

APPRAISAL OF



LOCATED AT:

Quail Lane
Lewistown, MT 59457

FOR:

Department of Natural Resources and Conservation
P.O. Box 201601
Helena, Montana 59620

BORROWER:

Not Applicable

AS OF:

August 5, 2008

BY:

Gary Barta
Barta Appraisal Service

BARTA APPRAISAL SERVICE

File No. Fergus County

September 15, 2008

Department of Natural Resources and Conservation
P.O. Box 201601
Helena, Montana 59620

File Number: Fergus County

RE: State of Montana Property

In accordance with your request, I have appraised the real property at:

Quail Lane
Lewistown, MT 59457

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as vacant.
The property rights appraised are the fee simple interest in the site.

In my opinion, the market value of the property as of August 5, 2008 is:

\$3,000
Three Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Sincerely,



Gary Barta
Barta Appraisal Service

LAND APPRAISAL REPORT

File No. Fergus County

SUBJECT

Property Address Quail Lane		Census Tract 30045	
City Lewistown		County Fergus	State MT Zip Code 59457
Legal Description Danvers Original, Block 3, Lots 17-19			
Owner/Occupant State of Montana - Estate #2877		Map Reference None	
Sale Price \$ N/A		Date of Sale N/A	
Loan charges/concessions to be paid by seller \$ N/A		Property Rights Appraised	
R.E. Taxes \$ Exempt		Tax Year 2007	HOA \$/Mo. None
Lender/Client Department of Natural Resources and Conservation		<input checked="" type="checkbox"/> Fee Simple	
P.O. Box 201601, Helena, Montana 59620		<input type="checkbox"/> Leashold	
		<input type="checkbox"/> Condominium (HUD/VA)	
		<input type="checkbox"/> PUD	
LENDER DISCRETIONARY USE			
Sale Price \$ _____			
Date _____			
Mortgage Amount \$ _____			
Mortgage Type _____			
Discount Points and Other Concessions _____			
Paid by Seller \$ _____			
Source _____			

NEIGHBORHOOD

LOCATION	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	NEIGHBORHOOD ANALYSIS				
BUILT UP	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Employment Stability	Good	Avg.	Fair	Poor
GROWTH RATE	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PROPERTY VALUES	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DEMAND/SUPPLY	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MARKETING TIME	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 3-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRESENT LAND USE %	LAND USE CHANGE	PREDOMINANT OCCUPANCY	SINGLE FAMILY HOUSING	Recreation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family 20%	Not Likely <input checked="" type="checkbox"/>	Owner <input checked="" type="checkbox"/>	PRICE AGE	Adequacy of Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2-4 Family _____	Likely <input type="checkbox"/>	Tenant <input type="checkbox"/>	\$(000) (yrs)	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Multi-Family _____	In process <input type="checkbox"/>	Vacant (0-5%) <input checked="" type="checkbox"/>	20 Low 10	Protection from Detrimental Cond.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercial 10%	To: _____	Vacant (over 5%) <input type="checkbox"/>	125 High 100	Police & Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industrial _____			Predominant	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vacant 70%			40 - 80	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Note: Race or the racial composition of the neighborhood are not considered reliable appraisal factors. COMMENTS: The neighborhood is located in the small rural town of Danvers. The neighborhood is older and stable. There are a mixture of residential homes and agricultural type property in the area. The neighborhood is served by wells & septic systems. Employment stability is average. The general appearance of the properties in the area is average.								

SITE

Dimensions 150' X 140'			Topography	Level
Site Area 21000 S.F.			Size	Typical
Zoning Classification No Zoning			Shape	Rectangular
HIGHEST & BEST USE: Present Use Yes			Drainage	Adequate
Other Use No			View	Average
UTILITIES	Public	Other	Landscaping	Average
Electricity	<input checked="" type="checkbox"/> Nearby		Driveway	None
Gas	<input type="checkbox"/> None		Apparent Easements	None Noted/PUE
Water	<input type="checkbox"/> None		FEMA Flood Hazard	Yes* _____ No <input checked="" type="checkbox"/>
Sanitary Sewer	<input type="checkbox"/> None		FEMA* Map/Zone	N/A
Storm Sewer	<input type="checkbox"/> None		Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.): Site is not covered by FEMA maps. Electricity is located nearby. The site is wire fenced.	

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	Quail Lane Lewistown	Central Avenue Moccasin, MT		Arrow Street Danvers, MT		Central Avenue Moccasin, MT	
Proximity to Subject		15 Miles Southwest		1 Block North		15 Miles Southwest	
Sales Price	\$ N/A	\$ 8,000		\$ 1,000	\$ 1,000		
Price/	\$ <input checked="" type="checkbox"/>	\$ 8000 <input checked="" type="checkbox"/>		\$ 1000 <input checked="" type="checkbox"/>	\$ 1000 <input checked="" type="checkbox"/>		
Data Source	CH/Inspection	CH/Grantee		CH/Grantee		CH/Grantee	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment
Sales or Financing		Cash		Cash		Cash	
Concessions		None Reported		None Reported		None Reported	
Date of Sale/Time	Current	3/1/2005		9/19/2005		3/23/2006	
Location	Average	Average		Average		Average	
Site/View	21000 SF/A	28000 SF/A	-1,000	14000 SF/A	+1,000	7000 SF SF/A	+2,000
Bldg Imprv	None	Old House	-4,000	Old House-NV	+1,000	None	
Site Imprv	None	None		None		None	
Net Adj. (total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ 5,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 2,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 2,000
Indicated Value		Gross: 62.5%		Gross: 200.0%		Gross: 200.0%	
of Subject		Net: -62.5%	\$ 3,000	Net: 200.0%	\$ 3,000	Net: 200.0%	\$ 3,000
Comments of Sales Comparison: See Attached Addendum							

RECONCILIATION

Comments and Conditions of Appraisal: Property is in average condition. No repairs are required. Appraisal is based on "as is" condition. The property has not been listed for sale or sold in the last 36 months.	
Final Reconciliation: Market data was primarily used in making the market value estimation. The sales data was considered the most reliable and supports the market value of \$3000.	
I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF August 5, 2008 to be \$ 3,000	
I (We) certify: that to the best of my (our) knowledge and belief, the facts and data used herein are true and correct; that I (we) personally inspected the subject property and inspected all comparable sales cited in this report; and that I (we) have no undisclosed interest, present or prospective therein.	
Appraiser(s) Gary P Barta	Review Appraiser (if applicable) <input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property

ADDENDUM

Borrower: Not Applicable		File No.: Fergus County	
Property Address: Quail Lane		Case No.:	
City: Lewistown	State: MT	Zip: 59457	
Lender: Department of Natural Resources and Conservation			

Comments on Sales Comparison

Equal weight was given to each of the comparable sales. Individual adjustments over 10% and gross adjustments over 25% were made ot the comparable sales. A lack of current similar sales made it necessary to use the best current similar sales available. There is a lack of vacant lot sales in the market area which made it necessary to use older sales. Comparable sale #3 is most similar to the subject property.

Comparable sale #1 has a site that is superior in size compared to the subject. Comparable sales #2 and #3 have sites that are inferior in size and value compared to the subject. Comparable sale #1 has superior improvements compared to the subject. Comparable sale #2 has an old house that has no value. An adjustment of +1000 was applied to the property because of the demolition of the home to create a vacant lot.

Other factors and items of comparison are similar to the subject property. A lack of current similar sales made it necessary to the the best sales available. Other comparable sales, pending sales, and current realtor listings were also reviewed and used as a benchmark to the market value. The comparable sales range from \$1000 to \$8,000 with the adjusted sales prices have an indicated value of \$3,000.

DEFINITION OF MARKET VALUE: 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. 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 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.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to , or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and Limiting Conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: Quail Lane, Lewistown, MT, 59457

APPRAISER:

SUPERVISORY APPRAISER (only if required)

Signature: Gary P Barta
Name: Gary Barta
Date Signed: September 15, 2008
State Certification #: 107
or State License #: _____
State: Montana
Expiration Date of Certification or License: 3/31/2009

Signature: _____
Name: _____
Date Signed: _____
State Certification #: _____
or State License #: _____
State: _____
Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Barta Appraisal Service

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: Fergus County
Property Address: Quail Lane		Case No.:
City: Lewistown	State: MT	Zip: 59457
Lender: Department of Natural Resources and Conservation		



FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: August 5, 2008
Appraised Value: \$ 3,000



REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

Borrower: Not Applicable		File No.: Fergus County
Property Address: Quail Lane		Case No.:
City: Lewistown	State: MT	Zip: 59457
Lender: Department of Natural Resources and Conservation		



VIEW LOOKING NORTHEAST



VIEW LOOKING WEST

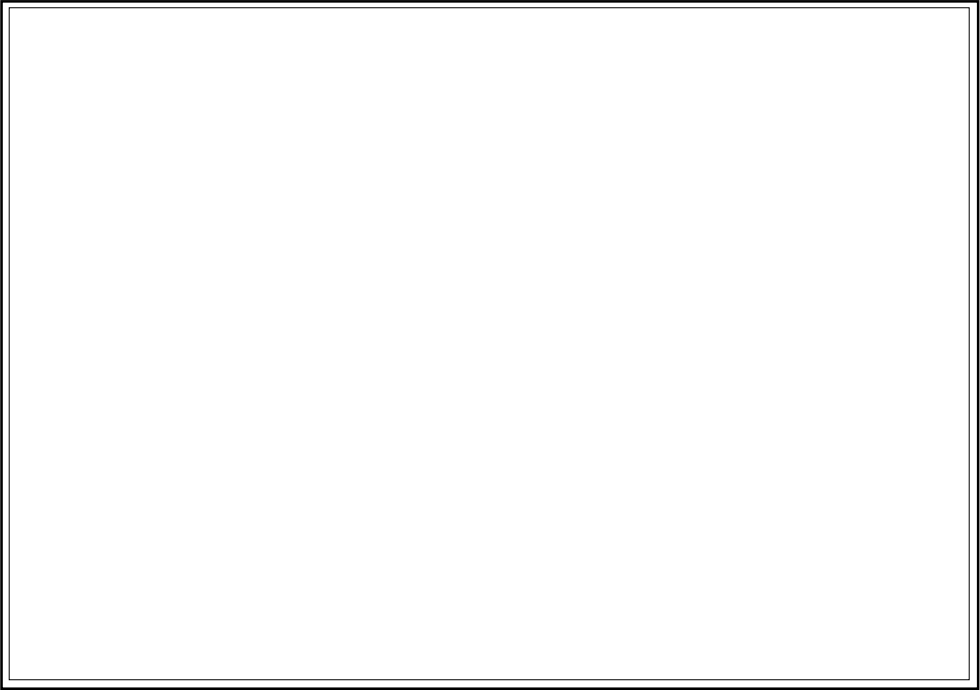
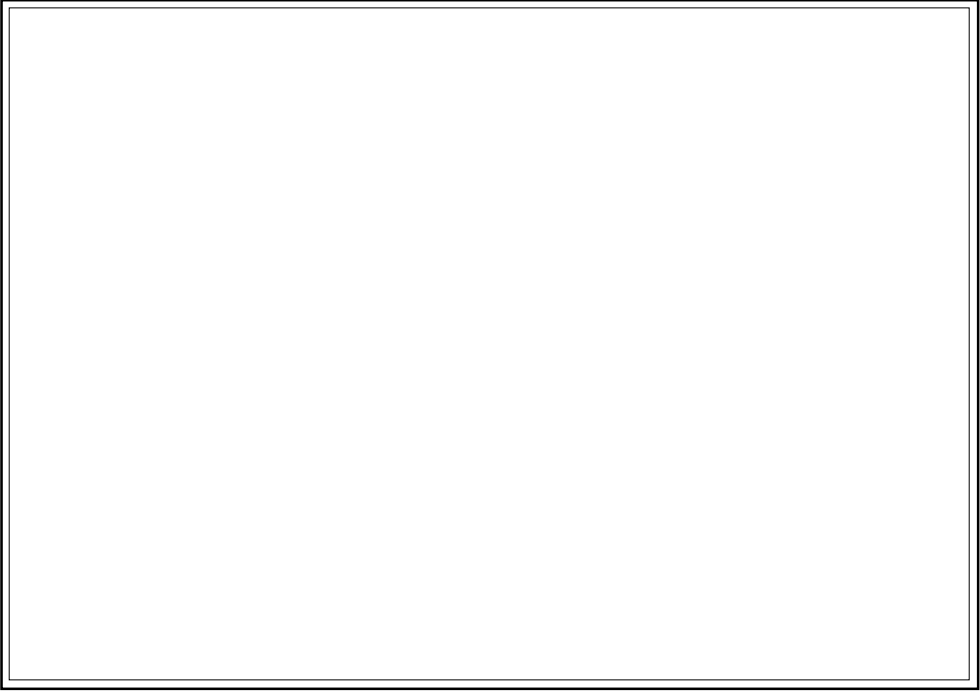


VIEW LOOKING NORTH

Borrower: Not Applicable		File No.: Fergus County	
Property Address: Quail Lane		Case No.:	
City: Lewistown		State: MT	Zip: 59457
Lender: Department of Natural Resources and Conservation			

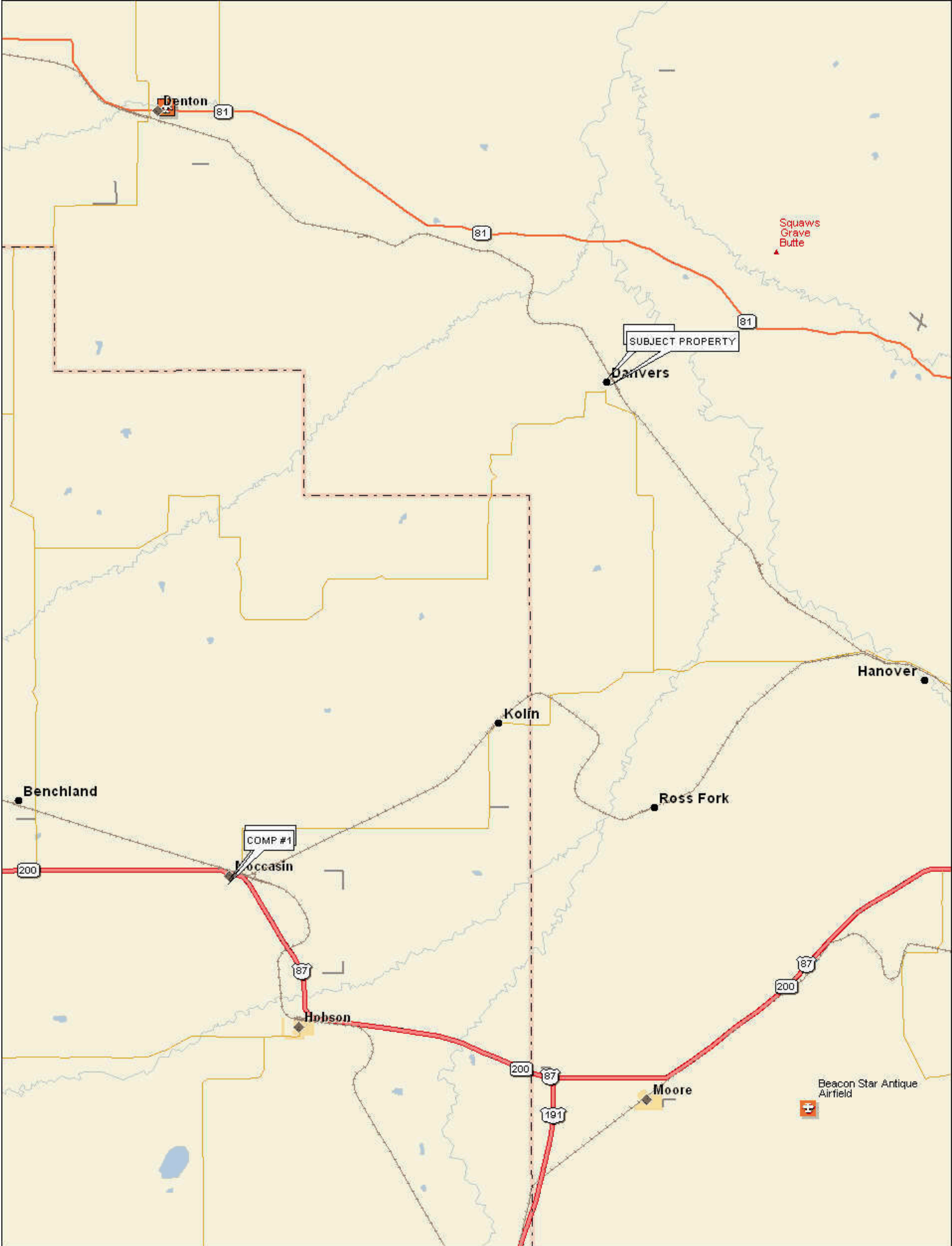


VIEW LOOKING SOUTHWEST



LOCATION MAP

Borrower: Not Applicable	File No.: Fergus County
Property Address: Quail Lane	Case No.:
City: Lewistown	State: MT Zip: 59457
Lender: Department of Natural Resources and Conservation	





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MN (12.7° E)



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Data Zoom 10-0



LUL-3072
LUL-3200
LUL-3244

Lease/License LUL-3244

Agreement No LUL-3244

User BOWSER, ADAM & STYER, TAMI

Data Info

Type Residential Accessory

Use Lawn/Greenspace

Bid Info

Competative Bid

Data on Tab?

Lease/License

License

Status Active

Dt Effective 3/18/2007

Dt Expiration 2/28/2014

Num of Bids

Issues

Improvements

SubLease

Multiple Use Agreement

Neighborhood

Phase In During 1st bill cycle?

Tenant's Options

Length (Years)

Year

Inspect

Bond

Security

Assignment

Digital Pictures

Generate Ad Hoc

View Lease

Office

Area NELO

Unit Lewistown

LEDGE

Comments

Twn Rng Sec	Legal	County	Acres	Grant ID
17N 16E 20	LOTS 17_ 18 & 19 IN BLOCK THREE (3) OF T	Fergus	1 Common Schools	

5/50.00



Subject Front View



Title



Subject Rear View



Subject Street Scene



Extra Photo 1



Extra Photo 2



Extra Photo 3



Extra Photo 1



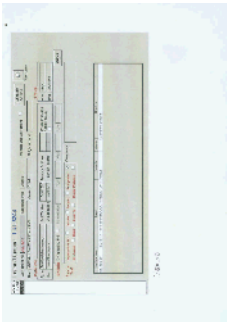
Extra Photo 2



Location Map



Plat Map



Extra Image