





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

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## LETTER OF TRANSMITTAL

August 9, 2022

Ms. Deidra Kloberdanz, Lands Section Supervisor  
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 15, 16, 22, & 27, Echo Lake, COS 18885, Section 5, Township 27 North, Range 19 West,  
Bigfork, Flathead County, Montana

Dear Ms. Kloberdanz:

In compliance with your request, Elliott M. Clark, MAI and Christopher D. Clark viewed the above referenced properties on June 23, 2022. Applicable information regarding zoning was reviewed and trends in real estate activity in the area were researched and analyzed. The property viewings, reviews, and analyses were made in order to prepare the attached summary appraisal report.

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

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

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

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

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

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

Respectfully submitted,



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



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

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## SUMMARY OF SALIENT DATA AND CONCLUSIONS

### IDENTIFICATION OF CLIENT/INTENDED USE

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

### SUBJECT PROPERTY

<b>Property Identifications</b>	Lots 15, 16, 22, & 27, Echo Lake, COS 18885, Section 5, Township 27 North, Range 19 West, Bigfork, Flathead County, 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>	30-029-0013.020
<b>Flood Zone</b>	Zone X, FEMA Map Panel 30029C1875G (Dated 9/28/2007 – Map Not Printed)
<b>Zoning</b>	SAG-5, Suburban Agricultural (5 Acre Minimum Site Area)

### 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>	August 9, 2022
<b>Inspection Date(s)</b>	June 23, 2022
<b>Effective Date of Value(s)</b>	June 23, 2022
<b>Property Rights Appraised</b>	Fee Simple

#### Estimate of Market Values

<b>Individual Lot Values</b>	Property Valuation Section of Report & Page 106 of Report
<b>Individual Improvement Values</b>	Property Valuation Section of Report & Page 106 of Report
<b>Individual Total Market Values</b>	Property Valuation Section of Report & Page 106 of Report

<b>Extraordinary Assumption(s)</b>	None
<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 values for the subject properties, as improved, are also based upon a 3 to 6 month marketing and exposure times. Estimated marketing and exposure times are addressed in detail in the Subject Market Analysis portion of this report.

### APPRAISER INFORMATION

<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.
- Clark Real Estate Appraisal has performed no services, as appraisers or in any other capacity, regarding the subject properties within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of predetermined values or directions in value that favor the cause of the clients, the amounts of the value opinions, the attainment of stipulated results, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- Elliott M. Clark, MAI and Christopher D. Clark both personally viewed the subject properties.
- No one provided significant real property appraisal assistance to the persons signing this certification.

- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report Elliott M. Clark, MAI has completed the continuing education requirements of the Appraisal Institute.

*Elliott M. Clark*

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Dated Signed: August 9, 2022  
Elliott M. Clark, MAI  
MT REA-RAG-LIC-683

*Christopher D. Clark*

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Date Signed: August 9, 2022  
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 15, 16, 22, & 27, Echo Lake, COS 18885, Section 5, Township 27 North, Range 19 West, Bigfork, Flathead County, Montana.

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

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

### **Scope of Property Viewing**

Elliott M. Clark, MAI and Christopher D. Clark of Clark Real Estate Appraisal viewed the subject properties on June 23, 2022. We measured the improvements on the subject lots and walked the lots.

### **Scope of Research**

The history of ownership, historical uses and current intended uses were researched via the Montana Department of Natural Resources, the lessees for the property, Flathead County Records, and the area Multiple Listing Service.

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

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

### **Extraordinary Assumption(s)**

An **Extraordinary Assumption** is defined in 2020-2022 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 2020-2022 version of the Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board to be “*a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for purpose of analysis.*”

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

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

### **Highest & Best Use**

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

### **Appraisal Process**

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

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

### **Environmental**

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

### **General Data Sources**

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

- 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	Gross Acres	Net Acres
15	2028	18885	S5/T27N/R19W	Flathead	0.611	0.515
16	2030	18885	S5/T27N/R19W	Flathead	0.851	0.731
22	2027	18885	S5/T27N/R19W	Flathead	0.658	0.543
27	2029	18885	S5/T27N/R19W	Flathead	1.110	1.110

## 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 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
15	2028	Robert & Shelly Chollak
16	2030	None
22	2027	Cole & Jackie Barnett
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway

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

## **PURPOSE OF THE APPRAISAL**

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

## **DATE OF PROPERTY VIEWINGS**

June 23, 2022

## **EFFECTIVE DATE OF MARKET VALUES**

June 23, 2022

## **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.

## DEFINITION OF MARKET VALUE

At the request of the client, the following definition of market value is 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.

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<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 are owned by the State of Montana. The improvements on the subject lots are owned by the lessees. The lessees and the most recent transfer documents available online via Sanders County, Montana are identified below;

Lot #	Sale #	Lessee	Address	Last Transfer Document
15	2028	Robert & Shelly Chollak	1826 Echo Cabin Loop	Unknown
16	2030	None	1822 Echo Cabin Loop	Notice of Reversion of Improvements 2019
22	2027	Cole & Jackie Barnett	1890 LaBrant Rd	Warranty Deed 2021 - Consideration \$120,000
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	1744 LaBrant Rd	Quitclaim Deed 2021

### USE/MARKETING HISTORIES

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

Lot #	Sale #	Lessee	House Built
15	2028	Robert & Shelly Chollak	2008 Nashua Mobile Home (Updated & Deck Added)
16	2030	None	1960
22	2027	Cole & Jackie Barnett	1977 Mobile Home
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	1961 (Updated)

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 and none had been available for sale via the area MLS during the three years prior to the report effective date.

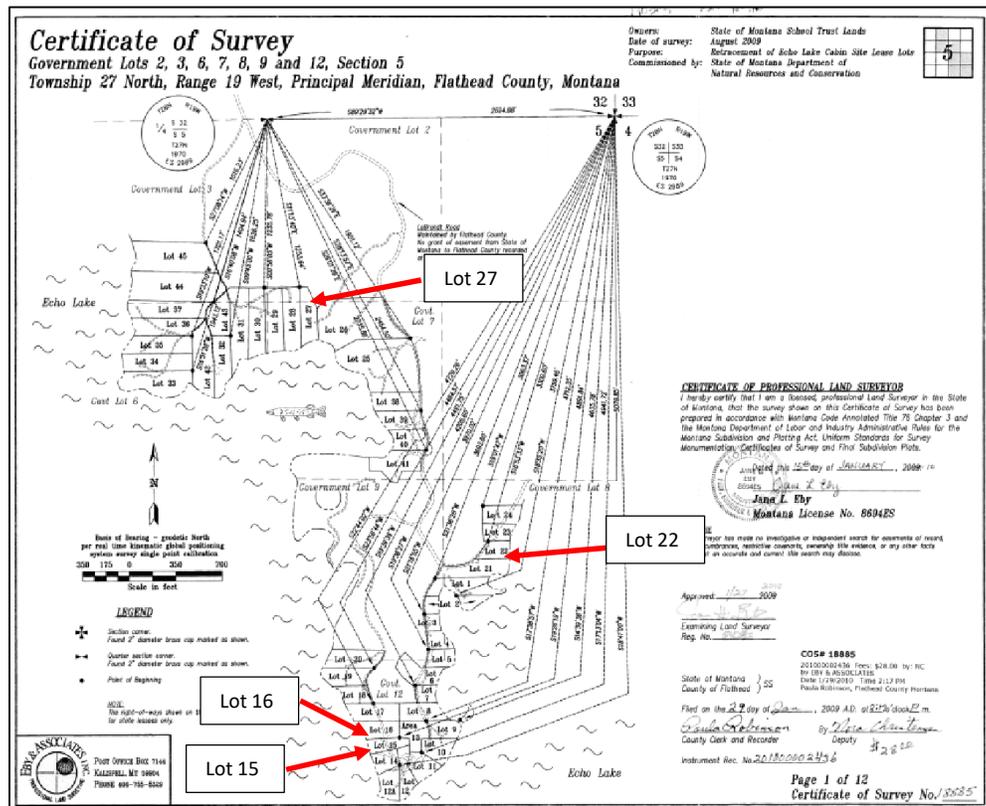
# PROPERTY DESCRIPTIONS

## GENERAL DESCRIPTIONS

The subject properties are Lots 15, 16, 22, & 27, Echo Lake, COS 18885, in Section 5, Township 27 North, Range 19 West, Bigfork, Flathead County, Montana. The subject site sizes are below;

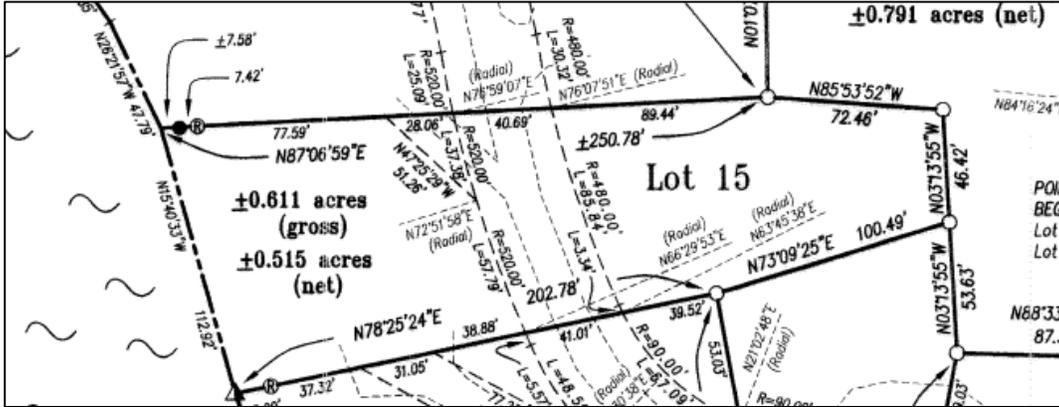
Lot #	Sale #	Gross Acres	Net Acres	Water Frontage
15	2028	0.611	0.515	112.92 Feet of Frontage Along Echo Lake
16	2030	0.851	0.731	162.37 Feet of Frontage Along Echo Lake
22	2027	0.658	0.543	136.37 Feet of Frontage Along Echo Lake
27	2029	1.110	1.110	142.23 Feet of Frontage Along Echo Lake

Page 1 of the COS 18885 is below.

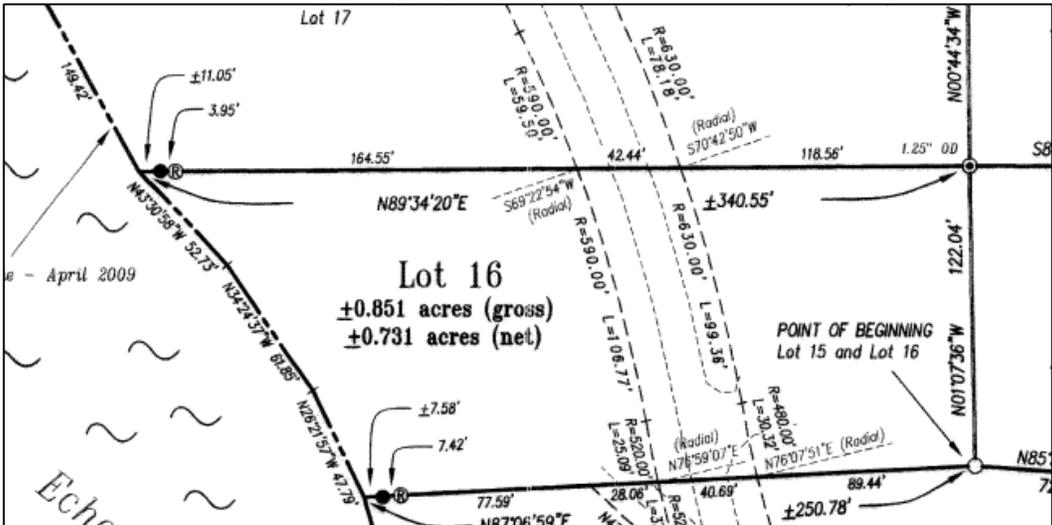


Zoomed in images of each subject lot from COS 18885 are on the following pages.

**Lot 15**  
Zoomed Image from Page 8 of COS 18885



**Lot 16**  
Zoomed Image from Page 8 of COS 18885





## ACCESS AND VIEWS

Access and water frontage for each site is described on the table below;

Lot #	Sale #	Lessee	Address	Water Frontage	Access
15	2028	Robert & Shelly Chollak	1826 Echo Cabin Loop	112.92 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Lot is Bisected by Road)
16	2030	None	1822 Echo Cabin Loop	162.37 Feet of Frontage Along Echo Lake	Driveway from Echo Cabin Loop (Lot is Bisected by Road)
22	2027	Cole & Jackie Barnett	1890 LaBrant Rd	136.37 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	1744 LaBrant Rd	142.23 Feet of Frontage Along Echo Lake	Driveway from LaBrant Road

## IMPROVEMENTS

The improvements on the subject lots are described on the table below.

Sale #	2028	2030	2027	2029
Lot #	15	16	22	27
Residence SF	1,150	537	1,060	724
Construction Type	Manufactured Home	Wood Frame	Single Wide Mobile Home	Wood Frame
Foundation	Concrete	Piers	Piers	Piers
Quality	Good	Fair	Average	Average
Condition	Very Good	Fair	Average	Good
Year Built	2008 (Updated & Deck Added)	1960	1977 (Moved to Site 2014)	1958 (Updated)
# of Bedrooms	3	0	2	1
# of Bathrooms	2	0	2	1
Porches	618 SF Deck	134 SF Covered Deck	109 SF Covered Porch	369 SF Deck
Outbuildings	None (Personal Property Only)	18 SF Outhouse (Older Boat House of no Value)	128 SF Storage Building	120 SF Bunk House, 40 SF Deck, & 200 SF RV Deck (Older Boat House of no Value)
Well/Septic	Well/Septic	None/None	Well/Septic	Well/Septic
Landscaping	Stairs & Retaining Wall	N/A	Lawn	Fire Pit

The residence on subject Lot 15 is a manufactured home; however, due to upgrades and additions, site built homes are considered to be appropriate comparables for this residence.

## EASEMENTS, RESTRICTIONS, AND ENCROACHMENTS

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

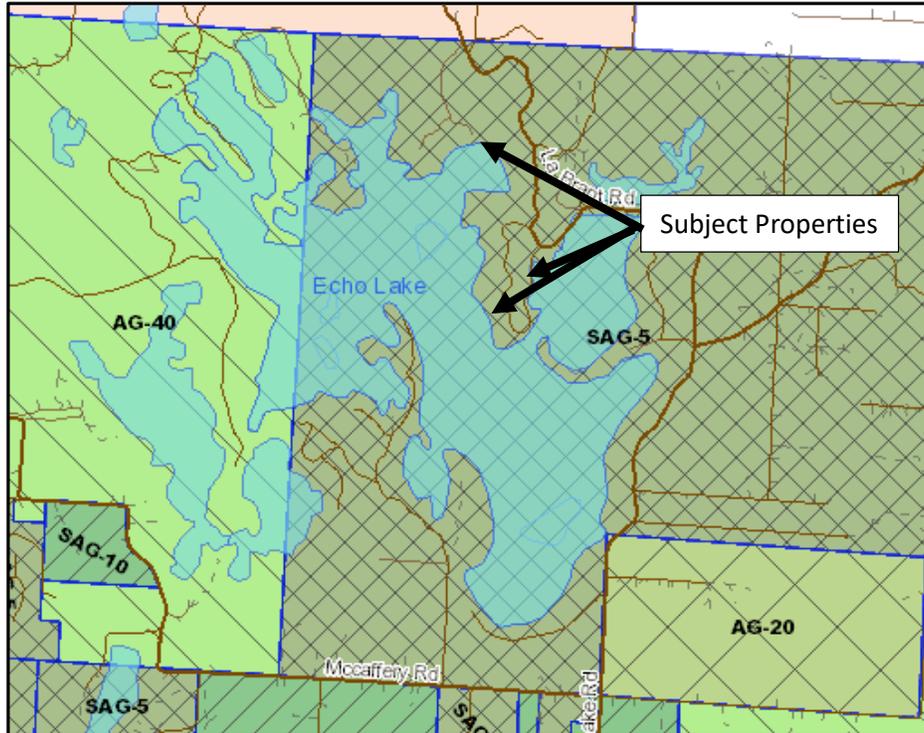
Lot #	Sale #	Lessee	Access	Easement Affecting Property
15	2028	Robert & Shelly Chollak	Driveway from Echo Cabin Loop (Lot is Bisected by Road)	0.096 Acres Within Echo Cabin Loop Rd, Easement to Private Lot Owners for Private Access Road, & ROW to Flathead Electric for Distribution Pole Line
16	2030	None	Driveway from Echo Cabin Loop (Lot is Bisected by Road)	0.120 Acres Within Echo Cabin Loop Rd, Easement to Private Lot Owners for Private Access Road, & ROW to Flathead Electric for Distribution Pole Line
22	2027	Cole & Jackie Barnett	Driveway from LaBrant Road	0.115 Acres Within LaBrant Road & ROW to Flathead Electric for Distribution Pole Line
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	Driveway from LaBrant Road	ROW to Flathead Electric for Distribution Pole Line

The road easements associated with Lots 15, 16, and 22 are considered to have some impact on marketability for those lots. If additional easements, restrictions, or encroachments other than those

noted in this report are present on the subject properties, the values concluded in this report may be affected.

## ZONING

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



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

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

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

Uses which may be permitted with a conditional use permit are; airfield, aircraft hangars, airport/landing field, animal hospital, veterinary clinic, bed and breakfast establishment, camp and retreat center, caretaker’s facility, cellular tower, cemetery, mausoleum, columbarium, crematorium, church and other place of worship, community center building operated by a non-profit agency, community residential facility, contractor’s storage yard, dwelling, family hardship,

electrical distribution station, extractive industry, golf course, golf driving range, kennel, manufactured home park, recreational facility, RV park, riding academy and rodeo arena, primary and secondary school, stable, temporary building or structure, water and sewage treatment plant, and water storage facility.

The minimum lot area is 5 acres. The minimum lot width is no greater than 3 times the average width unless the average width is more than 300 feet. Building setbacks are 20 feet along the front, side, side corner, and rear. The maximum building height is 35 feet. The permitted lot coverage area is 25%.

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

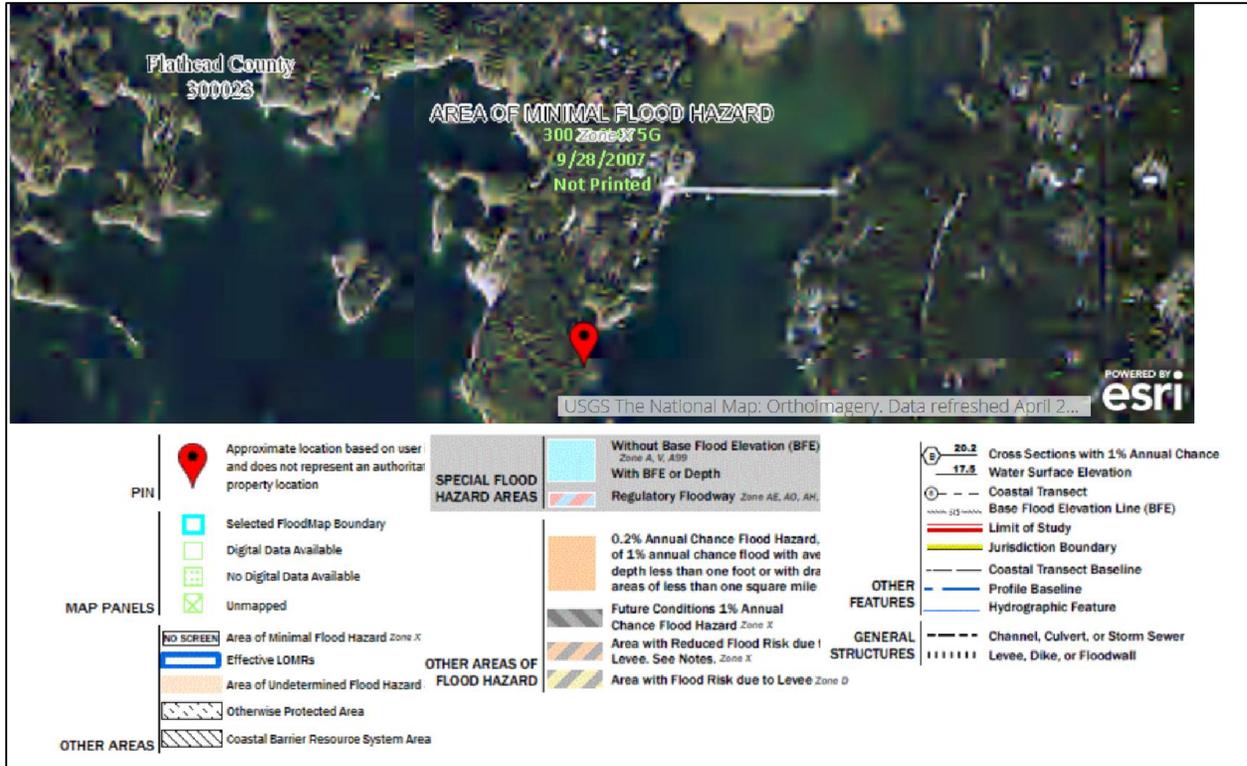
**ASSESSMENT/REAL PROPERTY TAXES**

The subject lots are tax exempt; however, the lots are valued by the Montana Department of Revenue to assist with determination of lease rates. The improvements on each site are taxable. The 2022 taxable market values for the **subject improvements** (as per the Montana Department of Revenue) and the 2022 tax bill amounts are on the table below;

Sale #	Lot #	Lessees	Assessor # for Improvements	2022 Taxable Market Value for Improvements	2022 Tax Bill Amount for Improvements
15	2028	Robert & Shelly Chollak	T511342	\$84,200	\$660.34
16	2030	None	E001401	\$38,170	N/A - Tax Exempt
22	2027	Cole & Jackie Barnett	0920345	\$61,020	\$514.37
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	0747791	\$66,720	\$550.70

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

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



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

Lot #	Sale #	Lessee	Topography
15	2028	Robert & Shelly Chollak	Sloping with Level Areas
16	2030	None	Sloping with Level Area
22	2027	Cole & Jackie Barnett	Some Slope with Level Area
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	Some Slope 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 and wells is below;

Sale #	Lot #	Lessees	Septic Tank	Water Source	Water Right	Notes
15	2028	Robert & Shelly Chollak	Yes	Well	Yes (1)	2007 Septic Permit
16	2030	None	No	None	Yes (1)	
22	2027	Cole & Jackie Barnett	Yes	Well	Yes (1)	
27	2029	Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway	Yes	Well	Yes (1 - Surface Water Right)	

## 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 15

**SKETCH/AREA TABLE ADDENDUM**

SUBJECT INFO					
File No.:	Parcel No.: Lot 15				
Property Address:	1826 Echo Cabin Loop				
City:	Bigfork	County:	Flathead	State:	MT
Owner:	MT DNRC	ZipCode:	59911		
Client:	MT DNRC	Client Address:			
Appraiser Name:	Clark Real Estate Appraisal		Inspection Date:	06/23/2022	

**SKETCH**

Sketch by ApexSketch

AREA CALCULATIONS SUMMARY						COMMENT TABLE 1	
Code	Description	Factor	Net Size	Perimeter	Net Totals		
GLA1	First Floor	1.0	1150.0	140.5	1150.0		
P/P	Deck	1.0	618.0	172.5	618.0		
						COMMENT TABLE 2	COMMENT TABLE 3
Net LIVABLE		cnt	1	(rounded)	1,150		

 © ILOOKABOUT (US) Inc. dba Apex Software Page 1

**SUBJECT PHOTOGRAPHS**



Front of Residence on Lot 15



South Side of Residence



West Side of Residence



North Side of Residence

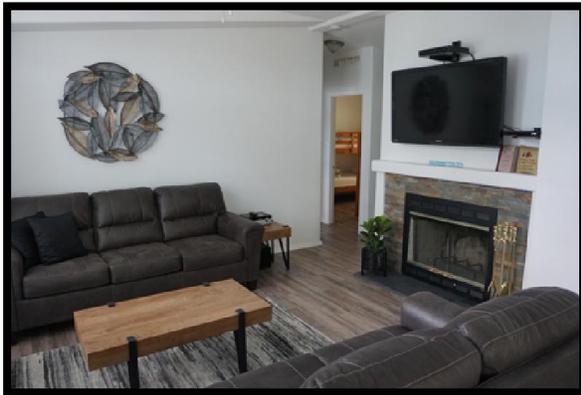


Deck Looking South



Deck Looking North

**ADDITIONAL PHOTOGRAPHS**



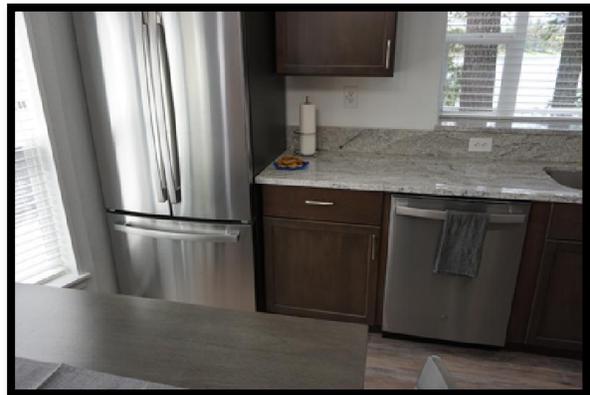
Living Room



Kitchen



Kitchen



Kitchen



Primary Bedroom



Ensuite Bathroom

**ADDITIONAL PHOTOGRAPHS**



Bedroom #2



Bedroom #3



Bathroom #2



Pantry



Laundry Room



Water Heater

**ADDITIONAL PHOTOGRAPHS**



Furnace



Water Softener System



Crawlspace



Well



Echo Lake View from Deck



Stairs to Waterfront

**ADDITIONAL PHOTOGRAPHS**



Echo Lake Frontage Looking South



Floating Dock and Echo Lake View



Echo Lake Frontage Looking North



Recreation Area and Retaining Wall



Retaining Wall Looking West



Northeast Property Boundary Marker

## ADDITIONAL PHOTOGRAPHS



View South along Approximate East Property Boundary



Southeast Property Boundary Marker Looking West



View North along Approximate East Property Boundary



Driveway Looking toward Echo Cabin Loop



Parking Area on Lot 15



Driveway Entrance from Echo Cabin Loop

**ADDITIONAL PHOTOGRAPHS**



Upper Portion of Lot 15 on West Side of Echo Cabin Loop



Upper Portion of Lot 15



Upper Portion of Lot 15



Residence on Lot 15 from Echo Cabin Loop



Echo Cabin Loop Looking North

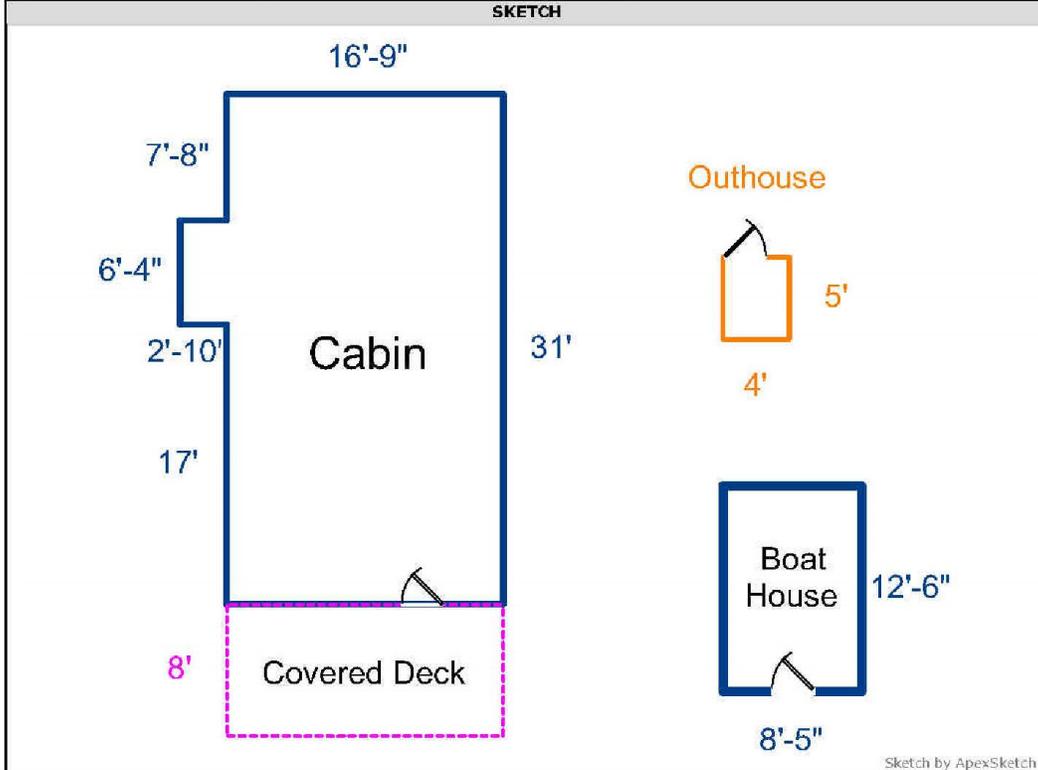


Echo Cabin Loop Looking South

# LOT 16

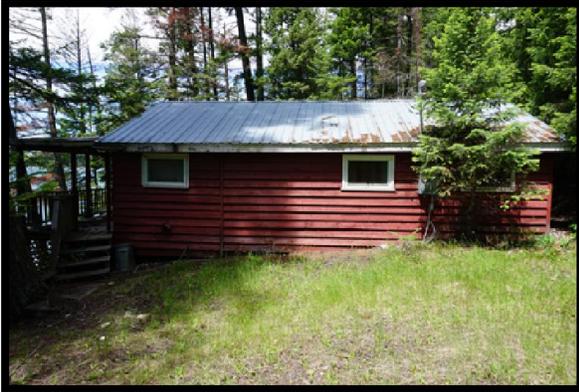
## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: Lot 16				
Property Address:	1822 Echo Cabin Loop				
City:	Bigfork	County:	Flathead	State:	MT
Owner:	MT DNRC		ZipCode:	59911	
Client:	MT DNRC		Client Address:		
Appraiser Name:	Clark Real Estate Appraisal		Inspection Date:	06/23/2022	



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1			
Code	Description	Factor	Net Size	Perimeter	Net Totals				
GBA6	Boat House	1.0	105.0	41.8	105.0				
GLA1	First Floor	1.0	537.3	101.2	537.3				
OTH	Outhouse	1.0	20.0	18.0	20.0				
P/P	Covered Deck	1.0	134.0	49.5	134.0				
<div style="display: flex; justify-content: space-between;"> <span>Net LIVABLE</span> <span>cnt</span> <span>1</span> <span>(rounded)</span> <span>537</span> </div> <div style="display: flex; justify-content: space-between;"> <span>Net BUILDING</span> <span>cnt</span> <span>1</span> <span>(rounded)</span> <span>105</span> </div>						COMMENT TABLE 2		COMMENT TABLE 3	

**SUBJECT PHOTOGRAPHS**



South Side of Cabin on Lot 16



North Side of Cabin



Covered Deck



Damaged Roofing on Covered Deck



West Side of Cabin on Lot 16



Front of Cabin

**ADDITIONAL PHOTOGRAPHS**



Post & Pier Foundation



Outhouse



Boathouse



Lot 16 from Lakeshore



Echo Lake Looking East from Lot 16



Southeast Property Boundary Marker

**ADDITIONAL PHOTOGRAPHS**



View West along Approximate South Boundary



View Northeast along Approximate East Boundary



Northeast Property Boundary Marker Looking West



View Southwest along Approximate East Boundary



Echo Lake Frontage Looking Northeast



Echo Lake Frontage Looking Southwest

**ADDITIONAL PHOTOGRAPHS**



Portion of Lot 16 on West Side of Echo Cabin Loop



Cabin on Lot 16 from Echo Cabin Loop



Portion of Lot 16 on West Side of Echo Loop



Driveway to Lot 16



Cabin on Lot 16 from Echo Cabin Loop

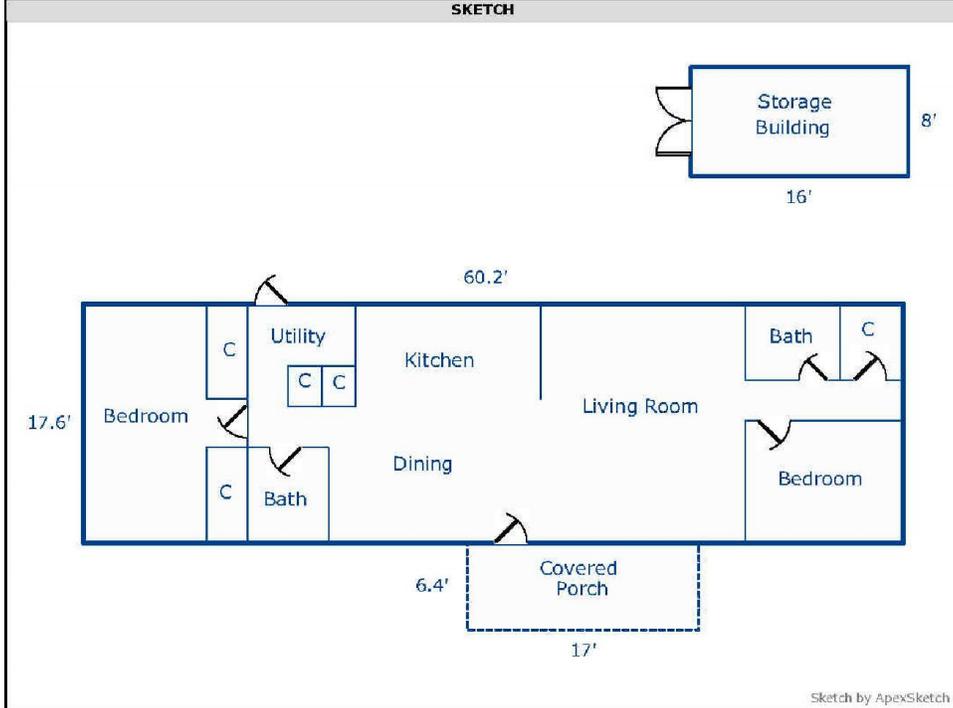


Echo Cabin Loop Looking South

# LOT 22

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO			
File No.:	Parcel No.: Lot #22		
Property Address: 1890 LaBrant Road			
City: Bigfork	County: Flathead	State: MT	ZipCode: 59911
Owner: MT DNRC			
Client: MT DNRC	Client Address:		
Appraiser Name: Clark Real Estate Appraisal	Inspection Date: 06/23/2022		



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1		
Code	Description	Factor	Net Size	Perimeter	Net Totals			
GLA1	First Floor	1.0	1059.5	155.6	1059.5			
OTH	Storage Building	1.0	128.0	48.0	128.0			
P/P	Covered Porch	1.0	108.8	46.8	108.8			
Net LIVABLE						cnt	1 (rounded)	1,060
						COMMENT TABLE 2		
						COMMENT TABLE 3		

**SUBJECT PHOTOGRAPHS**



Residence on Lot 22



North Side of Residence



East Side of Residence



South Side of Residence



Residence and Lot Interior Looking Up from Lakeshore



Kitchen

**ADDITIONAL PHOTOGRAPHS**



Bedroom



Bathroom



Storage Building



Parking Area at North End of Residence



Echo Lake View from Lot 22



Septic System

**ADDITIONAL PHOTOGRAPHS**



Well on Lot 22



Echo Lake View



View from Lot 22 Looking East



Dock and Lake View



View of Lot 22 from Dock



Southeast Property Boundary

**ADDITIONAL PHOTOGRAPHS**



View West along South Property Boundary



View North along East Property Boundary



Echo Lake Frontage Looking North



Northeast Property Boundary Marker Looking West



Northeast Property Boundary Marker Looking South



Echo Lake Frontage Looking South

**ADDITIONAL PHOTOGRAPHS**



View SW along West Property Boundary & LaBrant Rd.

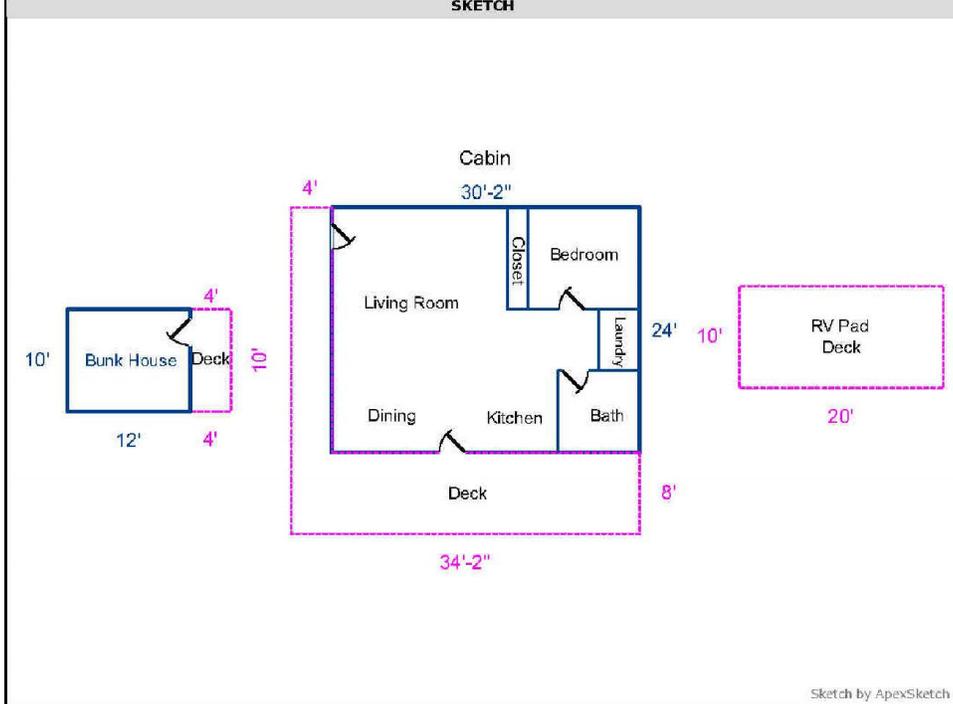


View NE along West Property Boundary & LaBrant Rd.

# LOT 27

## SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO			
File No.:	Parcel No.: Lot #27		
Property Address: 1744 LaBrant Road			
City: Bigfork	County: Flathead	State: MT	ZipCode: 59911
Owner: MT DNRC			
Client: MT DNRC	Client Address:		
Appraiser Name: Clark Real Estate Appraisal	Inspection Date: 06/23/2022		



AREA CALCULATIONS SUMMARY						COMMENT TABLE 1		
Code	Description	Factor	Net Size	Perimeter	Net Totals			
GLA1	First Floor	1.0	724.0	108.3	724.0			
GLA3	Bunk House	1.0	120.0	44.0	120.0			
P/P	Deck	1.0	369.3	132.3				
	Deck	1.0	200.0	60.0				
	Deck	1.0	40.0	28.0	609.3			
Net LIVABLE						cnt	2 (rounded)	844
						COMMENT TABLE 2		
						COMMENT TABLE 3		

**SUBJECT PHOTOGRAPHS**



Front of Residence on Lot 27



East Side of Residence



North Side of Residence



West Side of Residence



Residence and Deck



Living/Dining Area

**ADDITIONAL PHOTOGRAPHS**



Kitchen



Bedroom



Bathroom



Water Heater



Deck Looking West



Bunk House on Lot 27

**ADDITIONAL PHOTOGRAPHS**



Bunk House Interior



RV Pad Area



RV Hookup



Improvements on Lot 27 Looking Southwest



Well on Lot 27



Well Pressure Tank Under Deck

**ADDITIONAL PHOTOGRAPHS**



Echo Lake View from Lot 27



Lake View and Floating Dock



Lot 27 Looking Up from Lakeshore



Echo Lake Frontage Looking Northeast



Echo Lake Frontage Looking West



Boat House

**ADDITIONAL PHOTOGRAPHS**



Southwest Property Boundary Marker Looking North



Southwest Property Boundary Marker Looking East



Southeast Property Boundary Marker Looking West



Southeast Property Boundary Marker Looking North



View toward Pond on North Portion of Lot 27



View toward Pond

**ADDITIONAL PHOTOGRAPHS**



Driveway on Lot 27



Power Lines Bisecting Lot 27

## SUBJECT MARKET ANALYSIS

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

### Subject Productivity Analysis

#### General Property Description

The subject properties were described in detail in prior sections of this report. The subject sites range in size from 0.611 up to 1.110 in gross acres. All have frontage along Echo Lake. The subject lot front footages range from 112.92 up to 162.37. All of the subject lots include residential improvements.

#### Area Land Use Trends

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

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

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

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

along Whitefish Lake. Privately owned home sites with frontage on the remaining lakes would be considered part of the competitive set for the subject sites.

### **Potential Users of Subject Property**

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

### **Demand Analysis**

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

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

### **Lakefront Lot Sales**

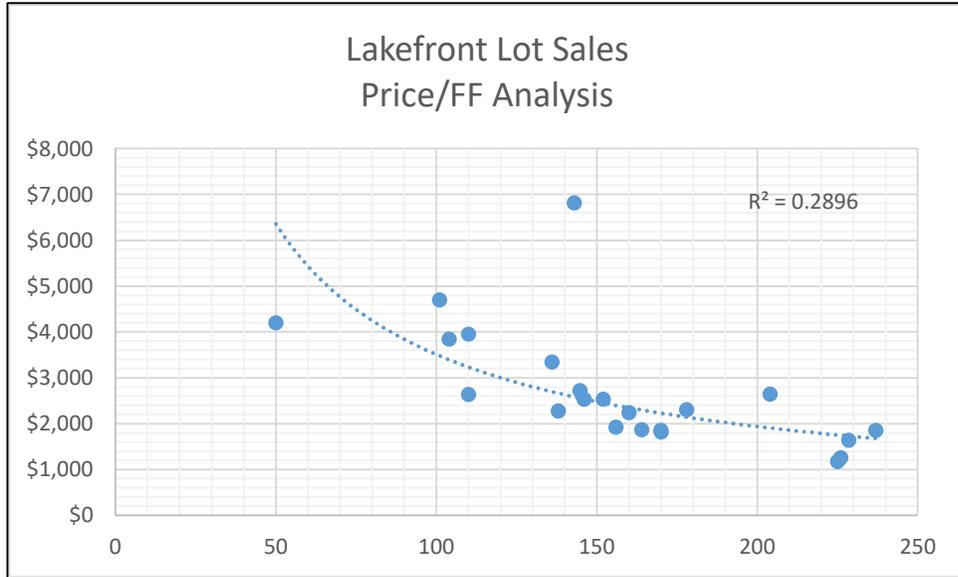
Sales of sites (or sites with minimal improvements) with frontage along similar lakes in Flathead County that closed since 2020 are included on the table on the following page.

Lakefront Lot Sales Analysis										
Address	City	Lake	Front Feet	Site Acres	Sale Date	Sales Price	Value of Improvements	Sales Price Less Improvement Value	Price/FF	Days on Market
3966 N Ashley Lake Rd	Kalispell	Ashley Lake	178.00	2.02	2020	\$430,000	\$20,000	\$410,000	\$2,303	0
3910 N Ashley Lake Rd	Kalispell	Ashley Lake	156.00	0.46	2020	\$320,000	\$20,000	\$300,000	\$1,923	808
4545 Ashley Lake Rd	Kalispell	Ashley Lake	110.00	2.70	2020	\$290,000	\$0	\$290,000	\$2,636	52
5350 N Ashley Lake Rd	Kalispell	Ashley Lake	101.00	0.71	2021	\$475,000	\$0	\$475,000	\$4,703	33
120 Vaughn Dr	Kalispell	Ashley Lake	225.00	1.23	2021	\$265,000	\$0	\$265,000	\$1,178	786
3986 N Ashley Lake Rd	Kalispell	Ashley Lake	143.00	1.56	2022	\$984,000	\$10,000	\$974,000	\$6,811	39
26 Schmid Point Place	Marion	Bitterroot Lake	226.00	1.03	2020	\$290,000	\$5,000	\$285,000	\$1,261	403
104 Bitterroot Cove Ct	Marion	Bitterroot Lake	228.48	1.05	2020	\$385,000	\$10,000	\$375,000	\$1,641	37
1120 N Bitterroot Rd	Marion	Bitterroot Lake	152.00	1.16	2020	\$385,000	\$0	\$385,000	\$2,533	28
1536 Pleasant Valley Rd	Marion	Bitterroot Lake	144.77	0.90	2020	\$399,000	\$5,000	\$394,000	\$2,722	140
1650 Bitterroot Ln	Marion	Bitterroot Lake	50.00	0.34	2020	\$210,000	\$0	\$210,000	\$4,200	450
489 Lodgepole Dr	Marion	Bitterroot Lake	110.00	1.00	2020	\$445,000	\$10,000	\$435,000	\$3,955	32
92 Bitterroot Cove Ct	Marion	Bitterroot Lake	204.00	1.02	2021	\$540,000	\$0	\$540,000	\$2,647	52
795 Lodgepole Dr	Marion	Bitterroot Lake	104.00	0.63	2021	\$450,000	\$50,000	\$400,000	\$3,846	25
1548 Pleasant Valley Rd	Marion	Bitterroot Lake	146.44	1.00	2021	\$525,000	\$5,000	\$520,000	\$3,551	38
583 E Village Dr	Bigfork	Echo Lake	136.00	0.40	2020	\$465,000	\$10,000	\$455,000	\$3,346	30
NHN Jewel Of Echo Trail, Lot 3	Bigfork	Echo Lake	437.00	5.00	2021	\$1,450,000	\$0	\$1,450,000	\$3,318	138
NHN Jewel Of Echo Trail, Lot 2	Bigfork	Echo Lake	414.42	5.00	2022	\$1,395,000	\$0	\$1,395,000	\$3,366	376
140 McGregor Ln	Marion	McGregor Lake	237.00	3.81	2020	\$450,000	\$10,000	\$440,000	\$1,857	60
840 McGregor Ln	Marion	McGregor Lake	138.00	1.20	2020	\$329,000	\$15,000	\$314,000	\$2,275	2,893
1024 McGregor Ln	Marion	McGregor Lake	170.05	1.10	2020	\$325,000	\$15,000	\$310,000	\$1,823	32
12342 Paradise Loop	Marion	McGregor Lake	160.00	1.20	2020	\$359,000	\$0	\$359,000	\$2,244	51
1026 McGregor Ln	Marion	McGregor Lake	170.00	1.03	2020	\$330,000	\$15,000	\$315,000	\$1,853	121
820 McGregor Ln	Marion	McGregor Lake	164.00	1.00	2020	\$321,500	\$15,000	\$306,500	\$1,869	120

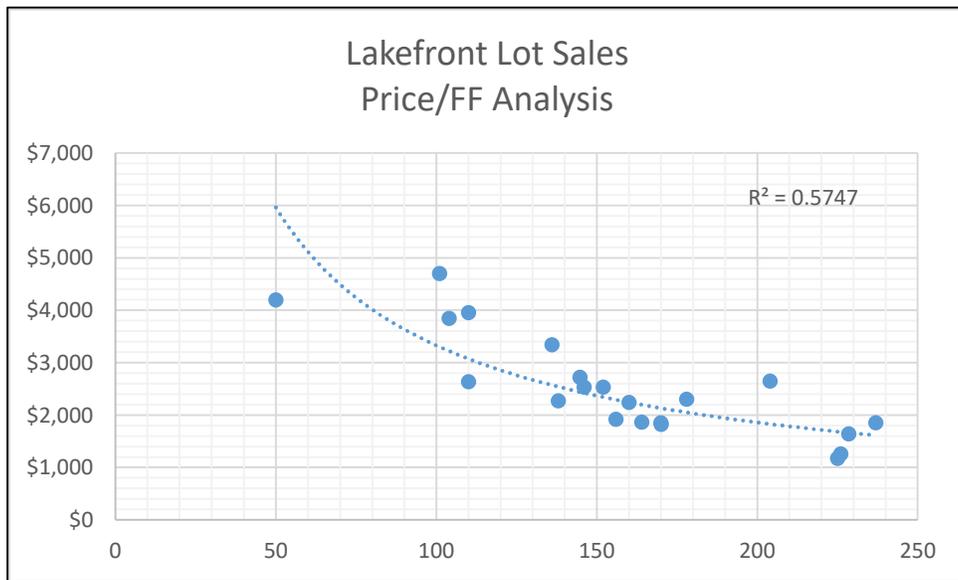
Of the lakes included, there were 16 sales in 2020, 6 sales in 2021, and 2 sales in 2022 Year-to-Date. There were 6 sales of lots along McGregor; however, all closed during 2020. There is one current listing for a vacant lot on McGregor Lake. The property is at 903 McGregor Lane in McGregor Lake Highlands Subdivision. The property was listed on July 6, 2022 (after the property viewing date but prior to the report publish date) and the list price is \$799,000 or \$5,740 per front foot along the lake.

Based upon analysis of available data, the price per front foot typically decreases as the amount of front footage increases. Of the 24 sales on the table above, the median amount of front footage is 158 front feet. Approximately 71% of these sales fall within the frontage footage range of 100 to 178. Based upon analysis of these sales this is considered to be the typical range of front footage.

We have placed the price per front and the amount of front footage on a graph on the following page.



**Graph of Same Data with Sale at 3986 N Ashley Lake Road (\$6,811/FF) Removed**



The trendline line of best fit (the type of trendline exhibiting the highest R-Squared) was placed on these two graphs. This trendline supports the conclusion that price per front foot generally decreases as the amount of front footage increases. This conclusion is utilized in the valuation of the subject sites. One sale was removed for the second graph (as discussed below). Removal of this sale resulted in a significantly higher degree of correlation (R-Squared) between the sales prices per front foot and the amount of front footage.

**Based upon the graphs above, the sale at 3986 N Ashley Lake Road for \$6,811/FF either represents an emerging trend or is an outlier. There is not sufficient market data currently available to discern the best description of this sale. This sale is utilized as a comparable in this report because it is the only 2022 sale of a vacant site on a similar area lake identified.**

**No weight is accorded the adjusted indication from this sale in the Reconciliation due to the lack of conclusive data regarding whether this sale represents an emerging trend or an outlier.**

As noted, there were no sales with frontage along McGregor Lake in 2021 or 2022. Based upon analysis of paired sales data, prices for lakefront properties in Flathead County have increased significantly since 2020. We located three sets of paired sales that reflect changes in market conditions. These are three sets of sales are adjacent to each other and/or are within the same subdivisions. These paired sales analyses are below;

Paired Lakefront Lot Sales to Determine Changes in Market Conditions							
Paired Sale Set 1							
Sale Address	City	Legal Description	Acres	Front Feet	Sale Date	Sales Price	Sales Price Per Front Foot
1536 Pleasant Valley Rd	Marion	Lot 3, Bitterroot Cove SD	0.90	144.77	8/6/2020	\$399,000	\$2,756
1548 Pleasant Valley Rd	Marion	Lot 2, Bitterroot Cove SD	1.00	146.44	8/6/2021	\$525,000	\$3,585
							30%
Paired Sale Set 2							
Sale Address	City	Legal Description	Acres	Front Feet	Sale Date	Sales Price	Sales Price Per Front Foot
104 Bitterroot Cove Ct	Marion	Lot 14, Bitterroot Cove SD	1.05	228.48	5/22/2020	\$385,000	\$1,685
92 Biterroot Cove Ct	Marion	Lot 13 Bitterroot Cove SD	1.02	204.22	7/9/2021	\$525,000	\$2,571
							53%
Paired Sale Set 3							
Sale Address	City	Legal Description	Acres	Front Feet	Sale Date	Sales Price	Sales Price Per Front Foot
3966 N Ashley Lake Rd	Kalispell	Lot 15, Emerald Point on Ashley Lake	2.02	178.00	4/7/2020	\$410,000	\$2,303
3986 N Ashley Lake Rd	Kalispell	Lot 20, Emerald Point on Ashley Lake	1.56	143.00	6/9/2022	\$974,000	\$6,811
							196%

Based upon analysis of Paired Sales Sets 1 and 2, as well as analysis of changes in prices per front foot for lakes analyzed from 2020 to 2021, an upward adjustment of 40% per year is reasonable and well supported for lakefront lot sales that closed in 2020.

Paired Sale Set 3 is accorded little weight since it includes the sale at 3986 N Ashley Lake Road which may be an emerging trend or an outlier. Paired Sale Set 3 does provide support that lake front lot prices increased by at least 40% between 2021 and 2022.

Based upon these analyses, upward adjustments for changes in market conditions of 40% were made to sales that closed in 2021 and upward adjustments of 80% were made to sales that closed in 2020. No adjustments for changes in market conditions were made to the comparable that closed in 2022.

## **Lakefront Home Sales**

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

<b>Lakefront Home Sales Analysis</b>				
<b>Smaller Recreational Lakes - Flathead County</b>				
<b>Year</b>	<b># Home Sales</b>	<b>Days on Market</b>	<b>Low Sales Price*</b>	<b>High Sales Price*</b>
2019	28	199	\$290,000	\$1,506,625
2020	28	150	\$269,900	\$5,795,000
2021	32	116	\$558,500	\$2,800,000
2022 Year-to-Date	9	90	\$475,000	\$4,100,000
<b>Actives</b>	4	58	\$929,000	\$1,780,000
<b>*Prices for Actives are List Prices</b>				

## **Competitive Supply**

There were 8 active listings of lots with less than 10 acres and frontage along smaller lakes in Flathead County as of the report publish date. The average marketing time for the active listings was approximately 102 days and the average list price was \$5,408 per front foot.

There were 4 active listings of homes on smaller area lakes in Flathead County and with 10 acres or less for sale as of the report effective date. The marketing time for the active home listings was approximately 58 days.

## **Interaction of Supply and Demand**

Based upon the average sales volume for 2020, 2021, and 2022 year-to-date, there is an approximately 12 month supply of vacant lots on smaller area lakes for sale. Marketing time for 2022 year-to-date has averaged approximately 7 months for the two closed sales of this property type. A balanced market typically includes a 6 month supply or less. Supply exceeds demand for this property type. When supply exceeds demand, prices typically decrease. There may be some downward price pressure on the active listings in order for them to sell within historically typical marketing times.

Based upon sales volumes per year in 2021 and 2022 to date there is less than 1 year supply of homes for sale on smaller area lakes in the search parameters identified.

## **Subject Marketability Conclusion**

The subject sites have frontage along Echo Lake. Overall, the subject sites are considered to have similar marketability compared to other properties with frontage along other area lakes.

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

### **Estimated Marketing and Exposure Times**

The vacant lakefront lot sales presented that sold in 2021 were marketed for an average of 179 days. The two sales in 2022 year-to-date were marketed for an average of 208 days. A **marketing time** of approximately 6 to 12 months is appropriate for the subject site. If the subject site had sold on the effective date of this report, at the appraised value concluded in this report, a 6 to 12 month **exposure time** would have been reasonable.

The 9 sales of homes on similar area lakes that sold during 2022 to date were marketed for an average of 90 days. **Marketing times** of approximately 3 to 6 months are appropriate for the subject properties as improved. If the properties, as improved, had sold on the effective date of this report, at the appraised values concluded in this report, 3 to 6 month **exposure times** would have been reasonable.

## HIGHEST AND BEST USE

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

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

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

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

Legally Permissible:

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

Physically Possible:

The physical adaptability of the site for a particular use.

Financially Feasible:

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

Maximally Productive:

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

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

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

### *Legally Permissible*

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

### *Physically Possible*

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

### *Financially Feasible*

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

### *Maximally Productive*

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

### *Highest & Best Use Conclusion*

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

## **AS IMPROVED**

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

## THE APPRAISAL PROCESS

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

### APPROACHES IN THE VALUATION OF REAL PROPERTY

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

#### Cost Approach

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

#### Sales Comparison Approach

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

#### Income Capitalization Approach

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

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

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

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

Comparable lot sales, home sales, and mobile 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

**It is important to note that area sales from MT DNRC to lessees are not considered to be appropriate comparable sales for this appraisal. These sales are not generally between disinterested parties because the sales frequently include improvements owned by the lessees who are most often the purchasers for these sales. Additionally, the low bid for the transfer prices are determined by appraisals with effective dates prior to the actual transfer date.**

Two sales with frontage on Echo Lake were appropriate comparables for the subject sites. Due to the limited recent market data located, it was necessary to expand the search to other lakes in Flathead County. A table with sales of lots on smaller lakes in Flathead County is included in the Subject Market Analysis section of this report. The three most similar and most recent sales from this data were selected as comparables for the subject property. We analyzed price per lot, price per acre, and price per front footage for the sales presented in the Subject Market Analysis. The price per front foot resulted in a credible statistical relationship. Anecdotal data also supported the price per front foot as a the most applicable unit of comparison. For these reasons, the price per front foot was utilized as the unit of comparison in this analysis. The comparables selected are described on the table below;

Sale #	Address	City	Water Frontage	Sale Date	Acres	Front Feet	Sales Price	Value of Improvements	Sales Price Less Improvements	Price Per Front Foot
1	NHN Jewel of Echo Trail	Bigfork	Echo Lake	2022	5.000	414.42	\$1,395,000	\$0	\$1,395,000	\$3,366
2	583 E Village Dr	Bigfork	Echo Lake	2020	0.400	136.04	\$465,000	\$10,000	\$455,000	\$3,345
3	92 Bitterroot Cove Ct	Marion	Bitterroot Lake	2021	1.020	204.22	\$540,000	\$5,000	\$535,000	\$2,620
4	3986 N Ashley Lake Rd	Kalispell	Ashley Lake	2022	1.556	143.00	\$984,000	\$10,000	\$974,000	\$6,811
5	1548 Pleasant Valley Rd	Marion	Bitterroot Lake	2021	1.002	146.44	\$525,000	\$5,000	\$520,000	\$3,551

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

### Map of Comparable Lot Sales



# LAND SALE 1

COMPARABLE SALE INFORMATION				
	<b>Location</b>		NHN Jewel of Echo Trail	
	<b>City/State</b>		Bigfork, Montana	
	<b>County</b>		Flathead	
	<b>Assessor Number</b>		00000508601	
	<b>Zoning</b>		SAG-5, Suburban Ag/5 Acre Min	
	<b>Site Size: Acres</b>		5.000	
	<b>                    Square Feet</b>		217,800	
	<b>Date of Sale</b>		May 25, 2022	
	<b>Sales Price</b>		\$1,395,000	
	<b>    Less Value of Improvements*</b>		\$0	
	<b>Sales Price Adjusted</b>		\$1,395,000	
	<b>MLS #</b>		22106967	
ANALYSIS OF SALE				
<b>Price per Acre</b>		\$279,000	<b>Price per Square Foot</b>	\$6.40
			<b>Price Per Front Foot</b>	\$3,366
TRANSFER INFORMATION				
<b>Grantor</b>	Julie C. Thompson	<b>Grantee</b>	Nine North Properties, LLC	
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202200013460	
<b>Financing/Conditions</b>	Owner Financing/Market	<b>Marketing Time</b>	376 Days on Market	
<b>Legal Description</b>	Lot 2 of Jewel of Echo Subdivision, Flathead County, Montana	<b>Verified By</b>	Bill Leininger, Listing Agent	
<b>Intended Use/Comments</b>			Purchased for Residential / Recreational Use	
<b>Section/Township/Range</b>	S8/T27N/R19W			
PROPERTY DETAILS				
<b>Access</b>	Jewel of Echo Trail	<b>View</b>	Lake, Mountains	
<b>Topography</b>	Gently Sloping Toward Lake	<b>Lot Dimensions</b>	Various	
<b>Flood Plain</b>	According to FEMA Map Panel 30029C1875G, this property is not in an area of elevated flood risk.	<b>Improvements</b>		
<b>Water</b>	Echo Lake	<b>Value of Improvements*</b>		
<b>Water Frontage/Front Feet</b>	414.42			
<b>Utilities</b>	Electricity & Telephone at road.	<b>Miscellaneous</b>	An approximately 15' wide portion of Jewel of Echo Trail is within the property boundaries. There is a designated no build zone near the lake frontage portion of this property.	
			<b>Report File #</b> 22-045ec	

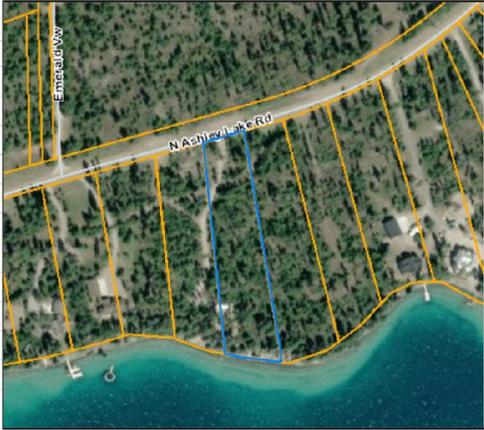
## LAND SALE 2

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

## LAND SALE 3

COMPARABLE SALE INFORMATION			
	<b>Location</b>		92 Bitterroot Cove Court
	<b>City/State</b>		Marion, Montana
	<b>County</b>		Flathead
	<b>Assessor Number</b>		0000007781
	<b>Zoning</b>		Little Bitterroot Lake Zoning District
	<b>Site Size: Acres</b>		1.020
	<b>Square Feet</b>		44,431
	<b>Date of Sale</b>		July 9, 2021
	<b>Sales Price</b>		\$540,000
	<b>Less Value of Improvements*</b>		\$5,000
	<b>Sales Price Adjusted</b>		\$535,000
	<b>MLS #</b>		22107420
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$524,510	<b>Price per Square Foot</b>	\$12.04
		<b>Price Per Front Foot</b>	\$2.620
TRANSFER INFORMATION			
<b>Grantor</b>	Kemp D. Harker & Anh Tram Nguyen	<b>Grantee</b>	Jason Todd Herman
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202100023267
		<b>Marketing Time</b>	52 Days on Market
<b>Financing/Conditions</b>	Cash/Market	<b>Verified By</b>	Scott Santa, Listing & Selling Agent
<b>Legal Description</b>	Lot 13 of Bitterroot Cove Subdivision, Flathead County, Montana	<b>Intended Use/Comments</b>	Purchased for Residential / Recreational Use
<b>Section/Township/Range</b>	S5/T27N/R24W		
PROPERTY DETAILS			
<b>Access</b>	Bitterroot Cove Court	<b>View</b>	Lake, Mountains
<b>Topography</b>	Level Area with Steep Slope to Lake	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to FEMA Map Panel 30029C1750G, this property is not in an area of elevated flood risk.	<b>Improvements</b>	Shared Subdivision drainfield.
<b>Water</b>	Bitterroot Lake	<b>Value of Improvements*</b>	\$5,000
<b>Water Frontage/Front Feet</b>	204.22		
<b>Utilities</b>	Electricity & Telephone at road.	<b>Miscellaneous</b>	A 0.08 acre portion of Bitterroot Cove Court runs within this property.
		<b>Report File #</b> 21-049ec	

## LAND SALE 4

COMPARABLE SALE INFORMATION			
	<b>Location</b>	3986 N Ashley Lake Road	
	<b>City/State</b>	Kalispell, Montana	
	<b>County</b>	Flathead	
	<b>Assessor Number</b>	0000003405	
	<b>Zoning</b>	Ashley Lake Zoning District	
	<b>Site Size: Acres</b>	1.556	
	<b>Square Feet</b>	67,779	
	<b>Date of Sale</b>	June 9, 2022	
	<b>Sales Price</b>	\$984,000	
	<b>Less Value of Improvements*</b>	\$10,000	
	<b>Sales Price Adjusted</b>	\$974,000	
	<b>MLS #</b>	22202472	
ANALYSIS OF SALE			
<b>Price per Acre</b>	\$625,964	<b>Price per Square Foot</b>	\$14.37
		<b>Price Per Front Foot</b>	\$6.811
TRANSFER INFORMATION			
<b>Grantor</b>	Michael David Borovac & Jacqueline Marie Borovac, Trustees of the Borovac Family Trust	<b>Grantee</b>	Donald B. Harkins & Kathrin A. Weller
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202200014614
<b>Financing/Conditions</b>	Cash/Market	<b>Marketing Time</b>	39 Days on Market
<b>Legal Description</b>	Lot 20 of Emerald Point on Ashley Lake No.2, Flathead County, Montana	<b>Verified By</b>	Brandon Trust, Listing Agent
<b>Section/Township/Range</b>	S10/T28N/R24W	<b>Intended Use/Comments</b>	Purchased for Residential / Recreational Use
PROPERTY DETAILS			
<b>Access</b>	N Ashley Lake Road	<b>View</b>	Lake, Mountains
<b>Topography</b>	Level	<b>Lot Dimensions</b>	Various
<b>Flood Plain</b>	According to FEMA Map Panel 30029C1705G, this property is not in an area of elevated flood risk.	<b>Improvements</b>	Access to Community Water System
<b>Water</b>	Ashley Lake	<b>Value of Improvements*</b>	\$10,000
<b>Water Frontage/Front Feet</b>	143.00	<b>Miscellaneous</b>	
<b>Utilities</b>	Electricity & Telephone at road. Property has access to a community water system.		
<b>Report File #</b> 22-045ec			

## LAND SALE 5

COMPARABLE SALE INFORMATION				
	<b>Location</b>		1548 Pleasant Valley Road	
	<b>City/State</b>		Marion, Montana	
	<b>County</b>		Flathead	
	<b>Assessor Number</b>		0000007770	
	<b>Zoning</b>		Little Bitterroot Lake Zoning District	
	<b>Site Size: Acres</b>		1.002	
	<b>Square Feet</b>		43,647	
	<b>Date of Sale</b>		August 5, 2021	
	<b>Sales Price</b>		\$525,000	
	<b>Less Value of Improvements*</b>		\$5,000	
	<b>Sales Price Adjusted</b>		\$520,000	
	<b>MLS #</b>		22107420	
ANALYSIS OF SALE				
<b>Price per Acre</b>		\$518,962	<b>Price per Square Foot</b>	\$11.91
			<b>Price Per Front Foot</b>	\$3,551
TRANSFER INFORMATION				
<b>Grantor</b>	Keith R. Kirkwood & Janet L. Kirkwood	<b>Grantee</b>	Michael Fredrick Simmons	
<b>Type of Instrument</b>	Warranty Deed	<b>Document #</b>	202100027583	
<b>Financing/Conditions</b>	Cash/Market	<b>Marketing Time</b>	38 Days on Market	
<b>Legal Description</b>	Lot 2 of Bitterroot Cove Subdivision, Flathead County, Montana	<b>Verified By</b>	Linda Pistorese, Listing Agent	
<b>Section/Township/Range</b>	S5/T27N/R24W	<b>Intended Use/Comments</b>	Purchased for Residential / Recreational Use	
PROPERTY DETAILS				
<b>Access</b>	Pleasant Valley Road	<b>View</b>	Lake, Mountains	
<b>Topography</b>	Level Area with Steep Slope to Lake	<b>Lot Dimensions</b>	Various	
<b>Flood Plain</b>	According to FEMA Map Panel 30029C1750G, this property is not in an area of elevated flood risk.	<b>Improvements</b>	Shared Subdivision drainfield.	
<b>Water</b>	Bitterroot Lake	<b>Value of Improvements*</b>	\$5,000	
<b>Water Frontage/Front Feet</b>	146.44	<b>Miscellaneous</b>	A 30' wide portion of Pleasant Valley Road runs within this property.	
<b>Utilities</b>	Electricity & Telephone at road.			
<b>Report File # 22-045ec</b>				

## HOME SALES

We conducted a search for sales of homes in the market area with improvements similar to the subject improvements. Due to the limited sales of similar properties, it was necessary to utilize sales that closed during 2020, 2021, and two sales on comparable lakes. Home Sales 1, 2, and 3 are utilized as comparables for the homes on subject Lots 15 and 27. Home Sale Home Sale 4 is utilized as a comparable for the residence on subject Lot 16. Home Sale 4 was the most recent sale located of a lakefront home in similar condition to the home on subject Lot 16. The most applicable and recent sales located are described on the table below;

Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	1436 Rogers Lane	Kila	2021	\$900,000	\$500,000	\$400,000
Home Sale 2	1050 Echo Lake Rd	Bigfork	2021	\$1,100,000	\$660,000	\$440,000
Home Sale 3	585 E Village Dr	Bigfork	2021	\$995,000	\$480,000	\$515,000
Home Sale 4	695 Lodgepole Dr	Marion	2020	\$300,000	\$282,000	\$18,000

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

### Map of Comparable Home Sales







## HOME SALE 3

COMPARABLE SALE INFORMATION			
		<b>Location</b> 585 East Village Drive	
		<b>City/State</b> Bigfork, Montana	
		<b>County</b> Flathead	
		<b>Assessor Number</b> 0000563332	
		<b>Zoning</b> SAG-5, Agricultural 5 Acre Minimum	
		<b>Site Size: Acres</b> 0.300	
		<b>Square Feet</b>	
		13,068	
		<b>Date of Sale</b> August 10, 2021	
		<b>Sales Price</b> \$995,000	
		<b>Adjustment to Sales Price</b> \$0	
<b>Adjusted Sales Price</b> \$995,000			
<b>MLS #</b> 22108487			
TRANSFER INFORMATION			
<b>Grantor</b> Sandra M. Harke		<b>Grantee</b> Medicine River Ranch, LLC	
<b>Recording Data</b> WD #202100027915		<b>Marketing Time</b> 64 Days on Market	
<b>Financing/Conditions</b> Cash/Market		<b>Verified By</b> Cherie Hanson, Listing Agent	
<b>Legal Description</b> Lot 36 of North Village of Echo Chalet Village, Flathead County, Montana		<b>Intended Use</b> Residential/Recreational	
<b>Section/Township/Range</b> S05/T27N/R19W			
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE	
<b>Body of Water</b> Echo Lake			
<b>Front Footage</b> 298.00			
<b>Access</b> Public Road - Paved			
<b>House Square Feet</b> 2,218			
<b>Bedroom/Bathrooms</b> 4 BR/3.5 BA			
<b>Year Built or Renovated</b> 1982 (Updated)			
<b>Construction</b> Wood Frame			
<b>Quality</b> Good			
<b>Condition</b> Good			
<b>Water/Sewer</b> Shared Water & Community Septic			
<b>Utilities</b> Electricity & Telephone			
<b>Topography</b> Level Some Slope			
<b>Outbuildings</b> None			
<b>Miscellaneous</b> 2 Car Garage - Attached			
		<b>Sales Price</b> \$995,000	
		<b>Estimated Site Value</b> \$480,000	
		<b>Sales Price of Improvements</b> \$515,000	
		<b>Improvement Price/SF</b> \$232	
		<b>Report File # 22-045ec</b>	

## HOME SALE 4

COMPARABLE SALE INFORMATION																											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td><b>Location</b></td><td>695 Lodgepole Drive</td></tr> <tr><td><b>City/State</b></td><td>Marion, Montana</td></tr> <tr><td><b>County</b></td><td>Flathead</td></tr> <tr><td><b>Assessor Number</b></td><td>0000598445</td></tr> <tr><td><b>Zoning</b></td><td>Little Bitterroot Lake Zoning District</td></tr> <tr><td><b>Site Size: Acres</b></td><td>0.700</td></tr> <tr><td style="text-align: center;"><b>Square Feet</b></td><td>30,492</td></tr> <tr><td><b>Date of Sale</b></td><td>August 11, 2020</td></tr> <tr><td><b>Sales Price</b></td><td>\$300,000</td></tr> <tr><td><b>Adjustment to Sales Price</b></td><td>\$0</td></tr> <tr><td><b>Adjusted Sales Price</b></td><td>\$300,000</td></tr> <tr><td><b>MLS #</b></td><td>22000110</td></tr> </table>		<b>Location</b>	695 Lodgepole Drive	<b>City/State</b>	Marion, Montana	<b>County</b>	Flathead	<b>Assessor Number</b>	0000598445	<b>Zoning</b>	Little Bitterroot Lake Zoning District	<b>Site Size: Acres</b>	0.700	<b>Square Feet</b>	30,492	<b>Date of Sale</b>	August 11, 2020	<b>Sales Price</b>	\$300,000	<b>Adjustment to Sales Price</b>	\$0	<b>Adjusted Sales Price</b>	\$300,000	<b>MLS #</b>	22000110
<b>Location</b>	695 Lodgepole Drive																										
<b>City/State</b>	Marion, Montana																										
<b>County</b>	Flathead																										
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<b>Adjustment to Sales Price</b>	\$0																										
<b>Adjusted Sales Price</b>	\$300,000																										
<b>MLS #</b>	22000110																										
TRANSFER INFORMATION																											
<b>Grantor</b>	Norman C. Bjelland	<b>Grantee</b>	Cody J. Brass																								
<b>Recording Data</b>	WD #202000023092	<b>Marketing Time</b>	360 Days on Market																								
<b>Financing/Conditions</b>	Conventional/Market	<b>Verified By</b>	Jill Hinrichs, Listing Agent																								
<b>Legal Description</b>	Lot 20 of Blue Grouse Subdivision, Flathead County, Montana	<b>Intended Use</b>	Residential/Recreational																								
<b>Section/Township/Range</b>	S6/T27N/R24W																										
DESCRIPTION OF IMPROVEMENTS		ANALYSIS OF SALE																									
<b>Body of Water</b>	Bitterroot Lake	<b>Sales Price</b>	\$300,000																								
<b>Front Footage</b>	88.00	<b>Estimated Site Value</b>	\$282,000																								
<b>Access</b>	Public Road - Paved	<b>Sales Price of Improvements</b>	\$18,000																								
<b>House Square Feet</b>	715	<b>Improvement Price/SF</b>	\$25																								
<b>Bedroom/Bathrooms</b>	1 BR/1 BA																										
<b>Year Built or Renovated</b>	1960 (Gutted)																										
<b>Construction</b>	Wood Frame																										
<b>Quality</b>	Fair																										
<b>Condition</b>	Fair																										
<b>Water/Sewer</b>	Lake Water & Septic																										
<b>Utilities</b>	Electricity & Telephone																										
<b>Topography</b>	Level																										
<b>Outbuildings</b>	276 SF Shed																										
<b>Miscellaneous</b>	Home includes a 35 SF Open Porch & a 217 SF Deck. Property was gutted and ready for renovation at time of sale.																										
		Report File # 20-049ec																									

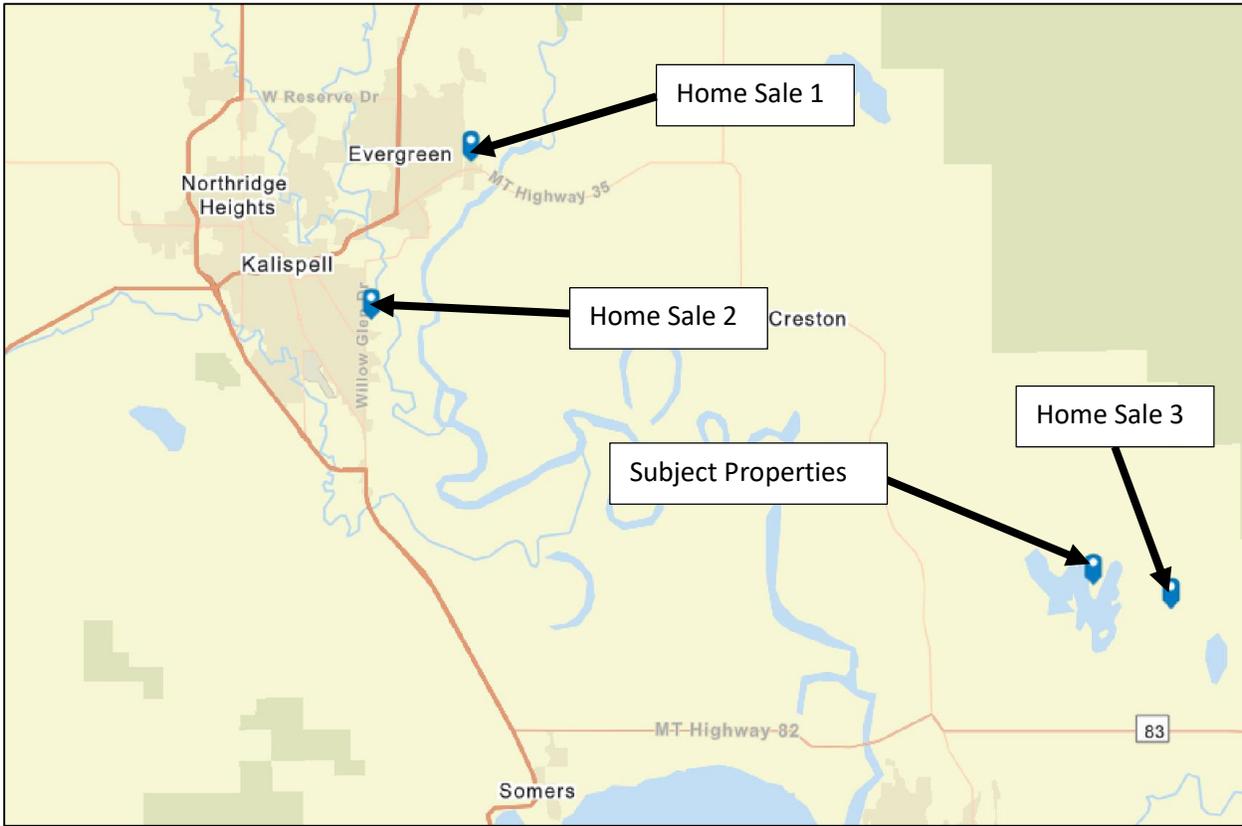
# MOBILE HOME SALES

Subject Lot 22 is improved with an older single wide mobile home. We conducted a search for sales of mobile homes in the market area. Due to the limited sales of similar properties, it was necessary to utilize sales of mobile homes that are not on lakefront lots. The most applicable and recent sales located are described on the table below;

Mobile Home Sales						
Sale #	Address	City	Sale Date	Sales Price	Less Site Value	Sale Price of Improvements
Home Sale 1	627 E Evergreen Dr	Kalispell	2022	\$250,000	\$125,000	\$125,000
Home Sale 2	33 Treasure Ln	Kalispell	2022	\$285,000	\$160,000	\$125,000
Home Sale 3	245 Black Bear Ln	Bigfork	2021	\$260,000	\$140,000	\$120,000

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

## Map of Comparable Home Sales









## **PROPERTY VALUATIONS**

## LOT 15

### Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 15, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1826 Echo Cabin Loop	NHN Jewel of Echo Trail	583 E Village Dr	92 Bitterroot Cove Ct	3986 N Ashley Lake Rd	1548 Pleasant Valley Rd
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Marion, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$1,395,000	\$465,000	\$540,000	\$984,000	\$525,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$10,000	-\$5,000	-\$10,000	-\$5,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		05/25/22	07/22/20	07/09/21	06/09/22	08/06/21
MARKET CONDITIONS FACTOR		1.00	1.80	1.40	1.00	1.40
ADJUSTED PRICE		\$1,395,000	\$819,000	\$749,000	\$974,000	\$728,000
SITE SIZE/GROSS ACRES	0.611	5.000	0.400	1.020	1.560	1.002
FRONT FEET ON LAKE	112.92	414.42	136.04	204.22	143.00	146.44
ADJUSTED SALES PRICE PER FRONT FOOT		\$3,366	\$6,020	\$3,668	\$6,811	\$4,971
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Bitterroot Lake 2,970 Acres	Ashley Lake 2,850 Acres	Bitterroot 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas	Gentle Slope	Level	Steep Slope	Level	Gentle Slope
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Private Road	Driveway from Private Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road
ZONING	SAG-5	SAG-5	SAG-5	LBL	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	Yes	Yes	Yes	No	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.611	5.000	0.400	1.020	1.556	1.002
SITE SIZE/FRONT FEET	112.92	414.42	136.04	204.22	143.00	146.44
TOTAL PERCENTAGE ADJUSTMENT		40%	-10%	50%	-30%	-20%
TOTAL ADJUSTMENT ADJUSTMENT		\$1,346	-\$602	\$1,834	-\$2,043	-\$994
ADJUSTED PRICE PER FRONT FOOT		\$4,713	\$5,418	\$5,501	\$4,768	\$3,977

## **Discussion of Adjustments**

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

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

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

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

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

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

*Market Conditions:* The comparables sold in 2020, 2021, or 2022. Land Sales 1 and 4 closed in 2022 and no adjustments were necessary for changes in market conditions. Land Sales 3 and 5 sold in summer of 2021. Upward adjustments of 40% for changes in market conditions from 2021 to 2022 was supported in the Subject Market Analysis. Land Sale 2 closed in summer of 2020. An upward adjustment of 80% was supported in the Subject Market Analysis for Land Sale 2.

*Location/Lake Name & Size:* As discussed in the Subject Market Analysis portion of this report, the sales are along lakes that are considered to have similar marketability compared to the subject site. No adjustments were necessary in this category.

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

*Topography:* The subject lot includes level areas with a relatively steep slope toward the lake. Land Sale 3 slopes steeply down to the lake frontage and no adjustment was necessary for this sale in this category. The remaining comparables are relatively level and some downward adjustments were considered necessary. Downward adjustments of 10% were made to Land Sales 1, 2, 4, and 5 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk and other issues associated with development and use of sloping sites.

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

*Zoning:* The subject site and Land Sales 1 and 2 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sales 3, 4, and 5 are either in the Little Bitterroot Lake or Ashley Lake Zoning Districts. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

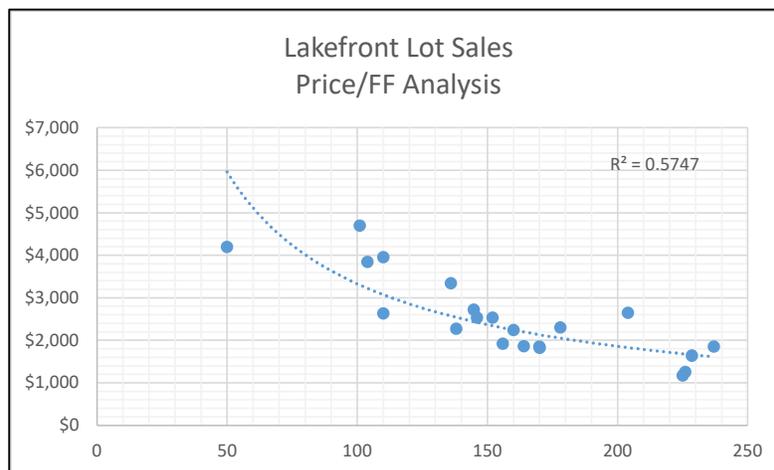
*Easements Affecting Value:* The subject site is bisected by 0.096 acres of Echo Cabin Loop. This easement significantly impacts the usable site area for this property. Land Sale 2 is bisected by East Village Drive and is considered similar to the subject in this category. Land Sales 1, 3, and 5 include less impactful easements which limit usable site area and some adjustment was necessary for these sales. Downward adjustments of 10% were made to these sales. Land Sale 4 does not include a similar easement and a larger downward adjustment was considered necessary in this category for this sale. A downward adjustment of 20% was made to Land Sale 4 in this category. These adjustments are considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

*Size/Front Foot:* Based upon analysis of available market data, the subject property and Land Sales 2, 4, and 5 are in a relatively typical range for lake front footage. No adjustment was necessary for these sales in this category. Land Sales 1 and 3 include greater than typical amounts of front footage and some upward adjustment is considered necessary in this category for these sales.

As shown on the trendline on the graph below, the price per front foot tends to flatten out around 200 front feet. Land Sale 1 includes 414.12 front feet and Land Sale 3 includes 204.22 front feet. Based upon analysis of the location of the trendline at 200 front feet compared to 110 front feet (similar to the subject lot), an upward adjustment of approximately 60% is supported in this category for Land Sales 1 and 3.



The sales graphed closed in 2020 and 2021. They do not include upward adjustments for changes in market conditions. The graph assists with support for an appropriate adjustment for differences in front footage but is not a reliable indicator of value for the subject site. Additional differences in front footage are addressed in the Reconciliation.

**Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$4,713, \$5,418, \$5,501, \$4,768, and \$3,977 per front foot, respectively. Land Sale 4 is possibly an outlier or the sign of an emerging trend. Due to lack of confirmation in identifying which description best fits this sale, no weight is accorded the indication from this sale. Land Sale 4 was utilized because it was the sale of a similar site that closed in 2022.

The subject property includes 112.92 feet of frontage along Echo Lake. Of the remaining land sales, Land Sales 1 and 2 are accorded weight because they are located on Echo Lake and Land Sale 5 is accorded weight as it is more similar in front footage than Land Sale 3. Land Sales 1 and 2 are accorded 30% of the weight each. It is appropriate to accord less weight to these sales as they required significant overall adjustment. Land Sale 5 is accorded 40% of the weight as it required the least overall adjustment of the three sales accorded all weight. The resulting value indication is \$4,630 per front foot and we have rounded this to \$4,600 per front foot. The value calculations are below;

112.92 FF @ \$4,600/FF	\$519,432
<b>Rounded To</b>	<b>\$519,000</b>

### Improvement Value Estimate

The residence on subject Lot 15 is a manufactured home; however, due to upgrades and additions, site built homes are considered to be appropriate comparables for this residence. A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 15, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1826 Echo Cabin Loop	1436 Rogers Ln	1050 Echo Lake Rd	585 East Village Dr
LOCATION	Bigfork, MT	Kila, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$900,000	\$1,100,000	\$995,000
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		10/15/21	09/09/21	08/10/21
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$900,000	\$1,100,000	\$995,000
LESS SITE VALUE		(\$500,000)	(\$660,000)	(\$480,000)
ADJUSTED IMPROVEMENT PRICE		\$400,000	\$440,000	\$515,000
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Echo Lake</b>	<b>Rogers Lake</b>	<b>Echo Lake</b>	<b>Echo Lake</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>Very Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$40,000	\$44,000	\$51,500
<b>BATHROOMS</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>3.5</b>
		\$0	\$10,000	-\$15,000
<b>HOUSE SIZE/SF</b>	<b>1,150</b>	<b>1,733</b>	<b>1,985</b>	<b>2,218</b>
		-\$64,130	-\$91,850	-\$117,480
<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>Stairs &amp; Retaining Wall</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Superior</b>
		\$5,500	\$4,500	-\$12,500
<b>TOTAL ADJUSTMENT</b>		<b>-\$18,630</b>	<b>-\$33,350</b>	<b>-\$93,480</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-5%</b>	<b>-8%</b>	<b>-18%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$381,370</b>	<b>\$406,650</b>	<b>\$421,520</b>

## **Discussion of Adjustments**

*List Adjustment:* The comparables were closed sales as of the report effective date and required no adjustment in this category.

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

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

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

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

*Market Conditions:* The comparables sold in during the second half of 2021. There are typically few sales each year of similar homes on similar lakes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes to prepare credible paired sales analyses to determine the appropriate adjustment in this category. We did not locate sufficient market data to warrant an adjustment in this category.

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

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

*Condition:* The subject residence is considered to be superior to the comparables in overall condition. An upward adjustment of 10% was made to all three comparables in this category. This adjustment is considered representative of the actions of market participants with regard to condition.

*Bathrooms:* The subject residence and Home Sale 1 include 2 bathrooms. No adjustment was necessary for this sale in this category. Home Sale 2 includes 1 bathroom and Home Sale 3 includes 3 ½ bathrooms. Upward or downward adjustments for the difference in number of bathrooms compared to the subject property of \$10,000 per full bath and \$5,000 per half bath were made to the comparables. The resulting adjustment amounts are considered to reflect the actions of market participants with regard to bathroom count.

*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 \$110 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



## LOT 16

### Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 16, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1822 Echo Cabin Loop	NHN Jewel of Echo Trail	583 E Village Dr	92 Bitterroot Cove Ct	3986 N Ashley Lake Rd	1548 Pleasant Valley Rd
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Marion, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$1,395,000	\$465,000	\$540,000	\$984,000	\$525,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$10,000	-\$5,000	-\$10,000	-\$5,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		05/25/22	07/22/20	07/09/21	06/09/22	08/06/21
MARKET CONDITIONS FACTOR		1.00	1.80	1.40	1.00	1.40
ADJUSTED PRICE		\$1,395,000	\$819,000	\$749,000	\$974,000	\$728,000
SITE SIZE/GROSS ACRES	0.851	5.000	0.400	1.020	1.560	1.002
FRONT FEET ON LAKE	162.37	414.42	136.04	204.22	143.00	146.44
ADJUSTED SALES PRICE PER FRONT FOOT		\$3,366	\$6,020	\$3,668	\$6,811	\$4,971
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Bitterroot Lake 2,970 Acres	Ashley Lake 2,850 Acres	Bitterroot 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Sloping with Level Areas	Gentle Slope	Level	Steep Slope	Level	Gentle Slope
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Private Road	Driveway from Private Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road
ZONING	SAG-5	SAG-5	SAG-5	LBL	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	Yes	Yes	Yes	No	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.851	5.000	0.400	1.020	1.556	1.002
SITE SIZE/FRONT FEET	162.37	414.42	136.04	204.22	143.00	146.44
TOTAL PERCENTAGE ADJUSTMENT		-5%	-10%	5%	-30%	-20%
TOTAL ADJUSTMENT ADJUSTMENT		-\$168	-\$602	\$183	-\$2,043	-\$994
ADJUSTED PRICE PER FRONT FOOT		\$3,198	\$5,418	\$3,851	\$4,768	\$3,977

## **Discussion of Adjustments**

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

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

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

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

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

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

*Market Conditions:* The comparables sold in 2020, 2021, or 2022. Land Sales 1 and 4 closed in 2022 and no adjustments were necessary for changes in market conditions. Land Sales 3 and 5 sold in summer of 2021. Upward adjustments of 40% for changes in market conditions from 2021 to 2022 was supported in the Subject Market Analysis. Land Sale 2 closed in summer of 2020. An upward adjustment of 80% was supported in the Subject Market Analysis for Land Sale 2.

*Location/Lake Name & Size:* As discussed in the Subject Market Analysis portion of this report, the sales are along lakes that are considered to have similar marketability compared to the subject site. No adjustments were necessary in this category.

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

*Topography:* The subject lot includes level areas with a relatively steep slope toward the lake. Land Sale 3 slopes steeply down to the lake frontage and no adjustment was necessary for this sale in this category. The remaining comparables are relatively level and some downward adjustments were considered necessary. Downward adjustments of 10% were made to Land Sales 1, 2, 4, and 5 in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk and other issues associated with development and use of sloping sites.

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

*Zoning:* The subject site and Land Sales 1 and 2 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sales 3, 4, and 5 are either in the Little Bitterroot Lake or Ashley Lake Zoning Districts. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

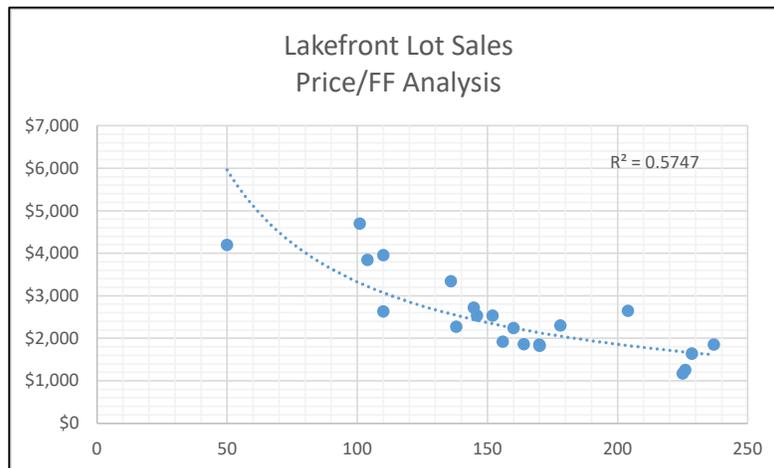
*Easements Affecting Value:* The subject site is bisected by 0.120 acres of Echo Cabin Loop. This easement significantly impacts the usable site area for this property. Land Sale 2 is bisected by East Village Drive and is considered similar to the subject in this category. Land Sales 1, 3, and 5 include less impactful easements which limit usable site area and some adjustment was necessary for these sales. Downward adjustments of 10% were made to these sales. Land Sale 4 does not include a similar easement and a larger downward adjustment was considered necessary in this category for this sale. A downward adjustment of 20% was made to Land Sale 4 in this category. These adjustments are considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

*Size/Front Foot:* Based upon analysis of available market data, the subject property and Land Sales 2, 4, and 5 are in a relatively typical range for lake front footage. No adjustment was necessary for these sales in this category. Land Sales 1 and 3 include greater than typical amounts of front footage and some upward adjustment is considered necessary in this category for these sales.

As shown on the trendline on the graph below, the price per front foot tends to flatten out around 200 front feet. Land Sale 1 includes 414.12 front feet and Land Sale 3 includes 204.22 front feet. Based upon analysis of the location of the trendline at 200 front feet compared to 160 front feet (similar to the subject lot), an upward adjustment of approximately 15% is supported in this category for Land Sales 1 and 3.



The sales graphed closed in 2020 and 2021. They do not include upward adjustments for changes in market conditions. The graph assists with support for an appropriate adjustment for differences in front footage but is not a reliable indicator of value for the subject site. Additional differences in front footage are addressed in the Reconciliation.

### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$3,198, \$5,418, \$3,851, \$4,768, and \$3,977 per front foot, respectively. Land Sale 4 is possibly an outlier or the sign of an emerging trend. Due to lack of confirmation in identifying which description best fits this sale, no weight is accorded the indication from this sale. Land Sale 4 was utilized because it was the sale of a similar site that closed in 2022.

The subject property includes 162.37 feet of frontage along Echo Lake. Of the remaining land sales, Land Sales 1 and 2 are accorded weight because they are located on Echo Lake and Land Sales 4 and 5 are accorded weight as they bracket the subject site in the amount of front footage. All four of these sales are accorded equal weight. The resulting value indication is \$4,111 per front foot and we have rounded this to \$4,100 per front foot. The value calculations are below;

162.37 FF @ \$4,100/FF	\$665,717
<b>Rounded To</b>	<b>\$666,000</b>

### Improvement Value Estimate

The home on Lot 16 is considered to be of fair quality of construction and in fair condition. There was limited recent market data for homes of this quality and in this condition on lakefront lots. Due to the current pricing for lakefront lots, market participants generally would opt to demolish or substantially remodel homes in the condition of the residence on Lot 16. Home Sale 4 was the only appropriate recent comparable located for the improvements on this site. A sales comparison analysis for the subject property utilizing this comparable is below;

SALES COMPARISON ANALYSIS FOR LOT 16, COS #18885, ECHO LAKE, BIGFORK, MONTANA		
DESCRIPTION	SUBJECT	SALE 5
IDENTIFICATION	1822 Echo Cabin Loop	695 Lodgepole Dr
LOCATION	Bigfork, MT	Marion, MT
SALES PRICE		\$300,000
LIST ADJUSTMENT		
<b>PROPERTY RIGHTS</b>	<b>Fee Simple</b>	<b>Fee Simple</b>
PROPERTY RIGHTS ADJUSTMENT		\$0
<b>FINANCING</b>	<b>Market</b>	<b>Market</b>
FINANCING ADJUSTMENT		\$0
<b>CONDITIONS OF SALE</b>	<b>Market</b>	<b>Market</b>
CONDITIONS OF SALE ADJUSTMENT		\$0
<b>ADJUSTMENTS FOR BUYER EXPENDITURES</b>		
DEMOLITION		\$0
ENVIRONMENTAL		\$0
OTHER		\$0
LEGAL/ZONING		\$0
DATE OF SALE		08/11/20
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>
ADJUSTED PRICE		\$300,000
LESS SITE VALUE		(\$282,000)
ADJUSTED IMPROVEMENT PRICE		\$18,000
<b>ADJUSTMENT FOR:</b>		
<b>LOCATION/SITE</b>	<b>Echo Lake</b>	<b>Bitterroot Lake</b>
		\$0
<b>QUALITY</b>	<b>Fair</b>	<b>Fair</b>
		\$0
<b>CONDITION</b>	<b>Fair</b>	<b>Fair</b>
		\$0
<b>BATHROOMS</b>	<b>0</b>	<b>1</b>
		-\$5,000
<b>HOUSE SIZE/SF</b>	<b>537</b>	<b>715</b>
		-\$2,670
<b>FINISHED BASEMENT SIZE/SF</b>	<b>0</b>	<b>0</b>
		\$0
<b>OUTBUILDINGS</b>	<b>None of Value</b>	<b>Superior</b>
		-\$1,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$8,670</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-48%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$9,330</b>

## **Discussion of Adjustments**

*List Adjustment:* No adjustment was necessary in this category.

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

*Market Conditions:* The comparable sale closed in August of 2020. We did not locate sufficient data to warrant an adjustment in this category.

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

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

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

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

*House Size:* Based upon the indication of the sale price per residence square footage for the comparable sale, an adjustment for size differences between the comparables and the subject of \$15 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales price per square foot for the comparable residence without the contributory site value. Market participants do not typically pay a dollar for dollar price for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

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

**Reconciliation of Sales Comparison Approach for Subject Improvements**

The comparable provided adjusted an indication of market value for the subject improvements of \$9,330. Since this is the only comparable located, the adjusted indication from this sale is accorded all weight. A market value of \$9,000 is reasonable and well supported for the subject improvements.

**Improvement Value** **\$9,000**

**Total Value Conclusion**

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

Subject Site Value	\$666,000
Subject Improvements Value	<u>\$ 9,000</u>
<b>Total Value Indication</b>	<b>\$675,000</b>

## LOT 22

### Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 22, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1890 LaBrant Rd	NHN Jewel of Echo Trail	583 E Village Dr	92 Bitterroot Cove Ct	3986 N Ashley Lake Rd	1548 Pleasant Valley Rd
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Marion, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$1,395,000	\$465,000	\$540,000	\$984,000	\$525,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$10,000	-\$5,000	-\$10,000	-\$5,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		05/25/22	07/22/20	07/09/21	06/09/22	08/06/21
MARKET CONDITIONS FACTOR		1.00	1.80	1.40	1.00	1.40
ADJUSTED PRICE		\$1,395,000	\$819,000	\$749,000	\$974,000	\$728,000
SITE SIZE/GROSS ACRES	0.658	5.000	0.400	1.020	1.560	1.002
FRONT FEET ON LAKE	136.37	414.42	136.04	204.22	143.00	146.44
ADJUSTED SALES PRICE PER FRONT FOOT		\$3,366	\$6,020	\$3,668	\$6,811	\$4,971
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Bitterroot Lake 2,970 Acres	Ashley Lake 2,850 Acres	Bitterroot 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Level with Some Slope	Gentle Slope	Level	Steep Slope	Level	Gentle Slope
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Private Road	Driveway from Private Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road
ZONING	SAG-5	SAG-5	SAG-5	LBL	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	Yes	Yes	Yes	Yes	No	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	0.658	5.000	0.400	1.020	1.556	1.002
SITE SIZE/FRONT FEET	136.37	414.42	136.04	204.22	143.00	146.44
TOTAL PERCENTAGE ADJUSTMENT		50%	10%	60%	-10%	0%
TOTAL ADJUSTMENT ADJUSTMENT		\$1,683	\$602	\$2,201	-\$681	\$0
ADJUSTED PRICE PER FRONT FOOT		\$5,049	\$6,622	\$5,868	\$6,130	\$4,971

## **Discussion of Adjustments**

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

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

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

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

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

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

*Market Conditions:* The comparables sold in 2020, 2021, or 2022. Land Sales 1 and 4 closed in 2022 and no adjustments were necessary for changes in market conditions. Land Sales 3 and 5 sold in summer of 2021. Upward adjustments of 40% for changes in market conditions from 2021 to 2022 was supported in the Subject Market Analysis. Land Sale 2 closed in summer of 2020. An upward adjustment of 80% was supported in the Subject Market Analysis for Land Sale 2.

*Location/Lake Name & Size:* As discussed in the Subject Market Analysis portion of this report, the sales are along lakes that are considered to have similar marketability compared to the subject site. No adjustments were necessary in this category.

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

*Topography:* The subject lot includes relatively level topography with some slope toward the lake. Land Sales 1, 2, 4, and 5 are considered similar to the subject in this category and no adjustment was necessary. Land Sale 3 slopes steeply down to the lake frontage and a 10% upward adjustment was necessary for this sale in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk and other issues associated with development and use of sloping sites.

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

*Zoning:* The subject site and Land Sales 1 and 2 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sales 3, 4, and 5 are either in the Little Bitterroot Lake or Ashley Lake Zoning Districts. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

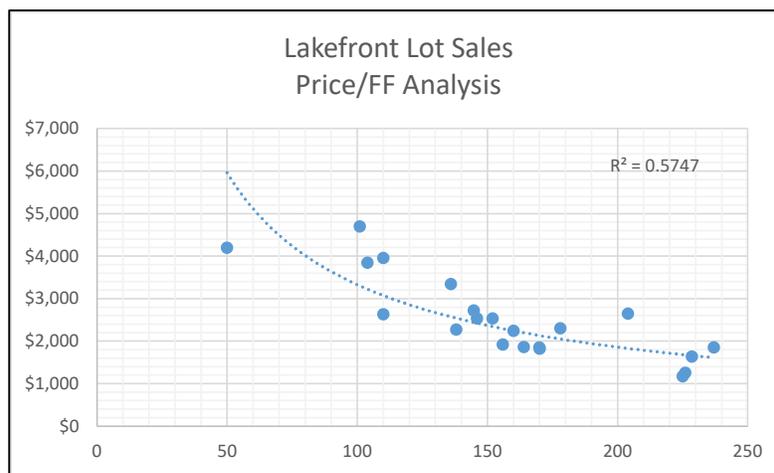
*Easements Affecting Value:* The subject site includes 0.115 acres of LaBrant Road within the property boundaries. This easement impacts the usable site area for this property. Land Sales 1, 3, and 5 include similar road easements and required no adjustment in this category. Land Sale 2 is bisected by East Village Drive and an upward adjustment of 10% is considered appropriate for this sale. Land Sale 4 does not include a similar easement and a downward adjustment of 10% was considered necessary in this category for this sale. These adjustments are considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

*Size/Front Foot:* Based upon analysis of available market data, the subject property and Land Sales 2, 4, and 5 are in a relatively typical range for lake front footage. No adjustment was necessary for these sales in this category. Land Sales 1 and 3 include greater than typical amounts of front footage and some upward adjustment is considered necessary in this category for these sales.

As shown on the trendline on the graph below, the price per front foot tends to flatten out around 200 front feet. Land Sale 1 includes 414.12 front feet and Land Sale 3 includes 204.22 front feet. Based upon analysis of the location of the trendline at 200 front feet compared to 140 front feet (similar to the subject lot), an upward adjustment of approximately 50% is supported in this category for Land Sales 1 and 3.



The sales graphed closed in 2020 and 2021. They do not include upward adjustments for changes in market conditions. The graph assists with support for an appropriate adjustment for differences in front footage but is not a reliable indicator of value for the subject site. Additional differences in front footage are addressed in the Reconciliation.

### **Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$5,049, \$6,622, \$5,868, \$6,130, and \$4,971 per front foot, respectively. Land Sale 4 is possibly an outlier or the sign of an emerging trend. Due to lack of confirmation in identifying which description best fits this sale, no weight is accorded the indication from this sale. Land Sale 4 was utilized because it was the sale of a similar site that closed in 2022.

The subject property includes 136.37 feet of frontage along Echo Lake. Of the remaining land sales, Land Sales 1 and 2 are accorded weight (30% each) because they are located on Echo Lake and Land Sale 5 is accorded weight (40%) as it is most similar in the amount of front footage (of Land Sales 3 and 5) compared to the subject. The resulting value indication is \$5,490 per front foot and we have rounded this to \$5,500 per front foot. The value calculations are below;

136.37 FF @ \$5,500/FF	\$750,035
<b>Rounded To</b>	<b>\$750,000</b>

## Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the Mobile Home Sales comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 22, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1890 LaBrant Rd	627 E Evergreen Dr	33 Treasure Ln	245 Black Bear Ln
LOCATION	Bigfork, MT	Kalispell, MT	Kalispell, MT	Bigfork, MT
SALES PRICE		\$250,000	\$285,000	\$260,000
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		06/01/22	03/29/22	12/08/21
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$250,000	\$285,000	\$260,000
LESS SITE VALUE		(\$125,000)	(\$160,000)	(\$140,000)
ADJUSTED IMPROVEMENT PRICE		\$125,000	\$125,000	\$120,000
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Echo Lake</b>	<b>Suburban</b>	<b>Suburban</b>	<b>Rural</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>2</b>	<b>2</b>	<b>1</b>	<b>2</b>
		\$0	\$5,000	\$0
<b>HOUSE SIZE/SF</b>	<b>1,060</b>	<b>980</b>	<b>924</b>	<b>924</b>
		\$5,600	\$9,520	\$9,520
<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>Storage Building</b>	<b>Inferior</b>	<b>Superior</b>	<b>Superior</b>
		\$1,000	-\$14,000	-\$14,000
<b>TOTAL ADJUSTMENT</b>		<b>\$6,600</b>	<b>\$520</b>	<b>-\$4,480</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>5%</b>	<b>0%</b>	<b>-4%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$131,600</b>	<b>\$125,520</b>	<b>\$115,520</b>

## **Discussion of Adjustments**

*List Adjustment:* The comparables were closed sales as of the report effective date and required no adjustment in this category.

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

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

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

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

*Market Conditions:* The comparables sold in during the late 2021 of 2022. There are typically few sales each year of similar homes on similar lakes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes to prepare credible paired sales analyses to determine the appropriate adjustment in this category. We did not locate sufficient market data to warrant an adjustment in this category.

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

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

*Condition:* The subject residence and the comparables are similar in overall condition. No adjustment was necessary in this category.

*Bathrooms:* The subject residence and Mobile Home Sales 1 and 3 include 2 bathrooms. No adjustment was necessary for these sales in this category. Mobile Home Sale 2 includes 1 bathroom. An upward adjustment for the difference in the number of bathrooms compared to the subject property of \$5,000 was made to this sale in this category. This adjustment amount is considered to reflect the actions of market participants with regard to bathroom count in similar mobile homes.

*House Size:* Based upon the indications of sales prices per residence square footage for each sale, an adjustment for size differences between the comparables and the subject of \$70 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.



## LOT 27

### Site Value Estimate

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

COMPARABLE SALES ANALYSIS FOR SUBJECT SITE						
LOT 27, COS #18885, ECHO LAKE, BIGFORK, FLATHEAD COUNTY, MONTANA						
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5
IDENTIFICATION	1744 LaBrant Rd	NHN Jewel of Echo Trail	583 E Village Dr	92 Bitterroot Cove Ct	3986 N Ashley Lake Rd	1548 Pleasant Valley Rd
CITY	Bigfork, MT	Bigfork, MT	Bigfork, MT	Marion, MT	Kalispell, MT	Marion, MT
SALES PRICE		\$1,395,000	\$465,000	\$540,000	\$984,000	\$525,000
ADJUSTMENT FOR IMPROVEMENTS		\$0	-\$10,000	-\$5,000	-\$10,000	-\$5,000
PROPERTY RIGHTS	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
PROPERTY RIGHTS ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
FINANCING	Market	Market	Market	Market	Market	Market
FINANCING ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
CONDITIONS OF SALE	Market	Market	Market	Market	Market	Market
CONDITIONS OF SALE ADJUSTMENT		\$0	\$0	\$0	\$0	\$0
ADJUSTMENTS FOR BUYER EXPENDITURES						
DEMOLITION		\$0	\$0	\$0	\$0	\$0
ENVIRONMENTAL		\$0	\$0	\$0	\$0	\$0
OTHER		\$0	\$0	\$0	\$0	\$0
LEGAL/ZONING		\$0	\$0	\$0	\$0	\$0
DATE OF SALE		05/25/22	07/22/20	07/09/21	06/09/22	08/06/21
MARKET CONDITIONS FACTOR		1.00	1.80	1.40	1.00	1.40
ADJUSTED PRICE		\$1,395,000	\$819,000	\$749,000	\$974,000	\$728,000
SITE SIZE/GROSS ACRES	1.110	5.000	0.400	1.020	1.560	1.002
FRONT FEET ON LAKE	142.43	414.42	136.04	204.22	143.00	146.44
ADJUSTED SALES PRICE PER FRONT FOOT		\$3,366	\$6,020	\$3,668	\$6,811	\$4,971
ADJUSTMENT FOR:						
LOCATION/LAKE NAME & SIZE	Echo Lake 695 Acres	Echo Lake 695 Acres	Echo Lake 695 Acres	Bitterroot Lake 2,970 Acres	Ashley Lake 2,850 Acres	Bitterroot 2,970 Acres
SHAPE	Irregular	Irregular	Irregular	Irregular	Irregular	Irregular
TOPOGRAPHY	Level with Some Slope	Gentle Slope	Level	Steep Slope	Level	Gentle Slope
FRONTAGE/ACCESS	Driveway from Public Road	Driveway from Private Road	Driveway from Private Road	Driveway from Public Road	Driveway from Public Road	Driveway from Public Road
ZONING	SAG-5	SAG-5	SAG-5	LBL	Ashley Lake ZD	LBL
EASEMENTS AFFECTING USE	No	Yes	Yes	Yes	No	Yes
ELECTRICITY/TELEPHONE	Available	Available	Available	Available	Available	Available
SITE SIZE/ACRES	1.110	5.000	0.400	1.020	1.556	1.002
SITE SIZE/FRONT FEET	142.43	414.42	136.04	204.22	143.00	146.44
TOTAL PERCENTAGE ADJUSTMENT		60%	20%	70%	0%	10%
TOTAL ADJUSTMENT ADJUSTMENT		\$2,020	\$1,204	\$2,567	\$0	\$497
ADJUSTED PRICE PER FRONT FOOT		\$5,386	\$7,224	\$6,235	\$6,811	\$5,468

## Discussion of Adjustments

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

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

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

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

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

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

*Market Conditions:* The comparables sold in 2020, 2021, or 2022. Land Sales 1 and 4 closed in 2022 and no adjustments were necessary for changes in market conditions. Land Sales 3 and 5 sold in summer of 2021. Upward adjustments of 40% for changes in market conditions from 2021 to 2022 was supported in the Subject Market Analysis. Land Sale 2 closed in summer of 2020. An upward adjustment of 80% was supported in the Subject Market Analysis for Land Sale 2.

*Location/Lake Name & Size:* As discussed in the Subject Market Analysis portion of this report, the sales are along lakes that are considered to have similar marketability compared to the subject site. No adjustments were necessary in this category.

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

*Topography:* The subject lot includes relatively level topography with some slope toward the lake. Land Sales 1, 2, 4, and 5 are considered similar to the subject in this category and no adjustment was necessary. Land Sale 3 slopes steeply down to the lake frontage and a 10% upward adjustment was necessary for this sale in this category. This adjustment percentage is considered reflective of the actions of market participants relative to risk and other issues associated with development and use of sloping sites.

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

*Zoning:* The subject site and Land Sales 1 and 2 are in the SAG-5, Suburban Agricultural Zoning District of Flathead County. Land Sales 3, 4, and 5 are either in the Little Bitterroot Lake or Ashley Lake Zoning Districts. Based upon the highest and best uses for the subject and comparables, no adjustments were necessary in this category.

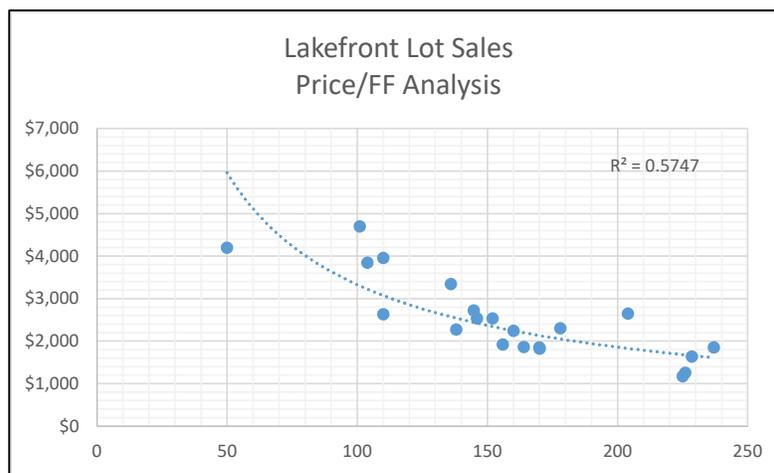
*Easements Affecting Value:* The subject site and Land Sale 4 do not include easements that impact usable site area. Land Sale 4 required no adjustment in this category. Land Sales 1, 3, and 5 include road easements within the property boundaries and required some adjustment in this category. These sales were adjusted upward by 10% in this category. Land Sale 2 is bisected by East Village Drive and an upward adjustment of 20% is considered appropriate for this sale. These adjustments are considered to reasonably represent the actions of market participants relative to the subject easement.

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

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

*Size/Front Foot:* Based upon analysis of available market data, the subject property and Land Sales 2, 4, and 5 are in a relatively typical range for lake front footage. No adjustment was necessary for these sales in this category. Land Sales 1 and 3 include greater than typical amounts of front footage and some upward adjustment is considered necessary in this category for these sales.

As shown on the trendline on the graph below, the price per front foot tends to flatten out around 200 front feet. Land Sale 1 includes 414.12 front feet and Land Sale 3 includes 204.22 front feet. Based upon analysis of the location of the trendline at 200 front feet compared to 140 front feet (similar to the subject lot), an upward adjustment of approximately 50% is supported in this category for Land Sales 1 and 3.



The sales graphed closed in 2020 and 2021. They do not include upward adjustments for changes in market conditions. The graph assists with support for an appropriate adjustment for differences in front footage but is not a reliable indicator of value for the subject site. Additional differences in front footage are addressed in the Reconciliation.

**Reconciliation of Sales Comparison Approach for Subject Site**

The comparables provide adjusted indications of value for the subject site of \$5,386, \$7,224, \$6,235, \$6,811, and \$5,468 per front foot, respectively. Land Sale 4 is possibly an outlier or the sign of an emerging trend. Due to lack of confirmation in identifying which description best fits this sale, no weight is accorded the indication from this sale. Land Sale 4 was utilized because it was the sale of a similar site that closed in 2022.

The subject property includes 142.43 feet of frontage along Echo Lake. Of the remaining land sales, Land Sales 1 and 2 are accorded weight (30% each) because they are located on Echo Lake and Land Sale 5 is accorded weight (40%) as it is most similar in the amount of front footage (of Land Sales 3 and 5) compared to the subject. The resulting value indication is \$5,970 per front foot and we have rounded this to \$6,000 per front foot. The value calculations are below;

142.43 FF @ \$6,000/FF	\$854,580
<b>Rounded To</b>	<b>\$855,000</b>

## Improvement Value Estimate

A sales comparison analysis for the subject property utilizing the comparables selected is below;

SALES COMPARISON ANALYSIS FOR LOT 27, COS #18885, ECHO LAKE, BIGFORK, MONTANA				
DESCRIPTION	SUBJECT	SALE 1	SALE 2	SALE 3
IDENTIFICATION	1744 LaBrant Rd	1436 Rogers Ln	1050 Echo Lake Rd	585 East Village Dr
LOCATION	Bigfork, MT	Kila, MT	Bigfork, MT	Bigfork, MT
SALES PRICE		\$900,000	\$1,100,000	\$995,000
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		10/15/21	09/09/21	08/10/21
<b>MARKET CONDITIONS FACTOR</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
ADJUSTED PRICE		\$900,000	\$1,100,000	\$995,000
LESS SITE VALUE		(\$500,000)	(\$660,000)	(\$480,000)
ADJUSTED IMPROVEMENT PRICE		\$400,000	\$440,000	\$515,000
<b>ADJUSTMENT FOR:</b>				
<b>LOCATION/SITE</b>	<b>Echo Lake</b>	<b>Rogers Lake</b>	<b>Echo Lake</b>	<b>Echo Lake</b>
		\$0	\$0	\$0
<b>QUALITY</b>	<b>Average</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		-\$40,000	-\$44,000	-\$51,500
<b>CONDITION</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>
		\$0	\$0	\$0
<b>BATHROOMS</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>3.5</b>
		-\$10,000	\$0	-\$25,000
<b>HOUSE SIZE/SF</b>	<b>724</b>	<b>1,733</b>	<b>1,985</b>	<b>2,218</b>
		-\$110,990	-\$138,710	-\$164,340
<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>Bunk House &amp; 2 Decks</b>	<b>Inferior</b>	<b>Inferior</b>	<b>Superior</b>
		\$11,000	\$10,000	-\$7,000
<b>TOTAL ADJUSTMENT</b>		<b>-\$149,990</b>	<b>-\$172,710</b>	<b>-\$247,840</b>
<b>NET ADJUSTMENT PERCENTAGE</b>		<b>-37%</b>	<b>-39%</b>	<b>-48%</b>
<b>ADJUSTED PRICE INDICATION</b>		<b>\$250,010</b>	<b>\$267,290</b>	<b>\$267,160</b>

## **Discussion of Adjustments**

*List Adjustment:* The comparables were closed sales as of the report effective date and required no adjustment in this category.

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

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

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

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

*Market Conditions:* The comparables sold in during the second half of 2021. There are typically few sales each year of similar homes on similar lakes in the subject market area. There were not a sufficient number of sales and re-sales of similar homes to prepare credible paired sales analyses to determine the appropriate adjustment in this category. We did not locate sufficient market data to warrant an adjustment in this category.

*Location:* The contributory site values for the home 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 inferior quality of construction compared to the comparables. A downward adjustment of 10% was made to all three comparables in this category. This adjustment is considered representative of the actions of market participants with regard to quality of construction.

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

*Bathrooms:* The subject residence and Home Sale 2 include 1 bathroom. No adjustment was necessary for this sale in this category. Home Sale 1 includes 2 bathrooms and Home Sale 3 includes 3 ½ bathrooms. Upward or downward adjustments for the difference in number of bathrooms compared to the subject property of \$10,000 per full bath and \$5,000 per half bath were made to the comparables. The resulting adjustment amounts are considered to reflect the actions of market participants with regard to bathroom count.

*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 \$110 per square foot is considered reasonable and appropriate. This equates to approximately half of the averages of the sales prices per square foot for the comparable residences without the contributory site values. Market participants do not typically pay dollar for dollar for size differences. This

adjustment amount is considered appropriate and indicative of the actions of market participants with respect to house size.

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

*Outbuildings/Amenities:* Adjustments were made for any differences between our estimates of contributory values of outbuildings/amenities for the comparables compared to the subject property. The contributory values of the subject outbuildings/amenities were developed based upon depreciated cost. This information is on the table below.

Building Description	Size/SF	Marshall Valuation	Cost/SF	Total Cost New
Bunkhouse	120	Section 12/Page 29	\$63.50	\$7,620
Bunkhouse Deck	40	Section 66/Page 2	\$32.00	\$1,280
RV Deck	200	Section 66/Page 2	\$32.00	\$6,400
<b>Total Cost New</b>				\$15,300
<b>Less Depreciation - Age/Life - 3/20 Years = 15%</b>				<u>-\$2,295</u>
<b>Depreciated Cost Estimate</b>				\$13,005
<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 \$250,010, \$267,290, and \$267,160. Approximately equal weight is accorded the adjusted indications from these three sales. A market value of \$261,000 (the rounded average of the indications from all three comparables) is reasonable and well supported for the subject improvements.

**Improvement Value** **\$261,000**

### Total Value Conclusion

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

Subject Site Value	\$ 855,000
Subject Improvements Value	<u>\$ 261,000</u>
<b>Total Value Indication</b>	<b>\$1,116,000</b>

## RECAPITULATION OF VALUE INDICATIONS

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

Lot #	Sale #	Site Value	Value of Improvements	Total Value	Effective Date of Market Values
15	2028	\$519,000	\$403,000	\$922,000	6/23/2022
16	2030	\$666,000	\$9,000	\$675,000	6/23/2022
22	2027	\$750,000	\$124,000	\$874,000	6/23/2022
27	2029	\$855,000	\$261,000	\$1,116,000	6/23/2022

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

# QUALIFICATIONS OF THE APPRAISERS

## ELLIOTT (ELLIE) M. CLARK, MAI

### **PROFESSIONAL DESIGNATIONS**

MAI Designated Member of the Appraisal Institute (2004)

### **FORMAL EDUCATION**

College of Charleston, Charleston, SC - Bachelor of Science – Geology (1985)

### **REAL ESTATE EDUCATION**

#### **Appraisal Institute**

1990 - Basic Valuation Procedures  
1990 - Real Estate Principles  
1992 - Capitalization Theory and Technique  
1994 - Advanced Income Capitalization  
2001 - Highest and Best Use and Market Analysis  
2001 - Advanced Sales Comparison and Cost Approaches  
2002 - Standards of Professional Practice, Part A  
2002 - Standards of Professional Practice, Part B  
2002 - Report Writing and Valuation Analysis  
2002 - Advanced Applications  
2003 - Comprehensive Exam  
2003 - Separating Real & Personal Property from Intangible Business Assets  
2004 - Demonstration Appraisal  
2006 - 7 Hour National USPAP Update Course  
2006 - Business Practices and Ethics  
2006 – Uniform Appraisal Standards for Federal Land Acquisitions  
2008 - 7 Hour National USPAP Update Course  
2010 - 7 Hour National USPAP Update Course  
2012 – 7 Hour National USPAP Update Course  
2012 – Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets  
2012 – Valuation of Conservation Easements  
2014 – 7 Hour National USPAP Update Course  
2015 – Real Estate Finance Statistics and Valuation Modeling  
2016 – 7 Hour National USPAP Update Course  
2016 – Eminent Domain & Condemnation  
2017 – Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications  
2018 – 7 Hour National USPAP Update Course  
2019 – 7 Hour National USPAP Update Course  
2019 – Business Practice & Ethics  
2020 – Small Hotel/Motel Valuation  
2020 – Appraisal of Medical Office Buildings  
2022 – 7 Hour USPAP Update Course  
2022 – Analyzing Operating Expenses  
2022 – Appraisal of Automobile Dealerships

### **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

2022 – Appraisal Institute: Introduction of Green Buildings: Principals and Concepts

### **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  
Course REA-CEC-REC-14476 – 7-Hour National USPAP Update – 2022  
Course REA-CEC-REC-13680 – Comparative Analysis – 2022  
Course REA-CEC-REC-14201 – Analyzing Operating Expenses – 2022  
Course REA-CEC-REC-14584 – Appraising Automobile Dealerships – 2022

### **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: **03/31/2023**

**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: **03/31/2023**

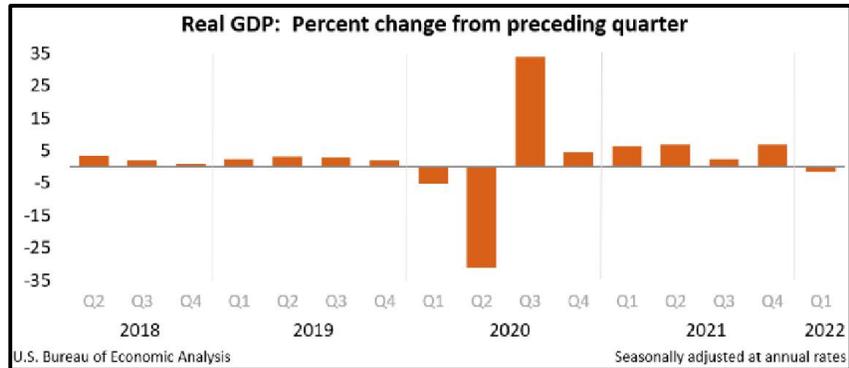
**CLARK REAL ESTATE APPRAISAL  
CHRISTOPHER D CLARK  
CLARK REAL ESTATE APPRAISAL  
P.O. BOX 1531  
SEELEY LAKE, MT 59868**

  **Montana Department of  
LABOR & INDUSTRY**  
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## **ADDENDUM**

## NATIONAL ECONOMIC DATA

According to the second estimate from the Bureau of Economic Analysis of the US Department of Commerce (BEA), real GDP decreased by 1.5% in the first quarter of 2022, after increasing by 6.9% in the fourth quarter of 2021. According to the BEA, “The decrease in real GDP reflected decreases in private inventory investment, exports, federal government spending, and state and local government spending, while imports, which are a subtraction in the calculation of GDP, increased. Personal consumption expenditures (PCE), nonresidential fixed investment, and residential fixed investment increased.”



In regard to the COVID-19 impact on 1<sup>st</sup> quarter 2022 GDP, the BEA reported, “In the first quarter, an increase in COVID-19 cases related to the Omicron variant resulted in continued restrictions and disruptions in the operations of establishments in some parts of the country. Government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased as provisions of several federal programs expired or tapered off. The full economic effects of the COVID-19 pandemic cannot be quantified in the GDP estimate for the first 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. A 2021 estimate had the population of Montana at 1,099,333. 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 2021 the median household income was estimated at \$56,296 and is projected to increase to \$61,054 (an increase of about 8.5%) by 2026. This compares to the United States, which has an estimated median household income of \$64,730 as of 2021 and is projected to increase to \$72,932 (an increase of about 12.7%) by 2026.

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

State of Montana					
Year	Month	Labor Force	Employment	Unemployment	Unemployment Rate
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	528,441	506,871	21,570	4.1%
2018	Annual Average	533,821	513,858	19,963	3.7%
2019	Annual Average	542,279	522,898	19,381	3.6%
2020	Annual Average	542,917	511,616	31,301	5.8%
2021	Annual Average	549,743	531,202	18,541	3.4%
2022	Y-T-D Average (through May)	560,156	543,935	16,221	2.9%
2022	May	564,304	550,037	14,267	2.5%
Average (2012-2021)					4.5%

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

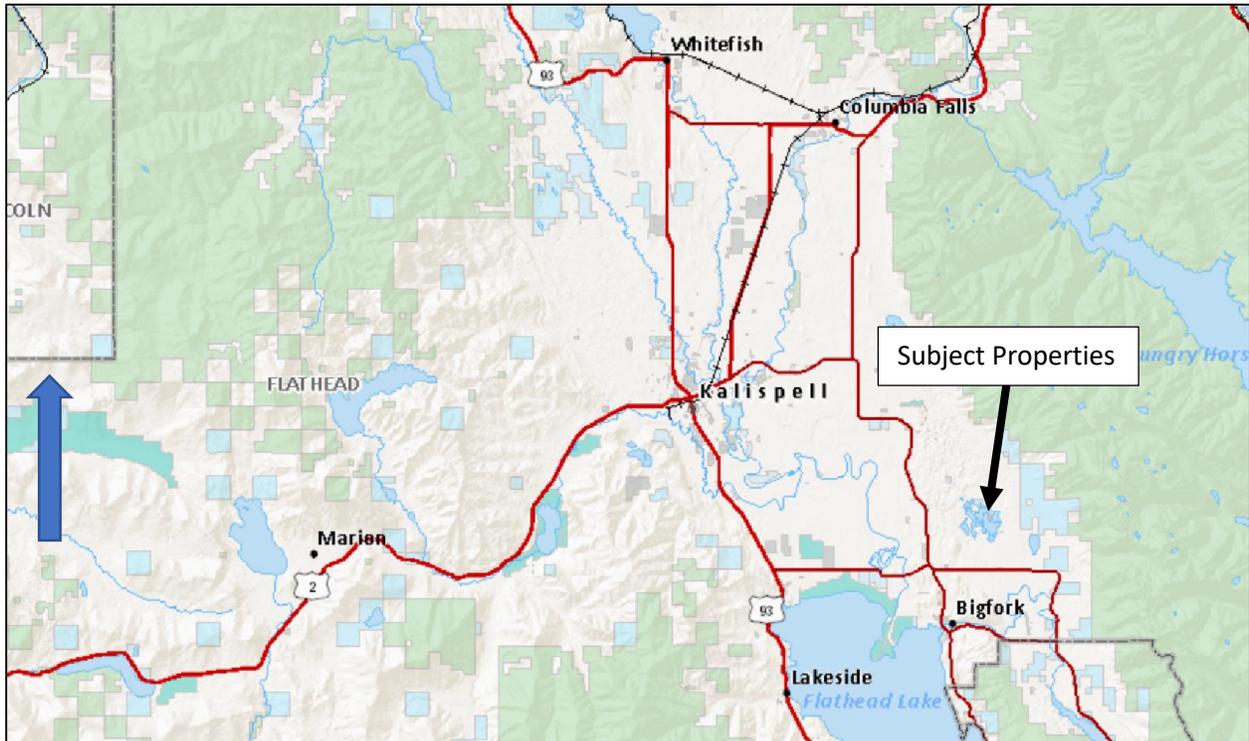
As shown in the previous table, the annual average unemployment rate decreased every year from 2011 through 2019. However, due in large part to the coronavirus pandemic (which began in March 2020), the overall unemployment rate in Montana increased in 2020. However, since approximately mid-2020 the rate began to trend down, and it was reported at 2.5% as of May 2022.

**The real estate market in portions of Montana was strong in 2020, 2021 and YTD 2022 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 Marion. 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 2021 ESRI estimates based upon US Census data, the population of Flathead County was 107,684. The population is forecasted to increase to 115,903 by 2026, or by approximately 1.48% per year. **However, it is noted that according to an article published by the Montana Free Press in April 2022, Flathead County became the fastest-growing county in Montana from July 2020 through June 2021. The article cited a U.S. Census Bureau estimate, which**

reported an estimated increase of 3,681 people in Flathead County within that timeframe, or an increase of 3.5%. The driving factor of this increase was attributed to shifting migration patterns related to the COVID-19 pandemic and the resulting ability to work remotely.

### 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 table summarizes unemployment rates in Flathead County over the past 10 years.

Flathead County					
Year	Month	Labor Force	Employment	Unemployment	Unemployment Rate
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	Annual Average	50,115	48,163	1,952	3.9%
2022	Y-T-D Average (through February)	51,421	49,345	2,076	4.0%
2022	February	51,686	49,728	1,958	3.8%
Average (2012-2021)					6.1%

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

As shown in the previous table, the annual average unemployment rate generally decreased from 2011 through 2019. However, due in large part to the COVID-19 pandemic (which began in March 2020), the overall unemployment rate in Flathead County increased in 2020. However, since approximately mid-2020 the rate began to trend down, and it was reported at 3.8% as of February 2022.

### Construction & Development

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

Single Family Building Permits Issued Per Year																
City	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	% Change: 2020-2021
Kalispell	322	186	103	92	72	98	124	98	72	104	115	91	94	175	170	-3%
Whitefish	22	26	14	23	36	51	75	72	48	49	57	64	95	92	129	40%
Columbia Falls	25	12	5	5	1	4	9	20	17	15	10	19	14	21	11	-48%
<b>Total</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>310</b>	8%

The high for residential single-family permits in the three municipalities is 369 permits issued in 2007. 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 each year from 2019 through 2021.

## **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 on the following page.

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.

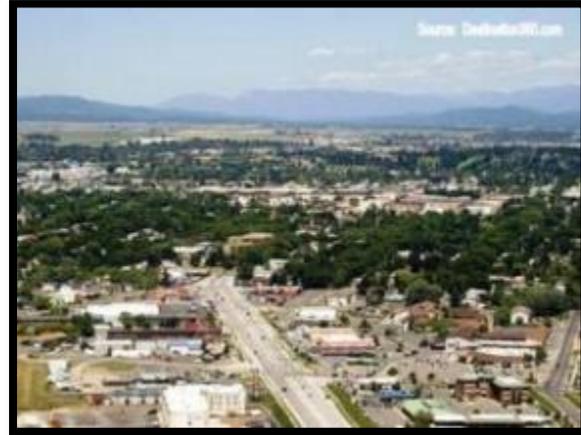
**The real estate market in Flathead County was strong in 2020 and 2021 despite the COVID-19 pandemic; however, many businesses have suffered, and it is too soon to discern long term impacts to the county economy.**

## CITY OF KALISPELL DATA

The subject properties are located in an unincorporated portion of Flathead County. All necessary services are located in or near Kalispell. The city of Kalispell is the county seat for Flathead County, and it is the major economic and business center for the area. Services available in Kalispell include; schools, employment, retail stores, places of worship, a thriving medical center, and an expanding community college.

### Population & Income

According to ESRI data, the 2020 population in the city of Kalispell was estimated to be 22,741. The population is forecasted to increase to 24,153 by 2025. This represents a forecasted increase of approximately 1.21% per year. The median household income was estimated to be \$45,257 in 2020. This is lower than the estimated 2020 median household income for Flathead County of \$53,949, and for the state of Montana of \$54,754.



### Employment

The categories of Services and Retail Trade make up approximately 67% of the job market. Other significant employment categories in Kalispell include Finance & Insurance, Real Estate at 8% and Construction at 7.8%. The remaining sectors comprise less than 5% per category.

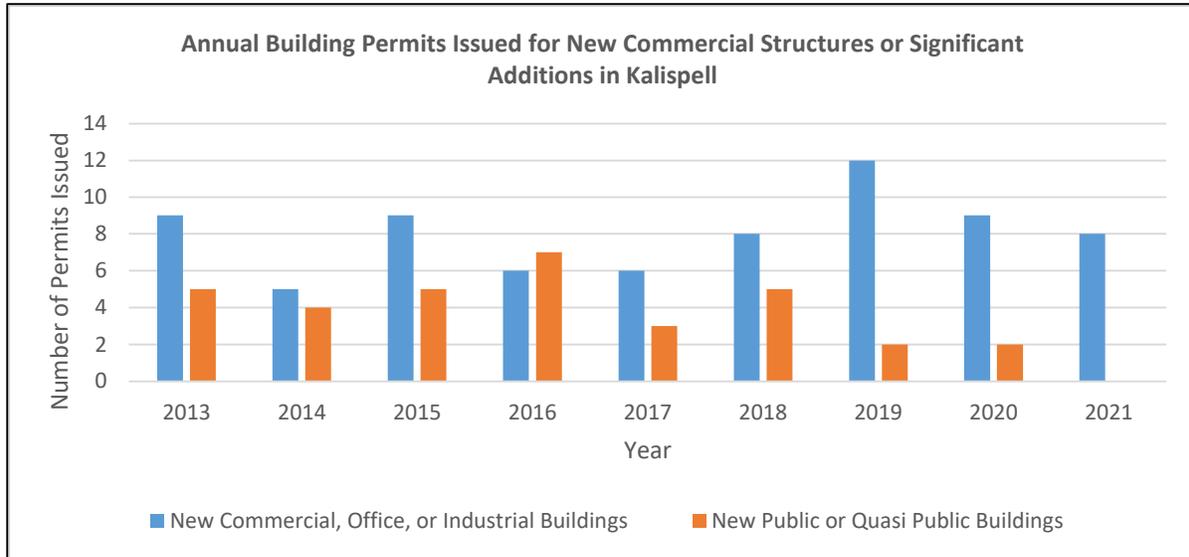
### Linkages & Transportation

US Highway 93 runs north to south through the city of Kalispell and is labeled as the “Main Street” of the central business district. US Highway 93 provides access to Flathead Lake to the south of Kalispell and Whitefish to the north of Kalispell. There is a By-pass for US Highway 93 that is west of the city that was completed in 2016. US Highway 2 is an east to west arterial road through Kalispell and provides access to Columbia Falls and Glacier National Park. There is public transportation in Kalispell. There is a municipal airport in Kalispell which can accommodate small airplanes.

### Commercial Real Estate

Properties improved with medical and/or general offices and retail spaces are located throughout the Kalispell area. Most of the growth in the past few years has been concentrated in the area north of Kalispell on US Highway 93 at Reserve Drive. This area has become the retail hub for the greater Flathead Valley area with the development of 3 neighborhood shopping centers. Additionally, the expansion of US Highway 93 to 4 lanes on the southern portion of Kalispell helped spur commercial development in that area over the past decade years. A two-lane bypass of US Highway 93 was completed in 2016. The by-pass has shortened travel times and alleviated large truck traffic in the central business district of Kalispell.

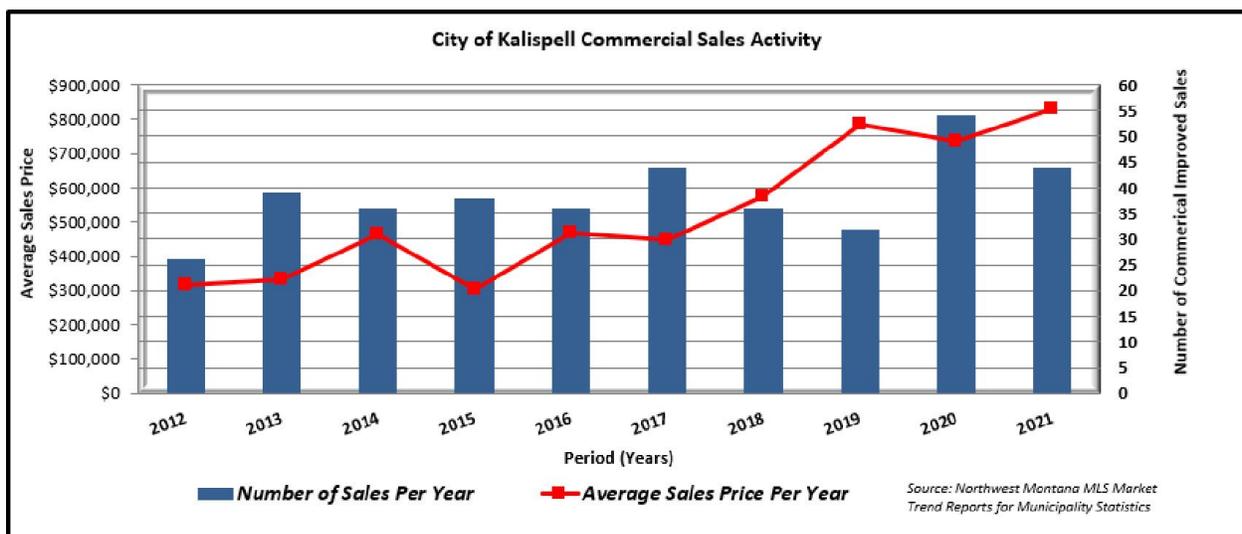
The City of Kalispell issued an average of approximately 8 new permits per year for commercial new construction or significant additions between 2013 and 2021. The number of new commercial construction permits and permits issued for significant additions issued each year from 2013 through 2021 in Kalispell is included on the table below;



*Source: City of Kalispell Building Department*

There were 8 permits issued for construction of new commercial, office, or industrial buildings (or for significant additions) during 2021. This is within the range and at the average for the time period of 2013-2021. There were 0 permits issued in 2020 for construction of new public or quasi-public buildings (or for significant additions).

The following chart depicts sales volume and average price per year for improved commercial sales for the past 10 years in Kalispell;

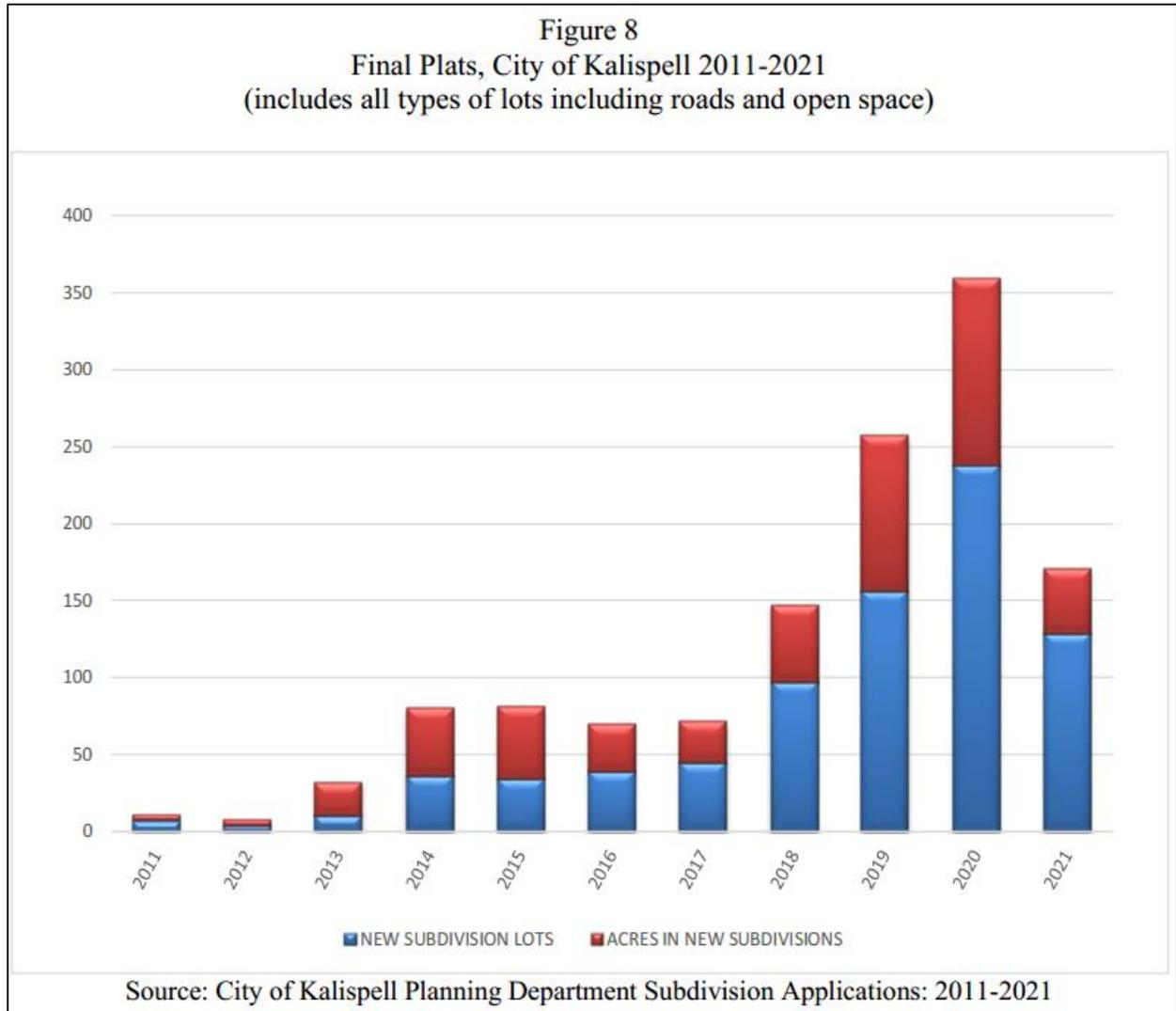


*Source: Northwest Montana MLS Market Trend Reports for Municipality Statistics*

The peak in pricing occurred in 2021, and the peak in sales volume occurred in 2020.

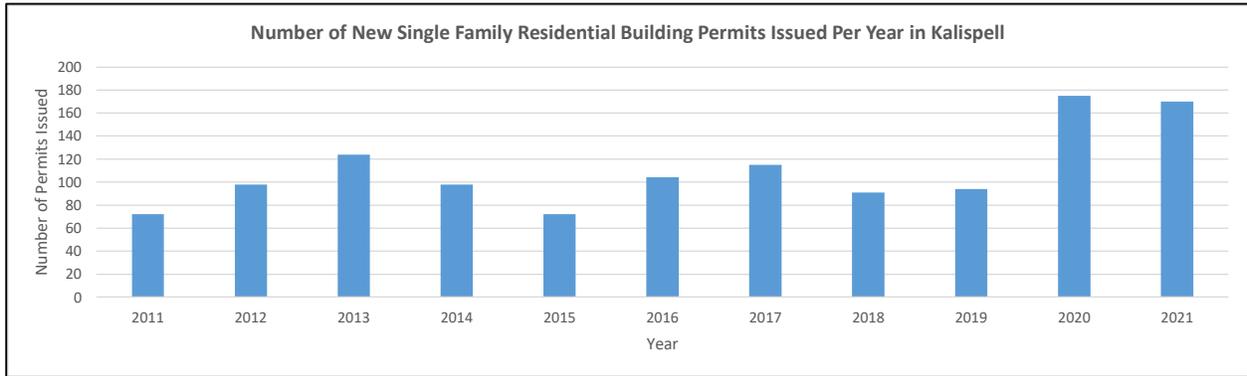
### Residential Real Estate

New residential lots and acres in new subdivisions for the City of Kalispell between 2011 and 2021 are on the following table;



There was a total of 786 new lots were created in Kalispell between 2012 and 2021.

The following table depicts the annual number of new single-family residential construction permits issued in the city of Kalispell between 2005 and 2021.



*Source: City of Kalispell*

This data indicates that construction of single-family residential properties in Kalispell varied each year during the period studied. The number of permits increased from 2018 to 2019 and from 2019 to 2020 but decreased slightly from 2020 to 2021. The average annual single family residential building permits during this period was 114.

The following chart depicts sales volume and median price per property for improved residential sales for the past 10 years in the municipal areas of Kalispell;



It is noted that prior to 2020, 2019 was a record year in terms of both volume and pricing. However, from 2019 to 2020 the number of sales increased 30%, and the average price increased 13%. 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. Although the number of sales decreased by 6% from 2020 to 2021, the average sales price increased significantly (35%).

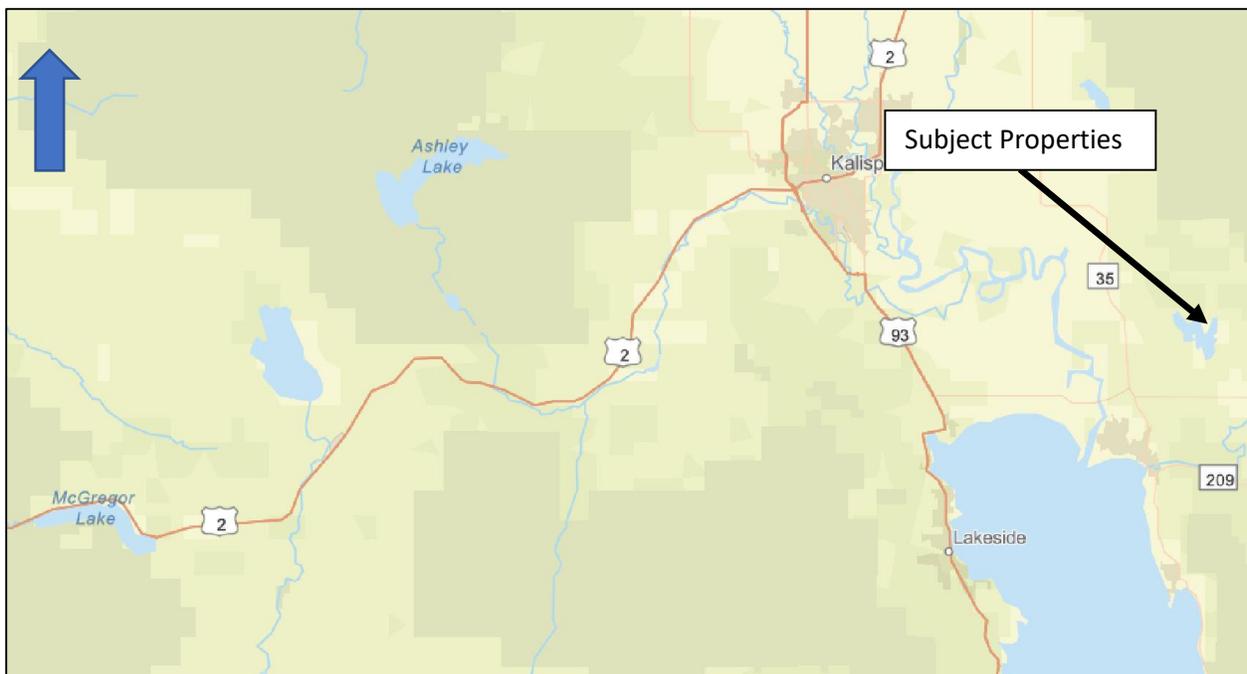
## Conclusion

List prices for commercial properties far exceed historical sales prices, which could result in a lower number of commercial sales in the coming year. However, building permits issued for general commercial new construction have been relatively stable for the past several years. Although the number of sales of commercial properties decreased from 2020 to 2021, the average sales price increased.

The residential market sector has continued to grow in volume and pricing. Sales volume and pricing steadily increased for improved residential properties in Kalispell from 2010 through 2019. Supply and Demand for residential and commercial properties in the greater Kalispell area have been in relative balance over the past several years. From 2019 to 2020, the number of residential sales increased by 30%, and the average price increased 13%. This significant increase in the number of sales 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. Although the number of sales decreased by 6% from 2020 to 2021, the average sales price increased significantly (35%).

Future growth and expansion for the greater Kalispell area is considered likely in the long term due to forecasted population growth.

### Kalispell Area Map



**SCOPE OF WORK & SUPPLEMENTAL INSTRUCTIONS**  
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**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: 2022 Echo Lake, 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) and Lessee Cole & Jackie Barnett, Robert & Shelly Chollak, and Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway. 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 probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

**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:**

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,

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

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

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

The appraisal will be an Appraisal Report as per USPAP, that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that support the

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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 4 (four) 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 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)
2027	0.658±	Lot 22, Echo Lake, COS 18885, Section 5, T27N-R19W	1890 Labrant Road Kalispell, MT
2028	0.611±	Lot 15, Echo Lake, COS 18885, Section 5, T27N-R19W	1826 Echo Cabin Loop Kalispell, MT
2029	1.11±	Lot 27, Echo Lake, COS 18885, Section 5, T27N-R19W	1744 Labrant Road Kalispell, MT
2030	0.851±	Lot 16, Echo Lake, COS 18885, Section 5, T27N-R19W	1822 Echo Cabin Loop Kalispell, MT

<u>DNRC Contact Information:</u> Deidra Kloberdanz, Lands Section Supervisor PO Box 201601 Helena, MT 59620-1601 Phone: (406) 444-4165 Fax: (406) 444-2684 <a href="mailto:Deidra.Kloberdanz@mt.gov">Deidra.Kloberdanz@mt.gov</a>	<u>Lessees:</u> Sale 2027: Cole & Jackie Barnett - (403) 915-0001 Sale 2028: Robert & Shelly Chollak - (403) 328-4986; (403) 332-0237 Sale 2029: Jason & Brigetta Schwaiger and Bradley & Amy Ridgeway - (406) 403-3723 Sale 2030: DNRC
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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).

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.

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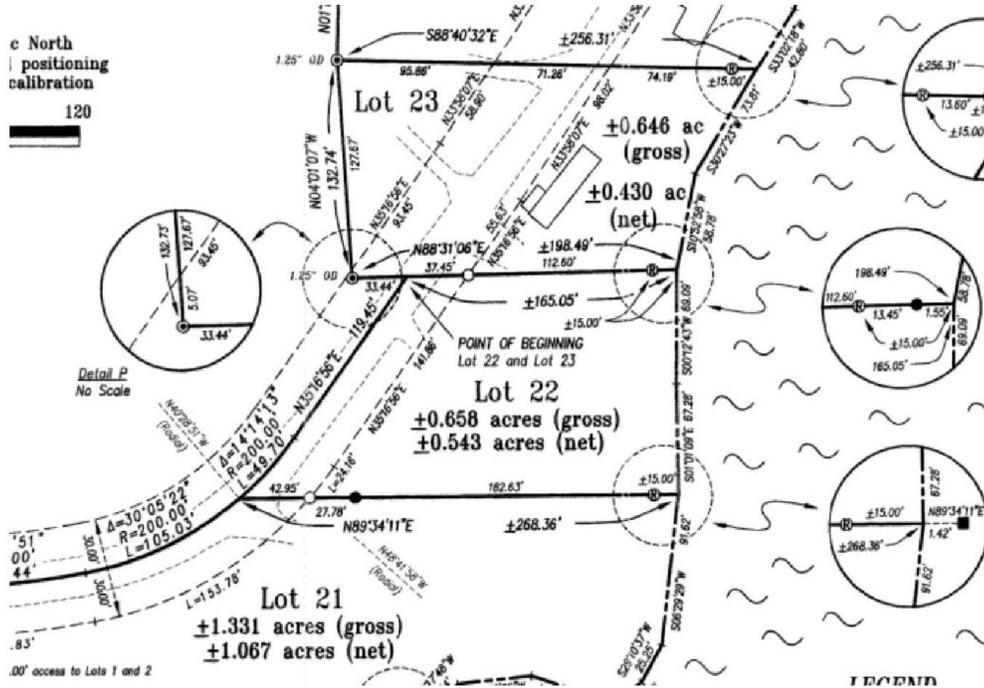
### Location Map of Parcels Flathead County Sales



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### Cabin Site Sale Parcel Maps Sale 2027 Lot 22

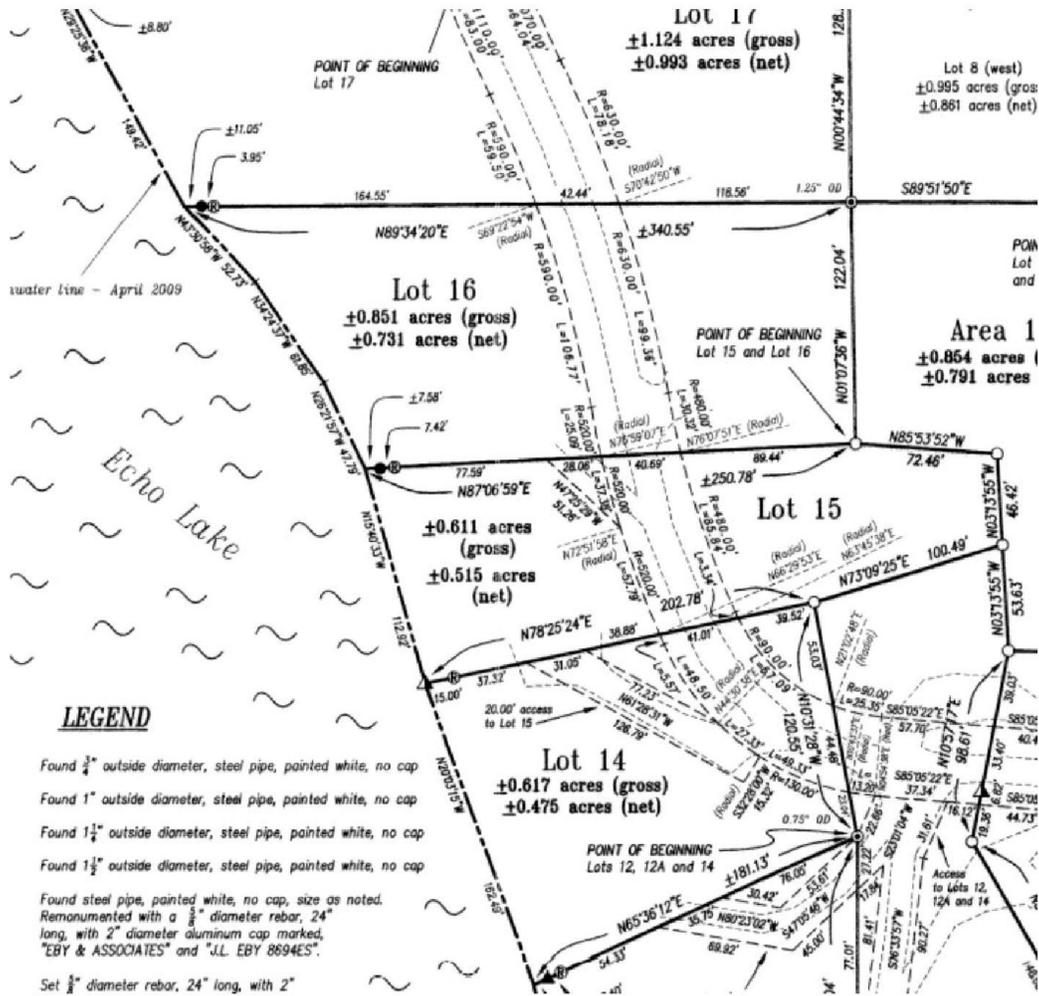
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LEGEND

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### Sale 2028 Lot 15; Sale 2030 Lot 16



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