & Janet Holter
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	293734
		<b>Marketing Time</b>	147 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Jeffrey Loomis, Listing Agent
<b>Legal Description</b>	Lot 4 of Khaz Subdivision	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S25/T35N/R26W		
PROPERTY DETAILS			
<b>Access</b>	Gravel Subdivision Road	<b>View</b>	Meadow, Trees, Mountains
<b>Topography</b>	Gradual Slope	<b>Lot Dimensions</b>	Approximately 172' x 253'
<b>Flood Plain</b>	According to Flood Map # 3001570425B, this property is not located in an area of elevated flood risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	N/A	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity & Telephone Available	<b>Miscellaneous</b>	Property is part of a 5 lot subdivision and is governed by CC&R's. The CC&R's prohibit manufactured homes and establish a road user's agreement for the 5 lot owners.
		<b>Report File #</b>	21-038ec

## LAND SALE 3

COMPARABLE SALE INFORMATION			
	<b>Location</b>		Lot 5 of Lupfer Heights Subdivision
	<b>City/State</b>		Whitefish, MT
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000508116
	<b>Zoning</b>		Unzoned Portion of Flathead County
	<b>Site Size: Acres</b>		5.000
	<b>Square Feet</b>		217,800
	<b>Date of Sale</b>		January 12, 2021
	<b>Sales Price</b>		\$105,000
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$105,000
	<b>MLS #</b>		21811972
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$21,000	<b>Price per Square Foot</b>	\$0.48
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Whispering Trails, LLC	<b>Grantee</b>	Derek L. Vandeberg
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202100001419
		<b>Marketing Time</b>	853 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Kory McGavin, Listing Agent
<b>Legal Description</b>	Lot 5 of Lupfer Heights Subdivision	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S03/T31N/R23W		
PROPERTY DETAILS			
<b>Access</b>	Gravel Subdivision Road	<b>View</b>	Trees, Mountains
<b>Topography</b>	Rolling, Sloped	<b>Lot Dimensions</b>	293.67' x 609.21' x 357.55' x 687.95'
<b>Flood Plain</b>	According to Flood Map # 30029C1050G, the property is not located in an area of elevated flood risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	N/A	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity & Telephone Available	<b>Miscellaneous</b>	Subject property is 5.00 Gross Acres / 4.721 Net Acres. The acreage difference is the result of a drainfield easement for adjacent lot 4 and road and utility easements.
		<b>Report File #</b>	21-038ec

## LAND SALE 4

COMPARABLE SALE INFORMATION			
	<b>Location</b>		770 Potter Creek Road
	<b>City/State</b>		Olney, MT
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000007580
	<b>Zoning</b>		Unzoned Portion of Flathead County
	<b>Site Size: Acres</b>		9.906
	<b>Square Feet</b>		431,505
	<b>Date of Sale</b>		July 28, 2020
	<b>Sales Price</b>		\$85,000
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$85,000
	<b>MLS #</b>		22002217
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$8,581	<b>Price per Square Foot</b>	\$0.20
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Anne M. Cook & Lonnie E. Cook	<b>Grantee</b>	Travis Guckenberger & Breann Guckenberger
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202000021175
		<b>Marketing Time</b>	159 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Bruce Homme, Listing Agent
<b>Legal Description</b>	Tract 1 of Certificate of Survey #18813	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S25/T32N/R24W		
PROPERTY DETAILS			
<b>Access</b>	Gravel Road	<b>View</b>	Trees, Mountains
<b>Topography</b>	Relatively Level	<b>Lot Dimensions</b>	1316.41' x 327.83' x 1316.61' x 327.72'
<b>Flood Plain</b>	According to Flood Map # 30029C0740G, the property is not located in an area of elevated flood risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	Seasonal Stream	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity & Telephone Available	<b>Miscellaneous</b>	According to the listing, prior property owner was unable to get septic approval due to high water table. Property borders State and Federal Forest Lands.
		<b>Report File #</b>	21-038ec

## LAND SALE 5

COMPARABLE SALE INFORMATION			
	<b>Location</b>		3729 Good Creek Road
	<b>City/State</b>		Olney, Montana
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000634245
	<b>Zoning</b>		Unzoned
	<b>Site Size: Acres</b>		1.360
	<b>Square Feet</b>		59,242
	<b>Date of Sale</b>		October 2, 2019
	<b>Sales Price</b>		\$44,500
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$44,500
	<b>MLS #</b>		21911322
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$32,721	<b>Price per Square Foot</b>	\$0.75
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Owner</b>	Leonard Investments, LLC	<b>Grantee</b>	James W. Dyon & Michelle L. Dyon
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	201900025009
<b>Financing/Conditions</b>	Cash/Market	<b>Marketing Time</b>	86 Days on Market
<b>Legal Description</b>	Lot 9A of the Amended Plat of Lots 8 & 9 of Good Creek No. 1, Flathead	<b>Verified By</b>	Lindsay Fansler
<b>Section/Township/Range</b>	S1/T31N/R25W	<b>Intended Use/Comments</b>	Purchased for Recreational Use
PROPERTY DETAILS			
<b>Access</b>	County Gravel Road	<b>View</b>	Mountains, Trees, Creek
<b>Topography</b>	Level	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to Flood Map # 30029C1025G, this property is in an area of minimal flood hazard.	<b>Improvements</b>	None
<b>Water Frontage</b>	Good Creek		
<b>Feet of Water Frontage</b>	184.62 Feet of Creek Frontage	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	None	<b>Miscellaneous</b>	Vehicular access to this property is seasonal. Good Creek flows directly along this property.
<b>Report File #</b> 20-048ec			

## LAND SALE 6

COMPARABLE SALE INFORMATION			
	<b>Location</b>		3737 Good Creek Road
	<b>City/State</b>		Olney, Montana
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0634250
	<b>Zoning</b>		Unzoned
	<b>Site Size: Acres</b>		1.970
	<b>Square Feet</b>		85,813
	<b>Date of Sale</b>		June 7, 2018
	<b>Sales Price</b>		\$39,000
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$39,000
	<b>MLS #</b>		21804095
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$19,797	<b>Price per Square Foot</b>	\$0.45
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Owner</b>	Aaron J. Bahner & Cammy L. Bahner	<b>Grantee</b>	Carson Wentz
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	201800011306
		<b>Marketing Time</b>	51 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Meg McLaughlin, Listing Agent
<b>Legal Description</b>	Lots 10 & 11 of Good Creek No. 1, Flathead County, Montana	<b>Intended Use/Comments</b>	Purchased for Recreational Use
<b>Section/Township/Range</b>	S1/T31N/R25W		
PROPERTY DETAILS			
<b>Access</b>	County Gravel Road	<b>View</b>	Mountains, Trees, Creek
<b>Topography</b>	Level	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to Flood Map # 30029C1025G, this property is in an area of minimal flood hazard.	<b>Improvements</b>	None
<b>Water Frontage</b>	Good Creek		
<b>Feet of Water Frontage</b>	356.38 Feet of Creek Frontage	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	None	<b>Miscellaneous</b>	According to the listing agent, approximately half of this site experiences seasonal flooding and is under water a portion of the year.
<b>Report File #</b> 19-026ec			

## LAND SALE 7

COMPARABLE SALE INFORMATION			
	<b>Location</b>		37 Little Cove Road
	<b>City/State</b>		Olney, MT
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000504009
	<b>Zoning</b>		Flathead County Scenic Corridor
	<b>Site Size: Acres</b>		4.500
	<b>Square Feet</b>		196,020
	<b>Date of Sale</b>		July 24, 2020
	<b>Sales Price</b>		\$95,000
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$95,000
	<b>MLS #</b>		22008713
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$21,111	<b>Price per Square Foot</b>	\$0.48
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Elizabeth Irene Costigan	<b>Grantee</b>	Thomas Brazan & Laura Brazan
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202000020642
		<b>Marketing Time</b>	38 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Stephanie Sunshine, Listing Agent
<b>Legal Description</b>	Lot 3 of Stillwater Cove	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S16/T33N/R24W		
PROPERTY DETAILS			
<b>Access</b>	Gravel Road	<b>View</b>	River, Trees, Mountains
<b>Topography</b>	Relatively Level	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	A flood map panel for the property was not located. It appears that approximately 60% of the property is wetland or riparian area. However, the likely building area appears to be elevated.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	632' on Stillwater River	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity & Telephone Available	<b>Miscellaneous</b>	Property is part of a 4 lot subdivision with a homeowner's park. Property is subject to CC&R's that limit use to single-family residential and cover type and size of dwelling.
		<b>Report File #</b>	21-038ec

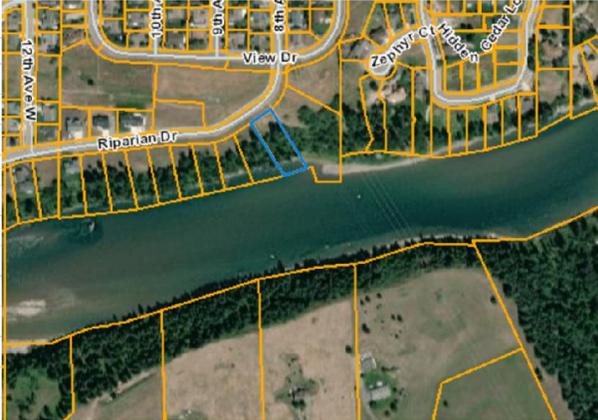
## LAND SALE 8

COMPARABLE SALE INFORMATION			
	<b>Location</b>		6665 US Highway 93 N.
	<b>City/State</b>		Olney
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000314750
	<b>Zoning</b>		Flathead County Scenic Corridor
	<b>Site Size: Acres</b>		1.530
	<b>Square Feet</b>		66,647
	<b>Date of Sale</b>		January 8, 2020
	<b>Sales Price</b>		\$219,000
	<b>Less Cost of Improvements*</b>		\$125,000
	<b>Sales Price Adjusted</b>		\$94,000
	<b>MLS #</b>		21917532
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$61,438	<b>Price per Square Foot</b>	\$1.41
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Roberta Jo White & Jamin D. White	<b>Grantee</b>	Kimberly M. Leif
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202000000642
<b>Financing/Conditions</b>	Conventional/Market	<b>Marketing Time</b>	77 Days on Market
<b>Legal Description</b>	Parcel B of Certificate of Survey #16165	<b>Verified By</b>	Bobbi Jo White, Listing Agent
<b>Section/Township/Range</b>	S29/T32N/R23W	<b>Intended Use/Comments</b>	Purchased for Residential Use
PROPERTY DETAILS			
<b>Access</b>	Gravel Road	<b>View</b>	River, Trees, Mountains
<b>Topography</b>	Level, gradual slope to river	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to Flood Map #30029C0745G dated November 28 2007, the northwest portion of the property that borders the Stillwater River is in an area of elevated flood risk. The remainder of the property is not in an area of elevated flood risk.	<b>Improvements</b>	The property was improved with a single-family residence that was in fair condition and according to the listing needed some TLC. According to the Montana Department of Revenue 2020 Tax Bill for the property, the improvements had a value of \$107,000. Other improvements included a garage/shop building, a well, and septic system.
<b>Feet of Water Frontage</b>	Approximately 130' on Stillwater River	<b>Value of Improvements</b>	\$125,000
<b>Utilities</b>	Electricity, Telephone, Well, Septic System	<b>Miscellaneous</b>	Property is located at a bend in the Stillwater River and offers expansive views of the river and mountains to the north.
		<b>Report File #</b>	21-038ec

## LAND SALE 9

COMPARABLE SALE INFORMATION			
	<b>Location</b>		NHN Wollan Way
	<b>City/State</b>		Whitefish, NT
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000011730
	<b>Zoning</b>		Unzoned Portion of Flathead County
	<b>Site Size: Acres</b>		6.012
	<b>Square Feet</b>		261,883
	<b>Date of Sale</b>		January 8, 2021
	<b>Sales Price</b>		\$190,000
	<b>Less Cost of Improvements*</b>		\$0
	<b>Sales Price Adjusted</b>		\$190,000
	<b>MLS #</b>		22012614
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$31,603	<b>Price per Square Foot</b>	\$0.73
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Kevin McCluskey & Laura Strong & Kelsey McCluskey	<b>Grantee</b>	Justin Clifton and Jana Clifton
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202100001045
		<b>Marketing Time</b>	178 Days on Market
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Michael Anderson, Listing Agent
<b>Legal Description</b>	Tract 3 of COS #17394	<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S31/T31N/R22W		
PROPERTY DETAILS			
<b>Access</b>	Private Gravel Road	<b>View</b>	River, Trees, Mountains
<b>Topography</b>	Level bench, sloping to river	<b>Lot Dimensions</b>	724.85' x 363.97' x 724.51' x 358.83'
<b>Flood Plain</b>	According to Flood Map #30029C1065J dated November 4, 2015, the portion of the property along the Stillwater River is in an area of elevated flood risk.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	364' on Stillwater River	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity to site.	<b>Miscellaneous</b>	Stillwater River runs across the east portion of the parcel. A small portion of the parcel is across the river.
		<b>Report File #</b>	21-038ec

## LAND SALE 10

COMPARABLE SALE INFORMATION			
	<b>Location</b>	830 Riparian Drive	
	<b>City/State</b>	Columbia Falls, MT	
	<b>County</b>	Flathead	
	<b>Assessor Number</b>	0000502871	
	<b>Zoning</b>	Columbia Falls CR-3 (1 Family Res)	
		0.637	
	<b>Square Feet</b>	27,748	
	<b>Date of Sale</b>	October 1, 2020	
	<b>Sales Price</b>	\$155,000	
	<b>Less Cost of Improvements*</b>	\$0	
	<b>Sales Price Adjusted</b>	\$155,000	
	<b>MLS #</b>	22010653	
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$243,328	<b>Price per Square Foot</b>	\$5.59
		<b>Price Per Front Foot</b>	N/A
TRANSFER INFORMATION			
<b>Grantor</b>	Paul S. Szymarek & Dena M. Szymarek	<b>Grantee</b>	Dana L. Kuzma
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202000032663
<b>Financing/Conditions</b>	Conventional/Market	<b>Marketing Time</b>	78 Days on Market
<b>Legal Description</b>	Lot 20 of River Park Estates Phase 3	<b>Verified By</b>	Sharon Kahle, Listing Agent
		<b>Intended Use/Comments</b>	Purchased for Residential Use
<b>Section/Township/Range</b>	S17/T30N/R20W		
PROPERTY DETAILS			
<b>Access</b>	Paved City Street	<b>View</b>	River, Trees, Mountains
<b>Topography</b>	Level bench, sloping to river	<b>Lot Dimensions</b>	100.10' x 291.92' x 102.86' x 264.14'
<b>Flood Plain</b>	According to Flood Map #30029C1430J dated November 4, 2015, a significant portion of the property is in an area of elevated flood risk. Approximately 60% of the parcel slopes steeply to the river.	<b>Improvements</b>	None
<b>Feet of Water Frontage</b>	102' on Flathead River	<b>Value of Improvements</b>	\$0
<b>Utilities</b>	Electricity, Gas, Telephone to Site.	<b>Miscellaneous</b>	Property is located within the city limits of Columbia Falls and is part of a subdivision that includes a community beach. There are protective CC&R's for the subdivision.
			<b>Report File #</b> 21-038ec

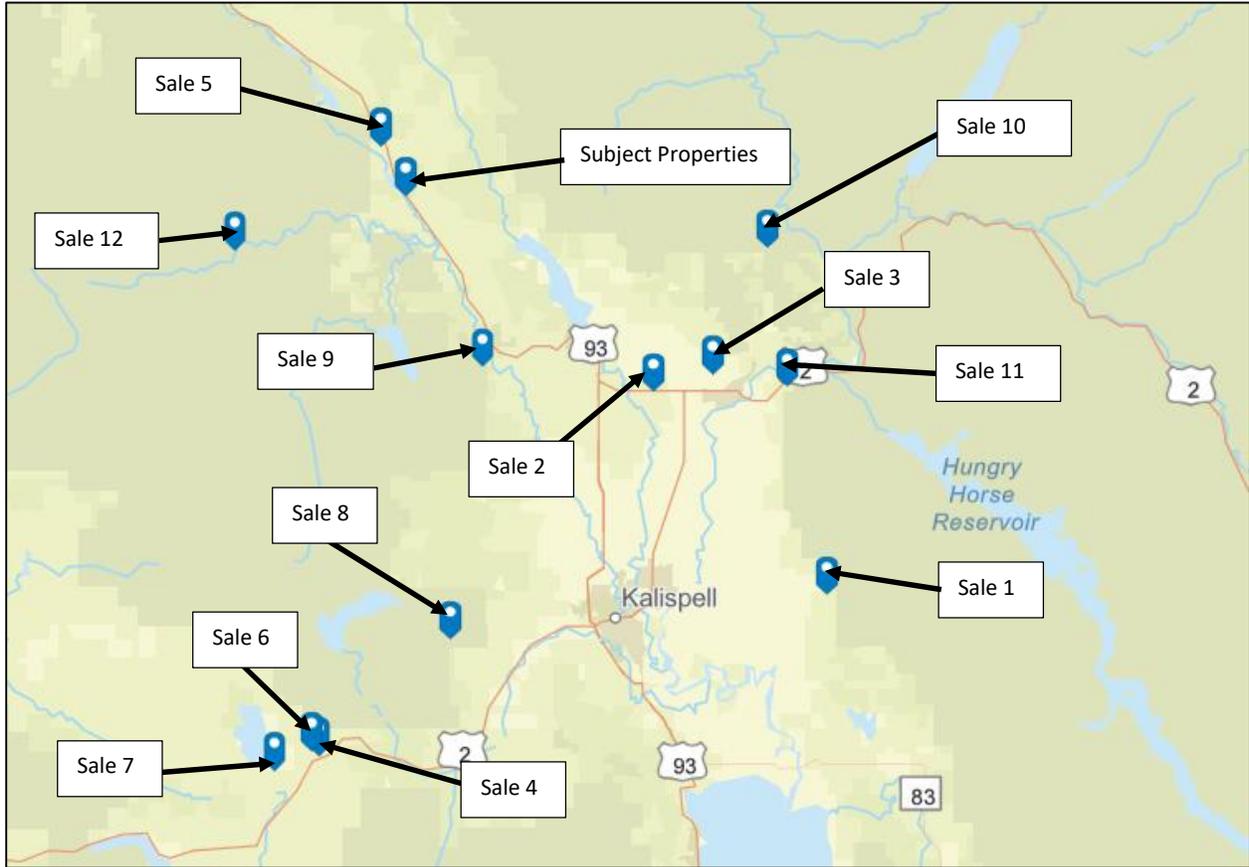
## HOME SALES

We conducted a search for sales of homes similar to each subject home. Due to the differences between each subject home and the limited amount of home sales in Olney, it was necessary to expand the search back to 2019 and to areas further from the subject properties. The most applicable sales were selected for the valuation of each subject home. The sales selected are summarized on the table below.

Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	1627 Foothill Rd	Kalispell	2020	\$415,000	\$100,000	\$315,000
Home Sale 2	3695 MT Hwy 40	Columbia Falls	2021	\$450,000	\$250,000	\$200,000
Home Sale 3	1408 Tamarack Ln	Columbia Falls	2020	\$405,000	\$200,000	\$205,000
Home Sale 4	204 Old Creek Rd	Marion	2020	\$115,000	\$55,000	\$60,000
Home Sale 5	6880 US Hwy 93 N	Olney	2020	\$199,000	\$40,000	\$159,000
Home Sale 6	105 Bitterroot Estates Dr	Marion	2020	\$215,000	\$55,000	\$160,000
Home Sale 7	1015 N Bitterroot Rd	Marion	2020	\$499,000	\$55,000	\$444,000
Home Sale 8	570 Little Ashley Trail	Kalispell	2021	\$415,000	\$75,000	\$340,000
Home Sale 9	6510 Farm to Market Rd	Whitefish	2020	\$575,000	\$165,000	\$410,000
Home Sale 10	1100 Lake Dr	Columbia Falls	2020	\$269,900	\$210,000	\$59,900
Home Sale 11	1621 Monte Vista Dr	Columbia Falls	2020	\$145,000	\$50,000	\$95,000
Home Sale 12	3725 Good Creek Rd	Olney	2019	\$150,000	\$45,000	\$105,000

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 sale is on the following page.

## Map of Comparable Home Sale



























## **PROPERTY VALUATIONS**

## LOT 4 OF COS # 21331

### Site Value Estimate

Land Sales 1, 2, 3, and 4 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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 4 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	10 Olney Loop	Lot 5, Khaz Rd	Lot 4, Khaz Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Fortine, MT	Fortine, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$40,000	\$34,999	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/07/21	06/04/21	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.01</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$40,114	\$35,352	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>1.055</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$40,114</b>	<b>\$35,352</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Fortine</b>	<b>Fortine</b>	<b>Whitefish</b>	<b>Olney</b>
		Inferior +	Inferior +	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Equal =	Equal =
<b>SHAPE</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Paved County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Equal =	Equal =	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Equal =	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>1.055</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior - -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior - -	Superior - -
<b>VALUE INDICATIONS</b>		> \$40,114	> \$35,352	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sale 4 are in Olney. Land Sale 4 is identified as Equal = compared to the subject property in this category. Land Sales 1 and 2 are located in Fortine and Land Sale 3 is located in greater Whitefish. Based upon analysis of average sales prices for vacant land in these areas compared to prices for vacant land in Olney, Land Sales 1 and 2 are identified as Inferior + and Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property and Land Sales 1, 2, and 3 do not include water frontage. Land Sale 4 includes a seasonal stream within the property boundaries. Based upon analysis of the actions of market participants relative to water frontage, the comparables are identified as Equal = compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

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

*Frontage/Access:* The subject and comparables all have access via county roads. The comparables are identified as Equal = compared to the subject property in this category.

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and comparables have access to electricity and telephone service. The comparables are all identified as Equal = compared to the subject in this category.

*Size/Acres:* The subject property site totals 1.055 acres in size. Land Sales 1 and 2 total 1.00 acres each and are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are

identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$40,114, greater than \$35,352, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 1 and 2 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$50,270. We have rounded this to the nearest \$1,000 for a final value conclusion of \$50,000.

Value Indication	\$50,270
<b>Rounded To</b>	<b>\$50,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 4 OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	10 Olney Loop	1627 Foothill Rd	3695 MT Hwy 40	1408 Tamarack Ln
LOCATION	Olney, MT	Kalispell, MT	Columbia Falls, MT	Columbia Falls, MT
SALES PRICE		\$415,000	\$450,000	\$405,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/27/21	11/30/20	11/06/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.01</b>	<b>1.05</b>	<b>1.06</b>
ADJUSTED PRICE		\$419,912	\$472,882	\$427,724
LESS SITE VALUE		(\$100,000)	(\$250,000)	(\$200,000)
ADJUSTED IMPROVEMENT PRICE		\$319,912	\$222,882	\$227,724
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Poor</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		-\$63,982	-\$44,576	-\$45,545
<b>CONDITION</b>	<b>Poor</b>	<b>Good</b>	<b>Average</b>	<b>Good</b>
		-\$95,974	-\$44,576	-\$68,317
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
		-\$5,000	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,842</b>	<b>2,408</b>	<b>1,694</b>	<b>2,176</b>
		-\$33,960	\$8,880	-\$20,040
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>1,380 SF Shop</b>	<b>Equal</b>	<b>Equal</b>	<b>Equal</b>
		\$0	\$0	\$0
<b>TOTAL ADJUSTMENT</b>		<b>-\$198,916</b>	<b>-\$85,273</b>	<b>-\$138,902</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-62%</b>	<b>-38%</b>	<b>-61%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$120,996</b>	<b>\$137,609</b>	<b>\$88,822</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Poor quality construction. The comparables are all considered to be of Average quality of construction. We have made downward adjustments of 20% (10% per category difference) to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction quality.

*Condition:* The subject residence is considered to be in Poor condition. Home Sales 1 and 3 are considered to be in Good condition and Home Sale 2 is considered to be in Average condition. Downward adjustments of 10% per category difference were made to these sales for condition. This adjustment is considered reflective of the actions of market participants with regard to condition.

*Bathrooms:* The subject residence has 1 bathroom. The comparables include 2 full bathrooms. Downward adjustments of \$5,000 were made to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction condition.

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

*Finished Basement Size:* The subject and comparables do not include finished basements. No adjustments were 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 outbuilding was estimated based upon depreciated cost calculated on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Shop	1,380	Section 14/Page 14	\$49.50	\$68,310
<b>Total Cost New</b>				\$68,310
<b>Less Depreciation - Age/Life - 20/30 Years = 67%</b>				<u>-\$45,768</u>
<b>Depreciated Cost Estimate</b>				\$22,542
<b>Rounded To</b>				\$23,000

### Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$120,996, \$137,609 and \$88,822. Approximately equal weight is accorded the adjusted indications from all three home sales. The average of the indications is \$115,809. We have rounded this to the nearest \$1,000. A market value of \$116,000 is reasonable and well supported for the subject improvements.

**Improvement Value** **\$116,000**

### Total Value Conclusion

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

Subject Site Value	\$ 50,000
Subject Improvements Value	<u>\$116,000</u>
<b>Total Value Indication</b>	<b>\$166,000</b>

## LOT 11 OF COS #21331

### Site Value Estimate

Land Sales 1, 2, 3, and 4 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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 11 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	18 First Ave North	Lot 5, Khaz Rd	Lot 4, Khaz Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Fortine, MT	Fortine, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$40,000	\$34,999	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/07/21	06/04/21	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.01</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$40,114	\$35,352	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>1.045</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$40,114</b>	<b>\$35,352</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Fortine</b>	<b>Fortine</b>	<b>Whitefish</b>	<b>Olney</b>
		Inferior +	Inferior +	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Equal =	Equal =
<b>SHAPE</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Paved County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Equal =	Equal =	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Equal =	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>1.045</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior - -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior - -	Superior - -
<b>VALUE INDICATIONS</b>		> \$40,114	> \$35,352	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sale 4 are in Olney. Land Sale 4 is identified as Equal = compared to the subject property in this category. Land Sales 1 and 2 are located in Fortine and Land Sale 3 is located in greater Whitefish. Based upon analysis of average sales prices for vacant land in these areas compared to prices for vacant land in Olney, Land Sales 1 and 2 are identified as Inferior + and Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property and Land Sales 1, 2, and 3 do not include water frontage. Land Sale 4 includes a seasonal stream within the property boundaries. Based upon analysis of the actions of market participants relative to water frontage, the comparables are identified as Equal = compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

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

*Frontage/Access:* The subject and comparables all have access via county roads. The comparables are identified as Equal = compared to the subject property in this category.

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and comparables have access to electricity and telephone service. The comparables are all identified as Equal = compared to the subject in this category.

*Size/Acres:* The subject property site totals 1.045 acres in size. Land Sales 1 and 2 total 1.00 acres each and are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are

identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$40,114, greater than \$35,352, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 1 and 2 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$50,270. We have rounded this to the nearest \$1,000 for a final value conclusion of \$50,000.

Value Indication	\$50,270
<b>Rounded To</b>	<b>\$50,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 11 OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION	18 First Ave North	1627 Foothill Rd	6680 US Hwy 93 N	105 Bitterroot Estates Dr
LOCATION	Olney, MT	Kalispell, MT	Olney, MT	Marion, MT
SALES PRICE		\$115,000	\$199,000	\$215,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/07/20	01/17/20	05/22/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.08</b>	<b>1.12</b>	<b>1.09</b>
ADJUSTED PRICE		\$124,528	\$222,989	\$234,980
LESS SITE VALUE		(\$55,000)	(\$40,000)	(\$55,000)
ADJUSTED IMPROVEMENT PRICE		\$69,528	\$182,989	\$179,980
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Good</b>	<b>Good</b>
		\$0	-\$18,299	-\$17,998
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
		-\$5,000	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>840</b>	<b>1,344</b>	<b>1,848</b>	<b>1,248</b>
		-\$25,200	-\$50,400	-\$20,400
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>400 SF Shop, 14 SF Storage, 168 SF Lean-to, 288 SF Storage, &amp; 228 Sf Wood Shed</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$16,000	\$7,000	\$16,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$14,200</b>	<b>-\$66,699</b>	<b>-\$27,398</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-20%</b>	<b>-36%</b>	<b>-15%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$55,328</b>	<b>\$116,290</b>	<b>\$152,582</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Average quality construction. The comparables are all considered to be of Average quality of construction and no adjustments were necessary in this category.

*Condition:* The subject residence is considered to be in Average condition. Home Sale 4 is considered to be in Average condition and required no adjustment in this category. Home Sales 5 and 6 are considered to be in Good condition. Downward adjustments of 10% per category difference were made to these sales for condition. This adjustment is considered reflective of the actions of market participants with regard to condition.

*Bathrooms:* The subject residence has 1 bathroom. The comparables include 2 full bathrooms. Downward adjustments of \$5,000 were made to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction condition.

*House Size:* Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$50 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.



## LOT 19 OF COS #21331

### Site Value Estimate

Land Sales 1, 2, 3, and 4 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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 19 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	42 First Ave North	Lot 5, Khaz Rd	Lot 4, Khaz Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Fortine, MT	Fortine, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$40,000	\$34,999	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/07/21	06/04/21	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.01</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$40,114	\$35,352	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>1.619</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$40,114</b>	<b>\$35,352</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Fortine</b>	<b>Fortine</b>	<b>Whitefish</b>	<b>Olney</b>
		Inferior +	Inferior +	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Equal =	Equal =
<b>SHAPE</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Paved County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Equal =	Equal =	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>Lump Sum Adjustment Applied</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Equal =	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>1.619</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior - -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		<b>Inferior +</b>	<b>Inferior +</b>	<b>Superior - -</b>	<b>Superior - -</b>
<b>VALUE INDICATIONS</b>		<b>&gt; \$40,114</b>	<b>&gt; \$35,352</b>	<b>&lt;&lt; \$109,188</b>	<b>&lt;&lt; \$91,651</b>

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
<b>Market Conditions Adjustment</b>				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
<b>Market Conditions Adjustment (Calculated Annually)</b>				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sale 4 are in Olney. Land Sale 4 is identified as Equal = compared to the subject property in this category. Land Sales 1 and 2 are located in Fortine and Land Sale 3 is located in greater Whitefish. Based upon analysis of average sales prices for vacant land in these areas compared to prices for vacant land in Olney, Land Sales 1 and 2 are identified as Inferior + and Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property and Land Sales 1, 2, and 3 do not include water frontage. Land Sale 4 includes a seasonal stream within the property boundaries. Based upon analysis of the actions of market participants relative to water frontage, the comparables are identified as Equal = compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

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

*Frontage/Access:* The subject and comparables all have access via county roads. The comparables are identified as Equal = compared to the subject property in this category.

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site includes an easement for an overhead electrical line that is considered to impact value. The comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category; however, a lump sum adjustment is made in the Reconciliation for this subject easement.

*Electricity/Telephone:* The subject and comparables have access to electricity and telephone service. The comparables are all identified as Equal = compared to the subject in this category.

*Size/Acres:* The subject property site totals 1.619 acres in size. Land Sales 1 and 2 total 1.00 acres each and are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$40,114, greater than \$35,352, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 1 and 2 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the preliminary value indication is \$50,270.

We have adjusted this indication downward by 5% to account for the overhead electrical line easement on the subject property. The adjusted value is \$47,757. We have rounded this to the nearest \$1,000 for a final value conclusion of \$48,000.

Value Indication	\$47,757
<b>Rounded To</b>	<b>\$48,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 19 OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 4	SALE 5	SALE 6
IDENTIFICATION	42 First Ave N	1627 Foothill Rd	6680 US Hwy 93 N	105 Bitterroot Estates Dr
LOCATION	Olney, MT	Kalispell, MT	Olney, MT	Marion, MT
SALES PRICE		\$115,000	\$199,000	\$215,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		07/07/20	01/17/20	05/22/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.08</b>	<b>1.12</b>	<b>1.09</b>
ADJUSTED PRICE		\$124,528	\$222,989	\$234,980
LESS SITE VALUE		(\$55,000)	(\$40,000)	(\$55,000)
ADJUSTED IMPROVEMENT PRICE		\$69,528	\$182,989	\$179,980
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Good</b>	<b>Good</b>
		\$0	-\$18,299	-\$17,998
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
		-\$5,000	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,056</b>	<b>1,344</b>	<b>1,848</b>	<b>1,248</b>
		-\$14,400	-\$39,600	-\$9,600
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>80 SF Chicken Coop</b>	<b>Equal</b>	<b>Superior</b>	<b>Equal</b>
		\$0	-\$9,000	\$0
<b>TOTAL ADJUSTMENT</b>		<b>-\$19,400</b>	<b>-\$71,899</b>	<b>-\$32,598</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-28%</b>	<b>-39%</b>	<b>-18%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$50,128</b>	<b>\$111,090</b>	<b>\$147,382</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Average quality construction. The comparables are all considered to be of Average quality of construction and no adjustments were necessary in this category.

*Condition:* The subject residence is considered to be in Average condition. Home Sale 4 is considered to be in Average condition and required no adjustment in this category. Home Sales 5 and 6 are considered to be in Good condition. Downward adjustments of 10% per category difference were made to these sales for condition. This adjustment is considered reflective of the actions of market participants with regard to condition.

*Bathrooms:* The subject residence has 1 bathroom. The comparables include 2 full bathrooms. Downward adjustments of \$5,000 were made to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction condition.

*House Size:* Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$50 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.



## LOT 24 OF COS #21331

### Site Value Estimate

Land Sales 1, 2, 3, and 4 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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 24 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
IDENTIFICATION	NHh First Ave N	Lot 5, Khaz Rd	Lot 4, Khaz Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Fortine, MT	Fortine, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$40,000	\$34,999	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/07/21	06/04/21	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.01</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$40,114	\$35,352	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>1.064</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$40,114</b>	<b>\$35,352</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Fortine</b>	<b>Fortine</b>	<b>Whitefish</b>	<b>Olney</b>
		Inferior +	Inferior +	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Equal =	Equal =
<b>SHAPE</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Rectangular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Paved County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Equal =	Equal =	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Equal =	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>1.064</b>	<b>1.000</b>	<b>1.000</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior - -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior - -	Superior - -
<b>VALUE INDICATIONS</b>		> \$40,114	> \$35,352	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sale 4 are in Olney. Land Sale 4 is identified as Equal = compared to the subject property in this category. Land Sales 1 and 2 are located in Fortine and Land Sale 3 is located in greater Whitefish. Based upon analysis of average sales prices for vacant land in these areas compared to prices for vacant land in Olney, Land Sales 1 and 2 are identified as Inferior + and Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property and Land Sales 1, 2, and 3 do not include water frontage. Land Sale 4 includes a seasonal stream within the property boundaries. Based upon analysis of the actions of market participants relative to water frontage, the comparables are identified as Equal = compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

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

*Frontage/Access:* The subject and comparables all have access via county roads. The comparables are identified as Equal = compared to the subject property in this category.

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site is bisected by an overhead electrical line. This electrical line does affect placement of improvements on this property. The comparables are identified as Equal = compared to the subject in this category; however, a lump sum adjustment is made in the reconciliation for this easement.

*Electricity/Telephone:* The subject and comparables have access to electricity and telephone service. The comparables are all identified as Equal = compared to the subject in this category.

*Size/Acres:* The subject property site totals 1.064 acres in size. Land Sales 1 and 2 total 1.00 acres

each and are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$40,114, greater than \$35,352, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 1 and 2 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$50,270. We have rounded this to the nearest \$1,000 for a final value conclusion of \$50,000.

Value Indication	\$50,270
<b>Rounded To</b>	<b>\$50,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR LOT 24 OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 7	SALE 8	SALE 9
IDENTIFICATION	NHN First Ave North	1015 N Bitterroot Rd	570 Little Ashley Trail	6510 Farm to Market Rd
LOCATION	Olney, MT	Marion, MT	Kalispell, MT	Whitefish, MT
SALES PRICE		\$499,000	\$415,000	\$575,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		10/30/20	04/07/21	10/10/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.06</b>	<b>1.02</b>	<b>1.06</b>
ADJUSTED PRICE		\$527,764	\$424,460	\$610,666
LESS SITE VALUE		(\$55,000)	(\$75,000)	(\$165,000)
ADJUSTED IMPROVEMENT PRICE		\$472,764	\$349,460	\$445,666
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>BATHROOMS</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>3</b>
		\$0	\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,568</b>	<b>1,989</b>	<b>1,352</b>	<b>1,430</b>
		-\$54,730	\$28,080	\$17,940
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,040</b>
		\$0	\$0	-\$67,600
<b>OUTBUILDINGS</b>	<b>256 SF Storage, 576 SF Carport, 192 SF Enclosed Storage, 192 SF Open Storage, 216 SF Greenhouse, 930 SF Pole Building, &amp; 156 F Covered Deck</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$9,000	\$29,000	\$24,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$45,730</b>	<b>\$62,080</b>	<b>-\$30,660</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-10%</b>	<b>18%</b>	<b>-7%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$427,034</b>	<b>\$411,540</b>	<b>\$415,006</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence and comparables are considered to be of Good quality construction. No adjustments were necessary in this category.

*Condition:* The subject residence and comparables are considered to be in Good condition. No adjustments were necessary in this category.

*Bathrooms:* The subject residence and Home Sale 7 have 2 bathrooms. Home Sale 7 required no adjustment in this category. Home Sale 8 has 1 bathroom and Home Sale 9 has 3 bathrooms. Upward or downward adjustments of \$5,000 were made to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction condition.

*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 \$130 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.



## PARCEL 3 OF COS #21331

### Site Value Estimate

Land Sales 3, 4, 5, and 6 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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					
PARCEL 3 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 5	SALE 6	SALE 3	SALE 4
IDENTIFICATION	1296 Martin Camp Rd	3729 Good Creek Rd	3737 Good Creek Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Olney, MT	Olney, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$44,500	\$39,000	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		10/02/19	06/07/18	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.14</b>	<b>1.25</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$50,908	\$48,736	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>2.771</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$50,908</b>	<b>\$48,736</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Olney</b>	<b>Olney</b>	<b>Whitefish</b>	<b>Olney</b>
		Equal =	Equal =	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>Dog Creek</b>	<b>Good Creek</b>	<b>Good Creek</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Inferior +	Inferior +
<b>SHAPE</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>Yes</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Superior -	Superior -	Superior -	Superior -
<b>FRONTAGE/ACCESS</b>	<b>Driveway from Paved County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Inferior +	Inferior +	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Not Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Inferior +	Inferior +	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>2.771</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior -	Superior -
<b>VALUE INDICATIONS</b>		> \$50,908	> \$48,736	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sales 4, 5, and 6 are in Olney. These sales are identified as Equal = compared to the subject in this category. Land Sale 3 is in greater Whitefish. Based upon analysis of sales prices for vacant in land in greater Whitefish compared to sales prices of vacant land in Olney, Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property includes 628.03 feet of frontage along Dog Creek. Land Sales 5 and 6 include frontage along Good Creek and are identified as Equal = compared to the subject property in this category. Land Sale 3 does not include water frontage and Land Sale 4 includes a seasonal stream. Based upon analysis of the actions of market participants relative to water frontage, these comparables are identified as Inferior + compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

*Flood Zone:* A portion of the subject property is within a flood zone. Location within a flood zone is recognized as less desirable by market participants. The comparables are not within flood zones. The comparables are identified as Superior – compared to the subject property in this category.

*Frontage/Access:* The subject property and Land Sales 3 and 4 have access from county roads. Land Sales 3 and 4 are identified as Equal = compared to the subject in this category. Land Sales 5 and 6 have seasonal vehicular access and are identified as Inferior + compared to the subject property in this category

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and Land Sales 3 and 4 have access to electricity and telephone service. These comparables are all identified as Equal = compared to the subject in this category. Land Sales 5 and 6 do not have access to electricity and telephone and are identified as Inferior +

compared to the subject property in this category.

*Size/Acres:* The subject property site totals 2.771 acres in size. Land Sales 5 and 6 total 1.36 acres and 1.97 acres, respectively. These sales are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$50,908, greater than \$48,736, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 5 and 6 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$59,942. We have rounded this to the nearest \$1,000 for a final value conclusion of \$60,000.

Value Indication	\$59,942
<b>Rounded To</b>	<b>\$60,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR PARCEL 3, OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1296 Martin Camp Rd	1627 Foothill Rd	3695 MT Hwy 40	1408 Tamarack Ln
LOCATION	Olney, MT	Kalispell, MT	Columbia Falls, MT	Columbia Falls, MT
SALES PRICE		\$415,000	\$450,000	\$405,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/27/21	11/30/20	11/06/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.01</b>	<b>1.05</b>	<b>1.06</b>
ADJUSTED PRICE		\$419,912	\$472,882	\$427,724
LESS SITE VALUE		(\$100,000)	(\$250,000)	(\$200,000)
ADJUSTED IMPROVEMENT PRICE		\$319,912	\$222,882	\$227,724
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Good</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$31,991	\$22,288	\$22,772
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Average</b>	<b>Good</b>
		\$0	\$22,288	\$0
<b>BATHROOMS</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
		\$0	\$0	\$0
<b>HOUSE SIZE/SF</b>	<b>1,922</b>	<b>2,408</b>	<b>1,694</b>	<b>2,176</b>
		-\$29,160	\$13,680	-\$15,240
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>1,488 SF Barn, 527 SF Garage, 194 SF Lean-to, &amp; 357 SF Pole Building</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$26,000	\$26,000	\$26,000
<b>TOTAL ADJUSTMENT</b>		<b>\$28,831</b>	<b>\$84,256</b>	<b>\$33,532</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>9%</b>	<b>38%</b>	<b>15%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$348,743</b>	<b>\$307,139</b>	<b>\$261,257</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Good quality construction. The comparables are all considered to be of Average quality of construction. We have made upward adjustments of 10% to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction quality.

*Condition:* The subject residence was approximately 50% complete as of the report effective date. The preliminary value concluded based upon the subject as if it were complete and in Good condition. A lump sum adjustment is applied in the reconciliation to account for the percentage finished for the subject residence. Home Sales 1 and 3 are in Good condition and required no adjustment in this category. Home Sale 2 is in Average condition and an upward adjustment of 10% was made to this sale in this category.

*Bathrooms:* The subject residence and comparables all have 2 bathrooms. No adjustments were 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 for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

*Finished Basement Size:* The subject and comparables do not include finished basements. No adjustments were 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 outbuilding was estimated based upon depreciated cost calculated on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Barn	1,488	Section 17/Page 30	\$28.00	\$41,664
Garage	527	Section 12/Page 15	\$34.00	\$17,918
Lean-to Type Storage	194	Section 17/Page 11	\$21.60	\$4,190
Pole Building	357	Section 17/Page 11	\$21.60	\$7,711
<b>Total Cost New</b>				\$71,484
<b>Less Depreciation - Age/Life - 15/30 Years = 50%</b>				<u>-\$35,742</u>
<b>Depreciated Cost Estimate</b>				\$35,742
<b>Rounded To</b>				\$36,000

### Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$348,743, \$307,139, and \$261,257. Approximately equal weight is accorded the adjusted indications from all three home sales. The average of the indications is \$305,713.

A downward 50% adjustment is necessary based upon the percent finished estimated as of the report effective date. The resulting preliminary value conclusion is \$152,856. We have rounded this to the nearest \$1,000. A market value of \$153,000 is reasonable and well supported for the subject improvements.

**Improvement Value** **\$153,000**

### Total Value Conclusion

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

Subject Site Value	\$ 60,000
Subject Improvements Value	<u>\$153,000</u>
<b>Total Value Indication</b>	<b>\$213,000</b>

## PARCEL 2 OF COS #21331

### Site Value Estimate

Land Sales 3, 4, 5, and 6 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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					
PARCEL 2 OLNEY TOWNSITE, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 5	SALE 6	SALE 3	SALE 4
IDENTIFICATION	1298 Martin Camp Rd	3729 Good Creek Rd	3737 Good Creek Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Olney, MT	Olney, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$44,500	\$39,000	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		10/02/19	06/07/18	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.14</b>	<b>1.25</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$50,908	\$48,736	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>3.456</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$50,908</b>	<b>\$48,736</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Olney</b>	<b>Olney</b>	<b>Whitefish</b>	<b>Olney</b>
		Equal =	Equal =	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>Dog Creek</b>	<b>Good Creek</b>	<b>Good Creek</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Inferior +	Inferior +
<b>SHAPE</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>Yes</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Superior -	Superior -	Superior -	Superior -
<b>FRONTAGE/ACCESS</b>	<b>Driveway from Paved County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Inferior +	Inferior +	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Not Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Inferior +	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>3.456</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior - -	Superior - -
<b>VALUE INDICATIONS</b>		> \$50,908	> \$48,736	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sales 4, 5, and 6 are in Olney. These sales are identified as Equal = compared to the subject in this category. Land Sale 3 is in greater Whitefish. Based upon analysis of sales prices for vacant in land in greater Whitefish compared to sales prices of vacant land in Olney, Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property includes 1,230.90 feet of frontage along Dog Creek. Land Sales 5 and 6 include frontage along Good Creek and are identified as Equal = compared to the subject property in this category. Land Sale 3 does not include water frontage and Land Sale 4 includes a seasonal stream. Based upon analysis of the actions of market participants relative to water frontage, these comparables are identified as Inferior + compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

*Flood Zone:* A portion of the subject property is within a flood zone. Location within a flood zone is recognized as less desirable by market participants. The comparables are not within flood zones. The comparables are identified as Superior – compared to the subject property in this category.

*Frontage/Access:* The subject property and Land Sales 3 and 4 have access from county roads. Land Sales 3 and 4 are identified as Equal = compared to the subject in this category. Land Sales 5 and 6 have seasonal vehicular access and are identified as Inferior + compared to the subject property in this category

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and Land Sales 3 and 4 have access to electricity and telephone service. These comparables are all identified as Equal = compared to the subject in this category. Land Sales 5 and 6 do not have access to electricity and telephone and are identified as Inferior +

compared to the subject property in this category.

*Size/Acres:* The subject property site totals 3.456 acres in size. Land Sales 5 and 6 total 1.36 acres and 1.97 acres, respectively. These sales are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$50,908, greater than \$48,736, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 5 and 6 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$59,942. We have rounded this to the nearest \$1,000 for a final value conclusion of \$60,000.

Value Indication	\$59,942
<b>Rounded To</b>	<b>\$60,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR PARCEL 2, OLNEY TOWNSITE, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1298 Martin Camp Rd	1627 Foothill Rd	3695 MT Hwy 40	1408 Tamarack Ln
LOCATION	Olney, MT	Kalispell, MT	Columbia Falls, MT	Columbia Falls, MT
SALES PRICE		\$415,000	\$450,000	\$405,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/27/21	11/30/20	11/06/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.01</b>	<b>1.05</b>	<b>1.06</b>
ADJUSTED PRICE		\$419,912	\$472,882	\$427,724
LESS SITE VALUE		(\$100,000)	(\$250,000)	(\$200,000)
ADJUSTED IMPROVEMENT PRICE		\$319,912	\$222,882	\$227,724
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Good</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$31,991	\$22,288	\$22,772
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Average</b>	<b>Good</b>
		\$0	\$22,288	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
		-\$5,000	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,801</b>	<b>2,408</b>	<b>1,694</b>	<b>2,176</b>
		-\$36,420	\$6,420	-\$22,500
<b>FINISHED BASEMENT SIZE/SF</b>	<b>547</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$16,410	\$16,410	\$16,410
<b>OUTBUILDINGS</b>	<b>310 SF Garage, 496 SF Enclosed Storage, &amp; 1,333 SF Pole Building</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$16,000	\$16,000	\$16,000
<b>TOTAL ADJUSTMENT</b>		<b>\$22,981</b>	<b>\$78,406</b>	<b>\$27,682</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>7%</b>	<b>35%</b>	<b>12%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$342,893</b>	<b>\$301,289</b>	<b>\$255,407</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Good quality construction. The comparables are all considered to be of Average quality of construction. We have made upward adjustments of 10% to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction quality.

*Condition:* The subject residence was in Good condition as of the report effective date. Home Sales 1 and 3 are in Good condition and required no adjustment in this category. Home Sale 2 is in Average condition and an upward adjustment of 10% was made to this sale in this category.

*Bathrooms:* The subject residence has 1 bathroom. The comparables all have 2 bathrooms. Downward adjustments of \$5,000 were made to the comparables in this category. This adjustment is considered to be reflective of the actions of market participants.

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



## TRACT 9 OF COS #21990

### Site Value Estimate

Land Sales 7, 8, 9, and 10 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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					
TRACT 9 - COS #21990, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 7	SALE 8	SALE 9	SALE 10
IDENTIFICATION	1350 Martin Camp Rd	37 Little Cove Rd	6665 US Hwy 93 N	NHN Wollan Way	830 Riparian Dr
CITY	Olney, MT	Olney, MT	Olney, MT	Whitefish, MT	Columbia Falls, MT
SALES PRICE		\$95,000	\$219,000	\$190,000	\$155,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	-\$125,000	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		07/24/20	01/09/20	01/08/21	10/01/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.08</b>	<b>1.12</b>	<b>1.04</b>	<b>1.06</b>
ADJUSTED PRICE		\$102,517	\$105,496	\$198,037	\$164,920
<b>SITE SIZE/ACRES</b>	<b>4.000</b>	<b>4.500</b>	<b>1.580</b>	<b>6.000</b>	<b>0.640</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$102,517</b>	<b>\$105,496</b>	<b>\$198,037</b>	<b>\$164,920</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Olney</b>	<b>Olney</b>	<b>Whitefish</b>	<b>Columbia Falls</b>
		Equal =	Equal =	Superior -	Superior -
<b>WATER FRONTAGE</b>	<b>Stillwater River</b>	<b>Stillwater River</b>	<b>Stillwater River</b>	<b>Stillwater River</b>	<b>Flathead River</b>
		Equal =	Equal =	Equal =	Superior -
<b>SHAPE</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Bench Overlooking River</b>	<b>Bench Overlooking River</b>
		Equal =	Equal =	Superior -	Superior -
<b>FLOOD ZONE</b>	<b>Portion in Flood Zone</b>	<b>Portion is Wetlands</b>	<b>Portion in Flood Zone</b>	<b>Portion in Flood Zone</b>	<b>Portion in Flood Zone</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Paved County Rd</b>	<b>Gravel County Rd</b>	<b>US Hwy 93</b>	<b>Gravel Private Drive</b>	<b>Paved City St</b>
		Equal =	Equal =	Equal =	Equal =
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>	<b>Available</b>
		Equal =	Equal =	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>4.000</b>	<b>4.500</b>	<b>1.580</b>	<b>6.000</b>	<b>0.640</b>
		Equal =	Inferior +	Equal =	Inferior +
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Equal =	Inferior +	Superior - -	Superior - -
<b>VALUE INDICATIONS</b>		= \$102,517	> \$105,496	<< \$198,037	<< \$164,920

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sales 7 and 8 are in Olney. These sales are identified as Equal = compared to the subject in this category. Land Sales 9 and 10 are in greater Whitefish and Columbia, respectively. Based upon analysis of sales prices for vacant in land in greater Whitefish and Columbia Falls compared to sales prices of vacant land in Olney, Land Sales 9 and 10 are identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property includes 551.15 feet of frontage along the Stillwater River. Land Sales 7, 8, and 9 include frontage along the Stillwater River and are identified as Equal = compared to the subject property in this category. Land Sale 10 includes frontage along the Flathead River. Based upon our analysis of sales with frontage along the Flathead River compared to sales with frontage along the Stillwater River, Land Sale 10 is identified as Superior compared to the subject in this category.

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

*Topography:* The subject site and Land Sales 7 and 8 have generally level topography. These sales comparables are identified as Equal = compared to the subject in this category. Land Sales 9 and 10 include benches overlooking the river. These comparables are identified as Superior – compared to the subject property in this category.

*Flood Zone:* A portion of the subject property is within a flood zone. Location within a flood zone is recognized as less desirable by market participants. The comparables are also partially within flood zones and are identified as Equal = compared to the subject property in this category.

*Frontage/Access:* The subject property and comparables all have access from county roads, highways, or city streets. The comparables are identified as Equal = compared to the subject property in this category.

*Zoning:* The subject property and Land Sales 7, 8 and 9 are in areas of Flathead County with no zoning. These comparables are identified as Equal = compared to the subject in this category. Land Sale 10 is in a 1 family residential zoning district of Columbia Falls. Based upon analysis of highest and best, Land Sale 10 is identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and comparable have similar access to electricity and telephone service. The comparables are all identified as Equal = compared to the subject in this category.

*Size/Acres:* The subject property site totals 4.00 acres in size. Land Sales 7 and 9 are identified as Equal = compared to the subject in this category. Land Sales 8 and 10 are substantially smaller than the subject property. Smaller but otherwise similar sites typically command lower prices than larger sites. For this reason, Land Sales 8 and 10 are identified as Inferior + compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of equal to \$102,517, greater than \$105,496, far less than \$198,037, and far less than \$164,920. All weight is accorded the adjusted indication from Land Sale 1 as it is identified as equal to the subject property. A preliminary value indication of \$102,517 is appropriate for the subject property. We have rounded this to the nearest \$1,000 for a final value conclusion of \$103,000.

Value Indication	\$102,517
<b>Rounded To</b>	<b>\$103,000</b>

## Improvement Value Estimate

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

SALES COMPARISON ANALYSIS FOR TRACT 9 OF COS#21990, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1350 Martin Camp Rd	1627 Foothill Rd	3695 MT Hwy 40	1408 Tamarack Ln
LOCATION	Olney, MT	Kalispell, MT	Columbia Falls, MT	Columbia Falls, MT
SALES PRICE		\$415,000	\$450,000	\$405,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		05/27/21	11/30/20	11/06/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.01</b>	<b>1.05</b>	<b>1.06</b>
ADJUSTED PRICE		\$419,912	\$472,882	\$427,724
LESS SITE VALUE		(\$100,000)	(\$250,000)	(\$200,000)
ADJUSTED IMPROVEMENT PRICE		\$319,912	\$222,882	\$227,724
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Good</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$31,991	\$22,288	\$22,772
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Average</b>	<b>Good</b>
		\$0	\$22,288	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
		-\$5,000	-\$5,000	-\$5,000
<b>HOUSE SIZE/SF</b>	<b>1,557</b>	<b>2,408</b>	<b>1,694</b>	<b>2,176</b>
		-\$51,060	-\$8,220	-\$37,140
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>312 SF Carport, 108 SF Enclosed Storage, 144 SF Lean-to, 112 SF Lean-to, 105 SF Storage Building, &amp; 36 SF Pump House</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$3,000	\$3,000	\$3,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$21,069</b>	<b>\$34,356</b>	<b>-\$16,368</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-7%</b>	<b>15%</b>	<b>-7%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$298,843</b>	<b>\$257,239</b>	<b>\$211,357</b>

## **Discussion of Adjustments**

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

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Good quality construction. The comparables are all considered to be of Average quality of construction. We have made upward adjustments of 10% to the comparables in this category. This adjustment is considered reflective of the actions of market participants with regard to construction quality.

*Condition:* The subject residence is considered to be in Good condition. Home Sales 1 and 3 are in Good condition and required no adjustment in this category. Home Sale 2 is in Average condition and an upward adjustment of 10% was made to this sale in this category.

*Bathrooms:* The subject residence has 1 bathroom and comparables all have 2 bathrooms. Downward adjustments of \$5,000 were made to the comparables in this category. The adjustment amount is considered reflective of the actions of market participants.

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

*Finished Basement Size:* The subject and comparables do not include finished basements. No adjustments were 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 outbuilding was estimated based upon depreciated cost calculated on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Garage	312	Section 12/Page 15	\$34.00	\$10,608
Enclosed Storage	108	Section 17/Page 11	\$25.50	\$2,754
Lean-to	144	Section 17/Page 11	\$21.60	\$3,110
Storage Building	128	Section 17/Page 11	\$25.50	\$3,264
Lean-to	112	Section 17/Page 11	\$21.60	\$2,419
Storage Building	105	Section 17/Page 11	\$25.50	\$2,678
Pump House	36	Section 17/Page 11	\$25.50	\$918
<b>Total Cost New</b>				\$25,751
<b>Less Depreciation - Age/Life - 15/30 Years = 50%</b>				<u>-\$12,876</u>
<b>Depreciated Cost Estimate</b>				\$12,876
<b>Rounded To</b>				\$13,000

### Reconciliation of Sales Comparison Approach for Subject Improvements

The comparables provided adjusted indications of market value for the subject improvements of \$298,843, \$257,239, and \$211,357. Approximately equal weight is accorded the adjusted indications from all three home sales. The average of the indications is \$255,813. We have rounded this to the nearest \$1,000. A market value of \$256,000 is reasonable and well supported for the subject improvements.

**Improvement Value** **\$256,000**

### Total Value Conclusion

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

Subject Site Value	\$103,000
Subject Improvements Value	<u>\$256,000</u>
<b>Total Value Indication</b>	<b>\$359,000</b>

## TRACT 3 OF COS #21787

### Site Value Estimate

Land Sales 3, 4, 5, and 6 were utilized to derive the value of this subject site as if vacant. The price per lot was determined to be the appropriate unit of comparison. 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					
TRACT 3 OF COS 21787, OLNEY, MONTANA					
DESCRIPTION	SUBJECT	SALE 5	SALE 6	SALE 3	SALE 4
IDENTIFICATION	NHN US Highway 93	3729 Good Creek Rd	3737 Good Creek Rd	Lot 5, Lupfer Rd	770 Potter Creek Rd
CITY	Olney, MT	Olney, MT	Olney, MT	Whitefish, MT	Olney, MT
SALES PRICE		\$44,500	\$39,000	\$105,000	\$85,000
<b>ADJUSTMENT FOR IMPROVEMENTS</b>		\$0	\$0	\$0	\$0
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>					
DEMOLITION		\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0
DATE OF SALE		10/02/19	06/07/18	01/19/21	07/28/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.14</b>	<b>1.25</b>	<b>1.04</b>	<b>1.08</b>
ADJUSTED PRICE		\$50,908	\$48,736	\$109,188	\$91,651
<b>SITE SIZE/ACRES</b>	<b>2.000</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
<b>ADJUSTED SALES PRICE</b>		<b>\$50,908</b>	<b>\$48,736</b>	<b>\$109,188</b>	<b>\$91,651</b>
<b>ADJUSTMENT FOR:</b>					
<b>LOCATION</b>	<b>Olney</b>	<b>Olney</b>	<b>Olney</b>	<b>Whitefish</b>	<b>Olney</b>
		Equal =	Equal =	Superior -	Equal =
<b>WATER FRONTAGE</b>	<b>Rock Creek</b>	<b>Good Creek</b>	<b>Good Creek</b>	<b>None</b>	<b>Seasonal Stream</b>
		Equal =	Equal =	Inferior +	Inferior +
<b>SHAPE</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>	<b>Irregular</b>
		Equal =	Equal =	Equal =	Equal =
<b>TOPOGRAPHY</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>	<b>Level</b>
		Equal =	Equal =	Equal =	Equal =
<b>FLOOD ZONE</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
		Equal =	Equal =	Equal =	Equal =
<b>FRONTAGE/ACCESS</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Seasonal Access from Gravel County Rd</b>	<b>Gravel County Rd</b>	<b>Gravel County Rd</b>
		Equal =	Equal =	Superior -	Superior -
<b>ZONING</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>	<b>Not Zoned</b>
		Equal =	Equal =	Equal =	Equal =
<b>EASEMENTS AFFECTING USE</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
		Equal =	Equal =	Equal =	Equal =
<b>ELECTRICITY/TELEPHONE</b>	<b>Available</b>	<b>Not Available</b>	<b>Not Available</b>	<b>Available</b>	<b>Available</b>
		Inferior +	Inferior +	Equal =	Equal =
<b>SITE SIZE/ACRES</b>	<b>2.000</b>	<b>1.360</b>	<b>1.970</b>	<b>5.000</b>	<b>9.910</b>
		Equal =	Equal =	Superior -	Superior -
<b>OVERALL RATING COMPARED TO SUBJECT</b>		Inferior +	Inferior +	Superior -	Superior -
<b>VALUE INDICATIONS</b>		> \$50,908	> \$48,736	<< \$109,188	<< \$91,651

## Discussion of Quantitative 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:* As noted in the Subject Market Analysis, average prices for 1.00 to 5.00 acre lots in Flathead County have increased significantly (61%) between 2020 and 2021 year-to-date. This represents changes in the average sales price for the county during those two periods; however, each specific market area within the county may reflect differing changes in market conditions.

We located paired sales (sales and re-sales of the same property) in Olney. These paired sales are presented on the table below.

Paired Sales for Market Conditions Adjustment				
Paired Sale Set 1				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
6665 US Hwy 93 N	Olney	1.53	4/17/2019	\$206,655
6665 US Hwy 93 N	Olney	1.53	1/9/2020	\$219,000
Market Conditions Adjustment				6%
Paired Sale Set 2				
Sale Address	City	Site Size/Ac	Sale Date	Sales Price
37 Little Cove Rd	Olney	4.50	5/4/2017	\$75,000
37 Little Cove Rd	Olney	4.50	7/24/2020	\$95,000
Market Conditions Adjustment (Calculated Annually)				9%

Based upon analysis of the data specific to Olney, we have made upward adjustments equating to 8% per year for the comparables utilized in this analysis.

## Discussion of Quantitative Adjustments

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

*Location:* The subject property and Land Sales 4, 5, and 6 are in Olney. These sales are identified as Equal = compared to the subject in this category. Land Sale 3 is in greater Whitefish. Based upon analysis of sales prices for vacant in land in greater Whitefish compared to sales prices of vacant land in Olney, Land Sale 3 is identified as Superior – compared to the subject property in this category.

*Water Frontage:* The subject property includes 369.82 feet of frontage along Rock Creek. Land Sales 5 and 6 include frontage along Good Creek and are identified as Equal = compared to the subject property in this category. Land Sale 3 does not include water frontage and Land Sale 4 includes a seasonal stream. Based upon analysis of the actions of market participants relative to water frontage, these comparables are identified as Inferior + compared to the subject property in this category.

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

*Topography:* The subject site and comparables have generally level topography. The comparables are identified as Equal = compared to the subject in this category.

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

*Frontage/Access:* The subject property and Land Sales 5 and 6 have seasonal access. Land Sales 5 and 6 are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 have year round access from county roads and are identified as Superior – compared to the subject property in this category.

*Zoning:* The subject property and comparables are in areas of Flathead County with no zoning. The comparables are identified as Equal = compared to the subject in this category.

*Easements Affecting Value:* The subject site and comparables do not include easements that affect value. The comparables are identified as Equal = compared to the subject in this category.

*Electricity/Telephone:* The subject and Land Sales 3 and 4 have access to electricity and telephone service. These comparables are all identified as Equal = compared to the subject in this category. Land Sales 5 and 6 do not have access to electricity and telephone and are identified as Inferior + compared to the subject property in this category.

*Size/Acres:* The subject property site totals 2.00 acres in size. Land Sales 5 and 6 total 1.36 acres and 1.97 acres, respectively. These sales are identified as Equal = compared to the subject in this category. Land Sales 3 and 4 total 5.00 and 9.910 gross acres, respectively. Typically larger but otherwise similar sites sell for higher prices than smaller but otherwise similar sites. For this reason, Land Sales 3 and 4 are identified as Superior – and Superior - -, respectively compared to the subject property in this category.

**Reconciliation of Sales Comparison Approach for Subject Site as if Vacant**

The comparables provide adjusted indications of greater than \$50,908, greater than \$48,736, far less than \$109,188, and far less than \$91,651. Most weight (40% each) is accorded Land Sales 5 and 6 as they required the least overall adjustment. Less weight (10% each) is accorded Land Sales 3 and 4. Although these sales are both identified as Superior - - compared to the subject property, they do provide reasonable checks of the high end of possible market values for the subject lot. Based upon these weightings, the value indication is \$59,942. We have rounded this to the nearest \$1,000 for a final value conclusion of \$60,000.

Value Indication	\$59,942
<b>Rounded To</b>	<b>\$60,000</b>

## Improvement Value Estimate

House Sales 10, 11, and 12 are appropriate comparables for the subject residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR TRACT 3 OF COS # 21787, OLNEY, MONTANA				
DESCRIPTION	SUBJECT	SALE 10	SALE 11	SALE 12
IDENTIFICATION	NHN US Hwy 93	1100 Lake Dr	1621 Monte Vista Dr	3725 Good Creek Rd
LOCATION	Olney, MT	Columbia Falls, MT	Columbia Falls, MT	Olney, MT
SALES PRICE		\$269,900	\$145,000	\$150,000
LIST ADJUSTMENT				
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0	\$0	\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>				
DEMOLITION		\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0
OTHER		\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0
DATE OF SALE		10/16/20	10/16/20	09/23/19
<b>MARKET CONDITIONS FACTOR</b>		<b>1.06</b>	<b>1.06</b>	<b>1.15</b>
ADJUSTED PRICE		\$286,286	\$153,803	\$171,896
LESS SITE VALUE		(\$210,000)	(\$50,000)	(\$45,000)
ADJUSTED IMPROVEMENT PRICE		\$76,286	\$103,803	\$126,896
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>	<b>Interior Site</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0
<b>CONDITION</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
		\$0	\$0	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>
		\$0	\$0	\$5,000
<b>HOUSE SIZE/SF</b>	<b>570</b>	<b>374</b>	<b>568</b>	<b>806</b>
		\$17,640	\$180	-\$21,240
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		\$0	\$0	\$0
<b>OUTBUILDINGS</b>	<b>275 SF Open Storage, 210 SF Pole Building, 30 SF Outhouse, &amp; 77 SF Pump House</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Inferior</b>
		\$7,000	\$6,000	\$7,000
<b>TOTAL ADJUSTMENT</b>		<b>\$24,640</b>	<b>\$6,180</b>	<b>-\$9,240</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>32%</b>	<b>6%</b>	<b>-7%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$100,926</b>	<b>\$109,983</b>	<b>\$117,656</b>

## **Discussion of Adjustments**

*List Adjustment:* Home Sales 10, 11, and 12 were closed sales as of the report effective date and required no adjustment in this category.

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

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

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

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

*Market Conditions:* An upward adjustment of 8% per year was made to comparables in this category. Support for this adjustment was included in the Site Value Estimate for this subject property.

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

*Quality:* The subject residence is considered to be of Average quality construction. The comparables are all considered to be of Average quality of construction. No adjustments were necessary in this category.

*Condition:* The subject residence and comparables are considered to be in Average condition. No adjustments were necessary in this category.

*Bathrooms:* The subject residence and Home Sales 10 and 11 have 1 bathrooms. No adjustments were necessary in this category for these sales. Home Sale 12 does not have a bathroom and an upward adjustment of \$5,000 was made to this sale in this category. This adjustment is considered to be reflective of the actions of market participants.

*House Size:* Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$90 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.



## 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
4	1040	\$50,000	\$116,000	\$166,000	7/20/2021
11	1147	\$50,000	\$55,000	\$105,000	7/20/2021
19	1148	\$48,000	\$50,000	\$98,000	7/20/2021
24	1149	\$50,000	\$418,000	\$468,000	7/20/2021
Parcel 3	1150	\$60,000	\$153,000	\$213,000	7/20/2021
Parcel 2	1151	\$60,000	\$270,000	\$330,000	7/20/2021
Tract 9	1152	\$103,000	\$256,000	\$359,000	7/20/2021
Tract 3	1153	\$60,000	\$110,000	\$170,000	7/20/2021

# 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

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

**REA-RAG-LIC-683**  
Status: **Active**  
Expires: **03/31/2022**

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

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

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

This certificate verifies licensure as:  
**LICENSED APPRAISER**

**REA-RAL-LIC-841**  
Status: **Active**  
Expires: **03/31/2022**

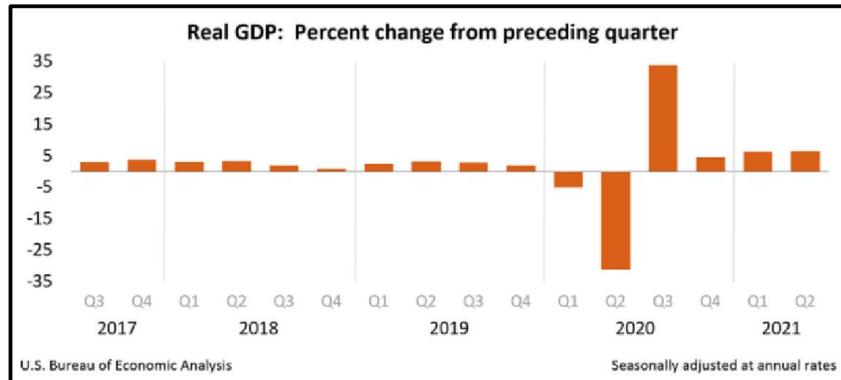
**CLARK REAL ESTATE APPRAISAL**  
**CHRISTOPHER D CLARK**  
**CLARK REAL ESTATE APPRAISAL**  
**P.O. BOX 1531**  
**SEELEY LAKE, MT 59868**

  **Montana Department of LABOR & INDUSTRY**  
RENEW OR VERIFY YOUR LICENSE AT:  
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## **ADDENDUM**

## NATIONAL ECONOMIC DATA

According to an advance estimate from the Bureau of Economic Analysis of the US Department of Commerce (BEA), real GDP increased by 6.5% in the second quarter of 2021 after increasing by 6.3% in the first quarter of 2021. According to the BEA, “The increase in real GDP in the first quarter reflected increases in personal consumption expenditures (PCE), nonresidential fixed investment, exports, and state and local government spending that were partly offset by decreases in private inventory investment, residential fixed investment, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. ”



In regard to the COVID-19 impact on second quarter 2021 GDP, the BEA reported, “the increase in second quarter GDP reflected the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic. In the second quarter, government assistance payments in the form of loans to businesses and grants to state and local governments increased, while social benefits to households, such as the direct economic impact payments, declined. The full economic effects of the COVID-19 pandemic cannot be quantified in the GDP estimate for the second quarter because the impacts are generally embedded in source data and cannot be separately identified.”

## STATE ECONOMIC DATA

Montana is the 44<sup>th</sup> most populous state in the US. As of 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 estimates using US Census data, the 2020 population of Montana was estimated to be 1,096,002. This estimate shows a 10.8% 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 2020 the median household income was estimated at \$54,754 and is projected to increase to \$58,261 (an increase of about 10.1%) by 2025. This compares to the United States, which has an estimated median household income of \$62,203 as of 2020 and is projected to increase to \$67,325 (an increase of about 8.2%) by 2025.

The following tables summarize unemployment rates in Montana over the past 10 years.

<b>State of Montana</b>					
<b>Year</b>	<b>Month</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2011	Annual Average	501,065	467,786	33,279	6.6%
2012	Annual Average	506,441	477,056	29,385	5.8%
2013	Annual Average	511,199	483,798	27,401	5.4%
2014	Annual Average	512,613	488,738	23,875	4.7%
2015	Annual Average	517,901	495,725	22,176	4.3%
2016	Annual Average	521,736	499,266	22,470	4.3%
2017	Annual Average	525,395	503,885	21,510	4.1%
2018	Annual Average	529,812	509,857	19,955	3.8%
2019	Annual Average	537,145	517,793	19,352	3.6%
2020	Annual Average	539,883	508,095	31,788	5.9%
2021	Y-T-D Average (through March)	528,383	502,986	25,397	4.8%
2021	March	530,458	507,029	23,429	4.4%
Average (2011-2020)					4.8%

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

<b>State of Montana - Trailing 12 Months</b>					
<b>Year</b>	<b>Month</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2020	April	538,926	474,310	64,616	12.0%
2020	May	528,665	481,745	46,920	8.9%
2020	June	556,096	515,632	40,464	7.3%
2020	July	552,688	518,212	34,476	6.2%
2020	August	547,995	519,460	28,535	5.2%
2020	September	540,272	515,783	24,489	4.5%
2020	October	535,846	513,849	21,997	4.1%
2020	November	532,562	509,738	22,824	4.3%
2020	December	524,275	500,363	23,912	4.6%
2021	January	525,782	499,290	26,492	5.0%
2021	February	528,910	502,640	26,270	5.0%
2021	March	530,458	507,029	23,429	4.4%

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

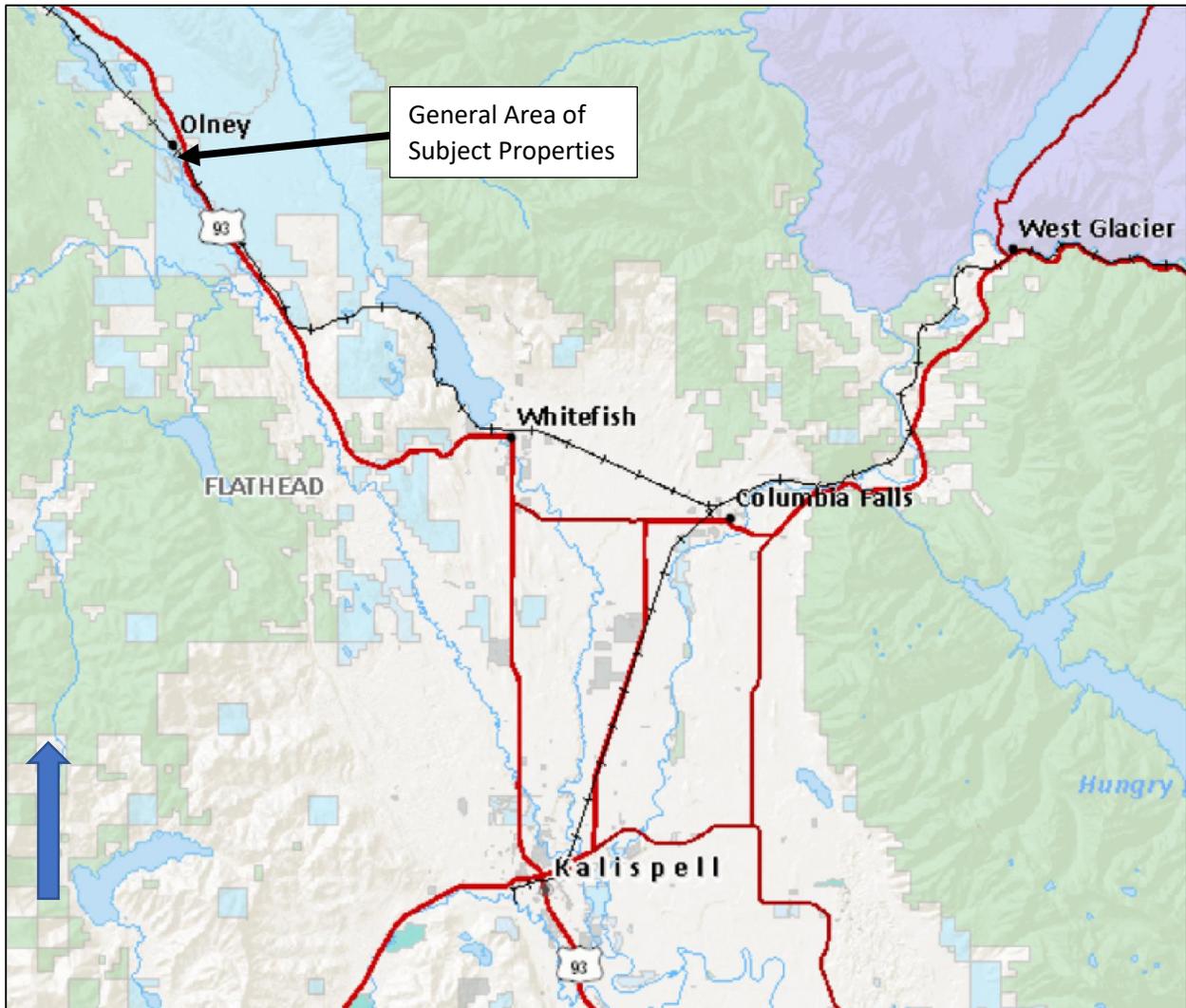
As shown in the previous tables, the annual average unemployment rate decreased every year from 2011 through 2019. However, due in large part to the coronavirus pandemic (which began in March 2020), the unemployment rate in Montana spiked to 12.0% in April. Since then, the rate has generally trended down to the rate of 4.4% as of March 2021.

**The real estate market in portions of Montana was strong in 2020 despite the COVID-19 pandemic; however, many businesses have suffered, and it is too soon to discern long term impacts to the state economy.**

## FLATHEAD COUNTY DATA

The subject properties are located in an unincorporated portion of Flathead County, Montana known as Olney. 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 2020 ESRI estimates based upon US Census data, the population of Flathead County was 106,689. The population is forecasted to increase to 114,954 by 2025, or by approximately 1.50% 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 \$53,949 in 2020 based upon ESRI forecasts using US Census data. According to ESRI forecasts, the median annual household income is to increase by approximately 1.19% per year through 2025.

## Unemployment

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.

The following tables summarize unemployment rates in Flathead County over the past 10 years.

<b>Flathead County</b>					
<b>Year</b>	<b>Month</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2011	Annual Average	43,506	38,933	4,573	10.5%
2012	Annual Average	43,283	39,490	3,793	8.8%
2013	Annual Average	43,860	40,529	3,331	7.6%
2014	Annual Average	43,773	40,954	2,819	6.4%
2015	Annual Average	44,861	42,228	2,633	5.9%
2016	Annual Average	45,960	43,298	2,662	5.8%
2017	Annual Average	46,823	44,318	2,505	5.3%
2018	Annual Average	47,875	45,538	2,337	4.9%
2019	Annual Average	48,408	46,059	2,349	4.9%
2020	Annual Average	49,357	45,499	3,858	7.8%
2021	Y-T-D Average (through March)	48,563	44,858	3,706	6.2%
2021	March	48,247	45,533	2,714	5.6%
Average (2011-2020)					6.8%

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

<b>Flathead County - Trailing 12 Months</b>					
<b>Year</b>	<b>Month</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2020	April	47,788	39,852	7,936	16.6%
2020	May	48,287	42,531	5,756	11.9%
2020	June	50,438	45,788	4,650	9.2%
2020	July	50,971	47,368	3,603	7.1%
2020	August	50,019	46,882	3,137	6.3%
2020	September	48,453	45,804	2,649	5.5%
2020	October	47,731	45,341	2,390	5.0%
2020	November	47,556	44,924	2,632	5.5%
2020	December	47,602	44,833	2,769	5.8%
2021	January	47,725	44,563	3,162	6.6%
2021	February	47,940	44,871	3,069	6.4%
2021	March	48,247	45,533	2,714	5.6%

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

As shown in the previous tables, the annual average unemployment rate decreased every year from 2011 through 2018. However, due in large part to the coronavirus pandemic (which began in March 2020), the unemployment rate in Flathead County spiked to 16.6% in April 2020. The rate began trending down in May and was reported at 5.6% as of March 2021.

**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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	% Change: 2019-2020
Kalispell	349	322	186	103	92	72	98	124	98	72	104	115	91	94	175	86%
Whitefish	60	22	26	14	23	36	51	75	72	48	49	57	64	95	92	-3%
Columbia Falls	38	25	12	5	5	1	4	9	20	17	15	10	19	14	21	50%
<b>Total</b>	<b>447</b>	<b>369</b>	<b>224</b>	<b>122</b>	<b>120</b>	<b>109</b>	<b>153</b>	<b>208</b>	<b>190</b>	<b>137</b>	<b>168</b>	<b>182</b>	<b>174</b>	<b>203</b>	<b>288</b>	<b>66%</b>

The 15-year high for residential single-family permits in the three municipalities is 447 permits issued in 2006. 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 5-10 years. More recently, it is noted that the total number of single-family building permits has increased fairly significantly in both 2019 and 2020.

**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 3.0 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						
City/ Community	Population			% Change		Market Overview
	2000 Census	2010 Census	2020 Census*	2000- 2010	2010- 2020	
Kalispell	14,223	19,615	22,741	37.9%	15.9%	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	5,270	28.6%	12.4%	Gateway to Glacier National Park. Located along Flathead River. Historically industrial in nature. Meadow Lake Resort is located in Columbia Falls.
Whitefish	5,032	6,470	7,733	28.6%	19.5%	Resort community located near Whitefish Lake, Whitefish River and Whitefish Mountain Ski Resort at Big Mountain. Population increases in summer and winter ski season due to numerous vacation and second home owners.
Evergreen	6,215	7,701	8,641	23.9%	12.2%	Unincorporated area adjacent to the east of Kalispell city limits. Area consists of residential, retail and light industrial type properties.
Somers and Lakeside Area	2,235	3,778	4,337	69.0%	14.8%	Communities located along Flathead Lake; primarily bedroom communities to Kalispell. Population increases in summer months due to numerous vacation and second home owners.
Bigfork Area	1,421	4,270	5,599	200.5%	31.1%	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.

*\*Note that due to the significant influx of out-of-state people moving into the Flathead Valley starting in 2020 in response to the COVID-19 Pandemic, the 2020 census figures likely understate actual population levels.*

### 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.

**The real estate market in Flathead County was strong in 2020 despite the COVID-19 pandemic; however, many businesses have suffered, and it is too soon to discern long term impacts to the county economy.**

## CITY OF WHITEFISH DATA

The subject properties are located in the Olney area of Flathead County. The City of Whitefish is the nearest population center. All necessary services are located in Whitefish.

### Whitefish Economic Data

Whitefish began as a railroad and logging community and has developed into a resort community due to proximity of Big Mountain Ski Resort, Whitefish Lake, Glacier National Park and other area recreation attractions. Many local businesses are hospitality oriented.

### Population and Income

According to ESRI estimates based upon US Census data, the population of the city of Whitefish in 2020 was 7,733. The population is forecasted to increase to 8,351 by 2025, or at rate of approximately 1.55% per year.

Also, according to ESRI estimates based upon US Census data, the median household income in 2020 for Whitefish was \$57,277, with annual increases of approximately 1.03% per year projected through 2025. The 2020 median household income in Whitefish is approximately 6.2% higher than the median household income in Flathead County.



### Employment

Area employers include: financial institutions; federal, county or city government; retail businesses; restaurants; bars; and small locally owned businesses. Some area residents commute to Kalispell or surrounding areas for employment.

Approximately 40% of the employed civilian population 16 years or older is in service, sales or office occupations. The service sectors employ the largest number of individuals, which provides an indication of the importance of tourism to the Whitefish economy.

### Linkages & Transportation

US Highway 93 is considered a primary corridor in Whitefish providing access to Kalispell to the south. East of the central business district, US Highway 93 runs north/south and is known as Spokane Avenue. At the corner of 2<sup>nd</sup> Street West and Spokane Avenue, US Highway 93 turns west. It continues to the southwest through Lincoln County and on to the Canadian border which is approximately 60 miles northwest of Whitefish. Montana Highway 40 runs east from Whitefish to US Highway 2, which provides access to Glacier National Park.

A train depot is located on the north side of Whitefish and provides public transportation via Amtrak. The Burlington Northern Santa Fe Railroad freight rail service also runs through Whitefish.

## Commercial Real Estate

The central business district was developed over the last century. Most businesses along Central Avenue have “western” style facades. The look of the area has basically remained unchanged as buildings are periodically purchased and renovated. Small local shops, bars and restaurants are mixed with professional and governmental offices and financial institutions.

There are a relatively large number of local businesses that cater to seasonal residents and tourists. The central business district has generally been in the revitalization stage of development since 2004.

In 2009 work began on publicly funded street renovations for Central Avenue, which included installation of curbing and landscaping. These street renovations are part of a long-term beautification plan for the central business district.



A new City Hall building was completed in 2017 in downtown Whitefish. The new building is approximately 20,000 square feet in size and includes spaces for municipal offices, a parking garage, and retail spaces.

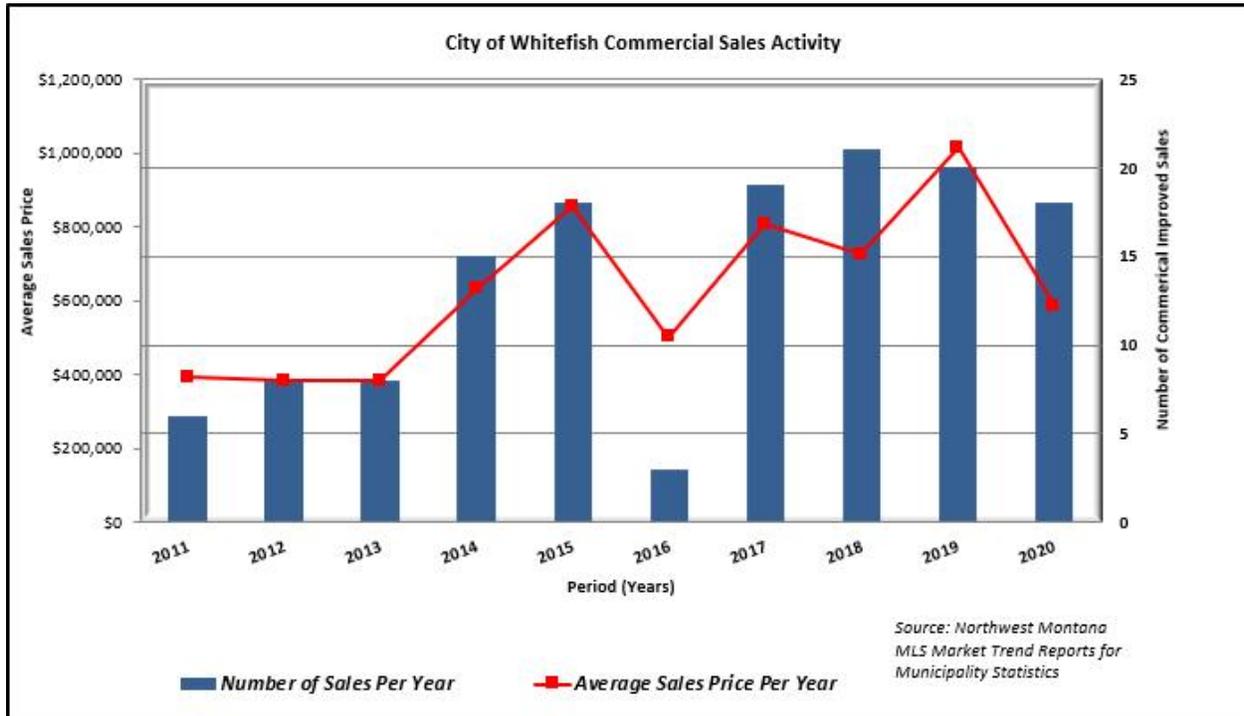
The “Railway District” is located west of the central business district. This area was also undergoing revitalization in recent years. It was growing in popularity due to the commercial zoning and close proximity to the central business district. The property in this area have typically offered a more affordable option than Central Avenue for business owners requiring retail and office space.

Baker Avenue is a secondary commercial thoroughfare of Whitefish. There are various offices, retail buildings, and light industrial businesses along Baker Avenue. Other commercial improvements along Baker Avenue include an aquatic and fitness center completed in 2004, and a recently completed emergency services center.

There are also businesses along the US Highway 93 corridor on the south side of Whitefish. These include professional offices, banks, grocery stores, car dealerships, gas stations, hotels/motels, restaurants and retail businesses. The new North Valley Hospital facility and a medical campus with a number of physician’s offices was recently completed along this corridor.

There were 52 commercial building permits issued in 2020 in Whitefish, which is an increase from 2019 when 42 permits were issued. These totals include commercial renovations, alterations as well as new construction.

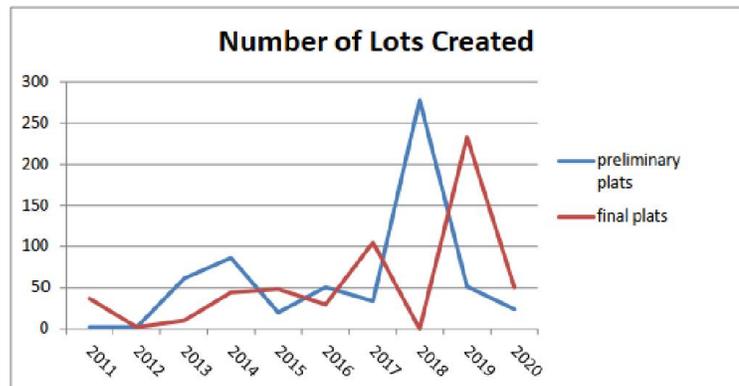
The chart below depicts sales volume and average sales price per year for improved commercial sales for the past ten years in the municipal areas of Whitefish;



The peak in volume for improved commercial property occurred in 2018, and peak pricing occurred in 2019. Annual Demand increased from a low of 3 sales in 2016 to 21 in 2018. This data only represents existing commercial property that transferred via the area MLS. There are relatively few commercial sales in Whitefish each year. Due to the small data set, statistical analysis is difficult, and the data is subject to wide swings. The number of commercial building permits issued for new construction in Whitefish was 11 in 2016, 5 in both 2017 and 2018, 8 in 2019 and 14 in 2020. The building permit data is also an indicator of demand.

### Residential Development & Absorption

According to the City of Whitefish Planning and Building Department 2020 Annual Report, the city did not expand its boundaries in 2020. Over the past decade, the city has increased in size approximately 334 acres due to annexation. A chart depicting the number of subdivision lots awarded preliminary and final plat approval in the city is to the right.



The annual total number of lots in subdivisions awarded preliminary plat approval decreased in 2020 compared to 2019. Additionally, the number of subdivisions awarded final plat approval decreased significantly from 2019 to 2020.

Residential construction permits issued in Whitefish from 2011 through 2020 are detailed on the table below.

Residential Construction Permits - Whitefish										
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Single Family	36	51	75	72	48	49	57	64	95	92
Townhouse/Duplex	2	6	6	6	12	16	22	40	77	67
Multi-Family	0	3	0	15	7	91	24	54	68	138
Manufactured Home	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>38</b>	<b>60</b>	<b>81</b>	<b>93</b>	<b>67</b>	<b>156</b>	<b>103</b>	<b>158</b>	<b>240</b>	<b>297</b>

The total number of residential construction permits has generally increased each year since 2011, and the number of permits issued in 2020 is the highest for the period. It was also noted in the 2020 report that the total number of new residential construction units in 2020 surpassed the previous high of 292 in 2005.

The chart below depicts sales volume and median price per property for all improved residential sales since 2011 in the municipal areas of Whitefish;



It is noted that prior to 2020, 2019 was a record year in terms of volume and pricing. However, from 2019 to 2020 the number of sales increased 56%, and the average price increased 32%. This significant increase was likely heavily influenced by the coronavirus pandemic, as it appears a large number of out-of-state buyers purchased real estate throughout the Flathead Valley in response to the pandemic.

### Whitefish Mountain Resort at Big Mountain

Located approximately 7 miles north of the central business district of Whitefish is Big Mountain. It was developed as a ski area in the 1940's and has become one of the nation's 10 largest ski areas with 3,000 acres of terrain. The ski area is currently known as Whitefish Mountain Resort at Big Mountain, and is owned by Winter Sports, Inc. Holdings under this ownership include 11 chairlifts (3 high speed quad type lifts), a day lodge, restaurants, shops and vacant land. The ski runs are

comprised of acreage owned by Winter Sports, Inc. and acreage owned by the US Forest Service. Winter Sports, Inc. has permits to utilize area public lands for ski runs.

There is privately owned real property in and around the ski village, including several condominium complexes. Commercial uses on the ground floor are typical with residential units on upper floors. There are a number of single and multi-family subdivisions at Big Mountain as well. Development escalated beginning in 2000 and continued at a rapid pace through 2006. A number of single-family subdivisions were created during this period as well as several new condominium complexes.

### Conclusion

In conclusion, continued growth and expansion for the greater Whitefish area is considered likely in the long term. In 2020, the City of Whitefish did not annex any new land into the city limits. However, 2020 saw an increase from 2019 in the number of residential building permits issued, and 2020 surpassed the previous record high from 2005. From 2019 to 2020, the number of residential sales increased 56%, and the average price increased 32%. This significant increase was likely heavily influenced by the coronavirus pandemic, as it appears a large number of out-of-state buyers purchased real estate throughout the Flathead Valley in response to the pandemic. The demand for workforce and multi-family type housing is expected to spur growth in the commercial and residential sectors. A Workforce Housing Needs Assessment conducted by the City of Whitefish in 2016 concluded that there would be a need for 980 new residential units by 2020. While the current state of the Whitefish real estate market appears strong, the economies of local markets are tied to overall national economic health. Challenges like workforce housing and growth in the residential and commercial real estate markets are dependent on the health of the national economy, local job creation, and housing affordability. Overall, the outlook for Whitefish is positive, but guarded.

**Map of Subject Properties in Relation to Whitefish**



**SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS**  
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**ATTACHMENT A**

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

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

Scope of Work for the Appraisal of Potential Property Sale Through the Cabin/Home Site Sales  
Program: 2021 Olney, Flathead County Appraisal

**CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:**

The clients are the State of Montana, the Montana Board of Land Commissioners (Land Board) and the Department of Natural Resources and Conservation (DNRC). The intended users are the State of Montana, the Montana Board of Land Commissioners (Land Board), the Department of Natural Resources and Conservation (DNRC), Joseph & Kathleen Krass, Vincent L Marks, Nathan & Patti Conkle, John & Karen Strean, Ted & Starla Guckenberger, and Kottraba Fredenberg. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject property and is intended for use in the decision making process concerning the potential sale of said subject property.

**DEFINITIONS:**

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

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

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

**PROPERTY RIGHTS APPRAISED:**

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

**EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:**

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

**SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:**

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

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

**ASSIGNMENT CONDITIONS:**

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

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

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

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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 site has legal access.

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

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

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

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

**APPRAISED VALUES REQUIRED:**

The appraisal for each cabin and home site must:

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

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**ATTACHMENT B**

**MONTANA DNRC TRUST LAND MANAGEMENT DIVISION  
Supplemental Appraisal Instructions**

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

**Subject Property Located in Flathead County:**

Sale #	Acres	Legal Description	Site Address (if known)
1040	1.055±	Lot 4, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	Olney Loop, Olney, MT
1147	1.045±	Lot 11, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	First Ave. North, Olney, MT
1148	1.619±	Lot 19, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	First Ave. North, Olney, MT
1149	1.064±	Lot 24, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	First Ave. North, Olney, MT
1150	2.771±	Parcel 3, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	1296 Martin Camp RD, Olney, MT
1151	3.546±	Parcel 2, Olney Townsite, COS 21331, T32N-R23W, Sec. 7	1298 Martin Camp RD, Olney, MT
1152	4.00±	4.00± acres in the NWNW, T32N-R23W, Sec. 18	1350 Martin Camp Rd., Olney, MT
1153	2.00±	Lot in SE4NE4, T33N-R24W, Sec. 23	Highway 93 N Olney, MT

<p><b><u>DNRC Contact Information:</u></b> Seth Goodwin, Real Estate Specialist PO Box 201601 Helena, MT 59620-1601 Telephone: (406) 444-4289 Fax: (406) 444-2684 <a href="mailto:Seth.Goodwin2@mt.gov">Seth.Goodwin2@mt.gov</a></p>	<p><b><u>Lessees:</u></b> Sale 1040: Krass, Joseph &amp; Kathleen, (406) 881-2793 Sale 1147: Marks, Vincent L., (406) 881-2102 Sale 1148: Krass, Joseph &amp; Kathleen, (406) 881-2793 Sale 1149: Conkle, Nathan &amp; Patti, (406) 881-2242 Sale 1150: Strean, John &amp; Karen, (406) 407-5329 Sale 1151: Strean, John &amp; Karen, (406) 407-5329 Sale 1152: Guckenberger, Starla &amp; Ted Paul, (406) 881-9919 Sale 1153: Fredenberg; Kottraba, (206) 261-8956</p>
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***The following will be located in the body of the contract:***

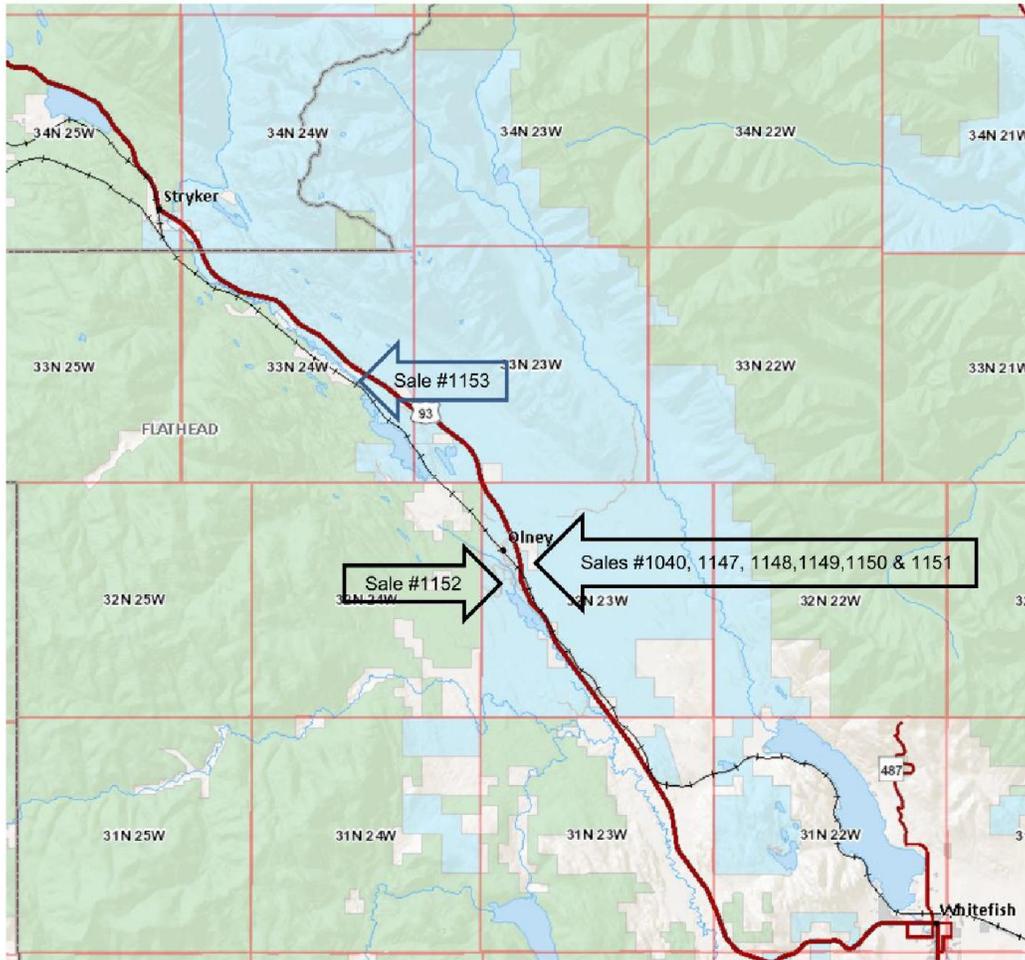
The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel(s). If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing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

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

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

### Location Map of Parcels



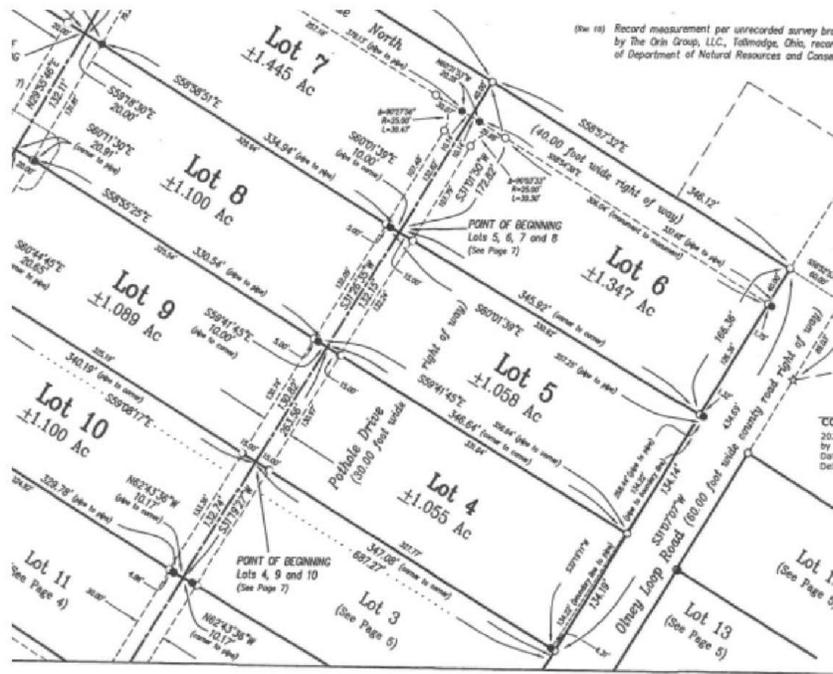
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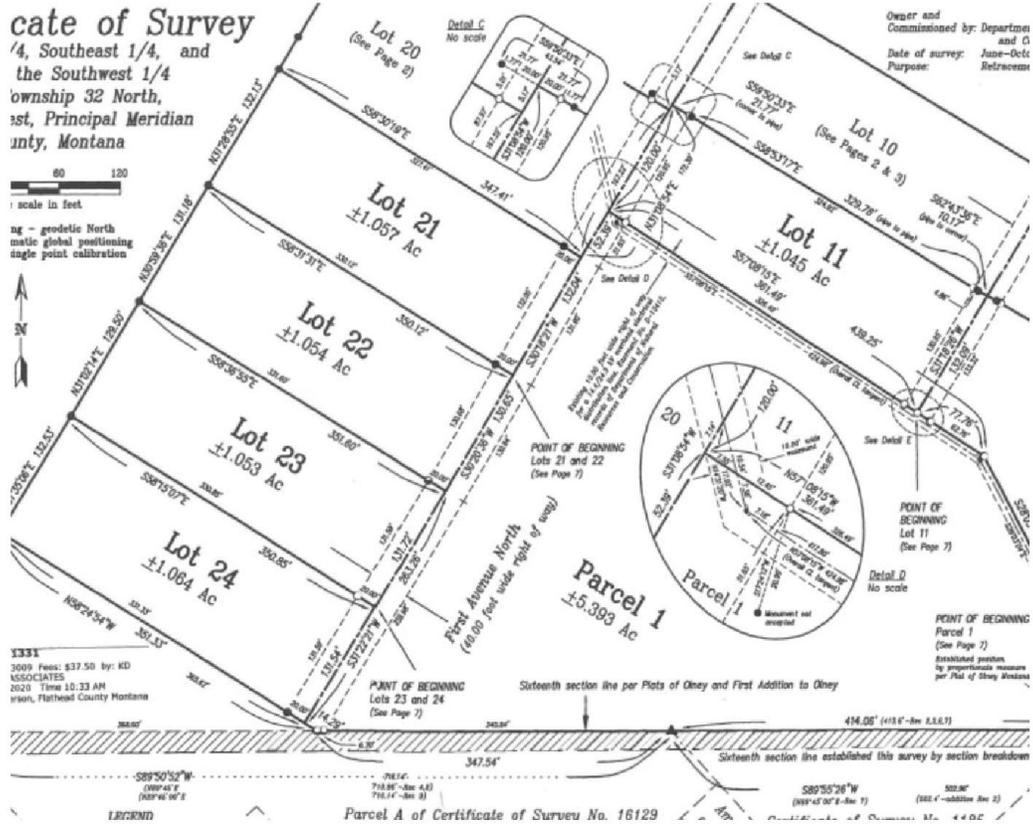
### Cabin Site Sale Parcel Maps

Olney Townsite, COS 21331, T32N-R23W, Sec. 7



Lot 4

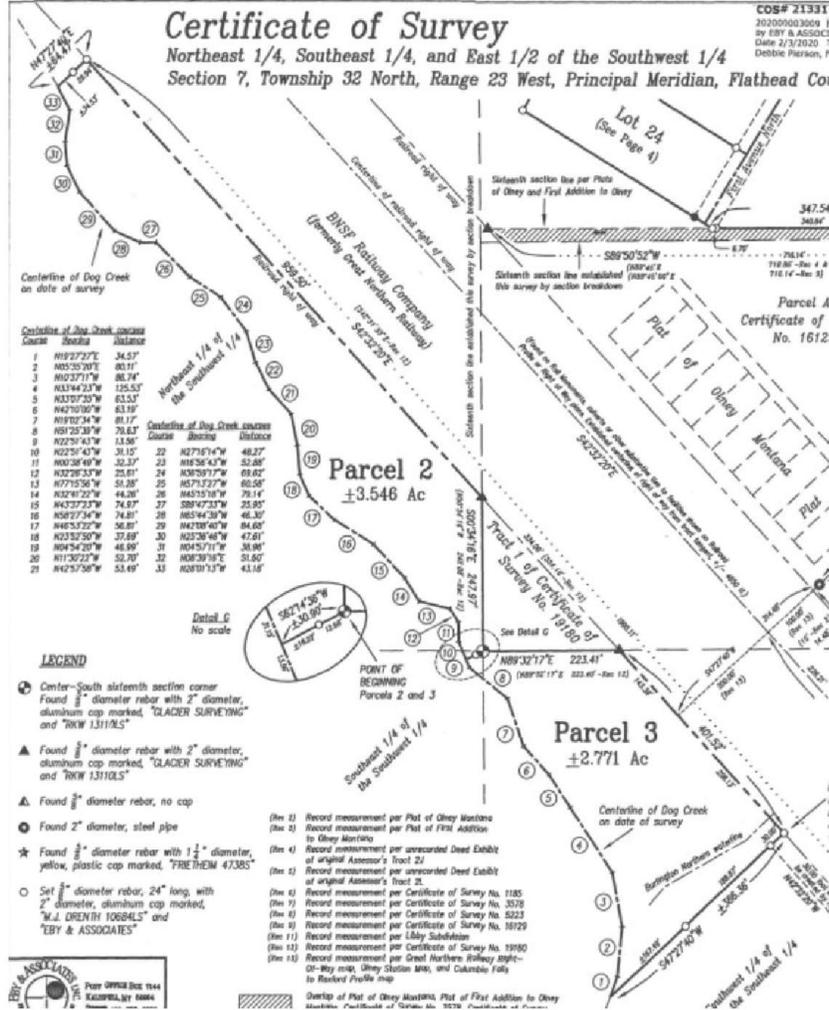
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**Lots 11 & 24**



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Parcels 2 & 3

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NW4NE4, T32N-R23W, Sec. 18



Lot in SE4NE4, T33N-R24W, Sec. 23



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**AMENDEMENT TO CONTRACT**  
(Page 1 of 2)

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<b>FOR DNRC USE ONLY</b>		<b>Approved</b>
Amount increased under this Agreement: <b>\$0</b>		No. <u>215093</u>
		Amendment # <u>1</u>
		Division <u>RW</u>
		Legal <u>MP</u>
		F.S.O. <u>GU</u>
<b>Source of Funds</b>		
<b>Fund Name</b>		<b>Fund No.</b>
Cabin Site Sale Private Closing Costs		02031
Trust Administration Account		02938
<b>Subclass</b>	<b>Org. No.</b>	<b>Percent</b>
555HA	6049-53	37.5%
	6048DR-08	37.5%
	6049-56	6.25%
	6048DR-06	6.25%
	6049-59	6.25%
	6048DR-01	6.25%
Contract Expiration Date: November 15, 2021		



This Amendment to Contract No. 215093, hereinafter called the "Amendment #1", is made and entered into between the State of Montana, Department of Natural Resources and Conservation, P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601(hereinafter called the "State"), and, Elliot Clark, Clark Real Estate Appraisal, Inc., (hereinafter called the "Contractor"), whose address and phone number are 704 C East 13<sup>th</sup> Street, #509, Whitefish, MT 59937, (406) 862-8151. Except as amended herein, Contract No. 215093 remains fully in effect

The parties to this Amendment #1, in consideration of the mutual covenants and stipulations, and Pursuant to SECTION 33.2, Entire Agreement, agree to amend the following sections of the aforementioned contract as follows:

**Section 1.1 Contract Term**, is hereby deleted and the following is inserted in its place:

**1.1 "Contract Term.** This contract shall take effect when signed by all parties to the agreement and terminate on November 15, 2021, unless terminated earlier in accordance with the terms of this contract. (Section 18-4-313, MCA)."

The effective date of this Amendment #1 is the last day of signing by all parties.

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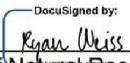
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This Amendment #1 consists of (2) two page(s). One original is to be retained by the Department and one original is to be retained by the Contractor. A scanned copy or facsimile copy of the original has the same force and effect as the original document.

9/27/2021  
Date

By:  \_\_\_\_\_  
Contractor's Authorized Representative

9/27/2021  
Date

By:  \_\_\_\_\_  
Department of Natural Resources & Conservation