

Uniform Agricultural Appraisal Report

State of Montana – DNRC Sale #1158
Cabin/Home Site Property
104 Tunis Road S, Fort Benton
Chouteau County, Montana



Prepared For:

The Montana Board of Land Commissioners
Department of Natural Resources and Conservation

Intended User:

The Montana Board of Land Commissioners
Department of Natural Resources and Conservation
Lessee Olson Farms Inc

Prepared By:

Ernest F. Goettlich V
Northern Acres Appraisal Services, LLC
PO Box 2347
Havre, MT 59501

Date Prepared:

10/24/2022



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10/24/2022

State of Montana

Department of Natural Resources and Conservation Trust Land Management Division

PO Box 201601

Helena, MT 59620-1601

Dear Deidra Kloberdanz,

At your request I do hereby furnish you with an appraisal report on the subject property owned by State of Montana (Land) and Olson Farms Inc (Improvements). The subject property is located approximately 6.2 miles west of Fort Benton, Chouteau County, Montana.

As per your instructions I have formed an Opinion of Market Value for the subject property based on the legal description provided for the purpose providing 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.

The effective date of this value is October 3rd, 2022, the date of my physical inspection of the subject property. The estimated marketing time for the subject is 12 months.

The opinion of Market Value of the subject property as of the date of inspection is:

"As Is" Market Value: **\$531,000.00 (Five Hundred Thirty One Thousand Dollars)**

"As Though Vacant" Market Value: **\$177,000.00 (One Hundred Seventy Seven Thousand Dollars)**

The Market Value above reflects the Fee Simple Interest in the subject property, excluding any mineral rights. This Appraisal is based on the assumptions and limiting conditions contained within this report. This appraisal is communicated by and Appraisal Report prepared under the guidelines of the Engagement Letter provided, the current version of the Uniform Standards of Professional Appraisal Practice (USPAP), and Title XI of FIRREA. The definition of Market Value utilized in this report is the commonly used definition of Market Value found in the 2010 Interagency Appraisal and Evaluation Guidelines.

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis only): The subject property is vacant raw land exclusive of real property improvements.

In Addition, to the best of my knowledge and belief, the statements contained in this appraisal and upon which the opinions expressed herein are based, are correct and true. Additionally, supporting documentation regarding this assignment is maintained in a work file and will be available upon request for a period of up to five years.

Thank you for the privilege of serving you.

Sincerely,

Ernest F. Goettlich

Montana Certified General Real Estate Appraiser License #REA-RAG-LIC-10644

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Uniform Agricultural Appraisal Report

Property Identification

Owner/Occupant: State of Montana (Land)/Olson Farms Inc (Improvements) Total Deeded Acres: 10.42
 Property Address: 104 Tunis Road S, Fort Benton Effective Unit Size: 10.42
 State/County: MT / Chouteau Zip Code: 59442
 Property Location: 6.2 miles west of Fort Benton Property Code #: _____
 Highest & Best Use: Agriculture/Rural Residential "As If" Vacant FAMC Com'dity Gp: _____
Agriculture "As Improved" Primary Land Type: Cabin Site/Building Site
 Zoning: There is no zoning outside city limits Primary Commodity: N/A
 Unit Type: Economic Sized Unit Supplemental/Add-On Unit
 FEMA Community # 300011 FEMA Map # _____ FEMA Zone/Date: Unmapped
 Legal Description: See Attached Legal Description SEC _____ TWP _____ RNG _____ Attached
 Purpose of Report: Determine Market Value
 Use/Intended User(s): Determine Market Value/See Comment Below for client/intended users
 Rights Appraised: Fee Simple less subsurface rights
 Value Definition: _____ Attached
 Assignment: _____ Report Type: Appraisal Report
 Extent of Process/Scope of Work: Client: The Montana Board of Land Commissioners, & the Department of Natural Resources and Conservation.
 Intended Users: The Montana Board of Land Commissioners, the Department of Natural Resources and Conservation, and Lessee Olson Farms Inc.
 See Scope of Work page for further Scope of Work details.

Summary of Facts and Conclusions

Appraisal Report Summary

Date of Inspection: 10/03/22 Effective Date of Appraisal: 10/03/22

Value Indication

- Cost Approach: \$ 530,449
- Income Approach: \$ N/A
- Sales Comparison Approach: \$ 531,000

Opinion of Value: *(Estimated Marketing Time 12 months)* \$ 531,000

Cost of Repairs: \$ _____ Cost of Additions: \$ _____

Allocation:

Land:	\$ <u>177,000</u>	\$ <u>16,987</u>	/	Acre	(<u>33</u> %)
Land Improvements:	\$ _____	\$ _____	/	_____	(_____ %)
Structural Improvement Contribution:	\$ <u>354,000</u>	\$ <u>33,973</u>	/	Acre	(<u>67</u> %)
Non-Realty Items:	\$ _____	\$ _____	/	_____	(_____ %)
Leased Fee Value <i>(Remaining term of encumbrance _____)</i>	\$ _____	\$ _____	/	_____	(_____ %)
Leasehold Value:	\$ _____	\$ _____	/	_____	(_____ %)
Overall Value:	\$ <u>50,960</u>	\$ <u>50,960</u>	/	Acre	(<u>100</u> %)

Income and Other Data Summary: Cash Rent Share Owner/Operator FAMC Suppl. Attached

Income Multiplier _____ (_____) Income Estimate: \$ _____ / _____ (unit)
 Expense Ratio _____ % Expense Estimate: \$ _____ / _____ (unit)
 Overall Cap Rate: _____ % Net Property Income: \$ _____ / _____ (unit)

Area-Regional-Market Area Data and Trends:

	Above Avg.	Avg.	Below Avg.	N/A
Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales Activity Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Potential	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desirability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Subject Property Rating:

	Above Avg.	Avg.	Below Avg.	N/A
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soil Quality/Productivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appraiser Certification

I certify that, to the best of my knowledge and belief:

- 1. the statements of fact contained in this report are true and correct.
- 2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analysis, opinions, and conclusions.
- 3. I have no the specified present or prospective interest in the property that is the subject of this report and I have no the specified personal interest with respect to the parties involved.
- 4. I have performed no the specified services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 6. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 7. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 8. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- 9. I have have not made a personal inspection of the property that is the subject of this report.
- 10. no one the specified persons provided significant real property appraisal assistance to the person signing this certification.

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis only): The subject property is vacant raw land exclusive of real property improvements.

"As Is" Market Value: **\$531,000.00 (Five Hundred Thirty One Thousand Dollars)** - This is the value reflected in the Certification page and the preceding Report Summary page.

"As Though Vacant" Market Value: **\$177,000.00 (One Hundred Seventy Seven Thousand Dollars)**

Effective Date of Appraisal: 10/03/22

Opinion of Value: \$ 531,000

Appraiser:

Signature: 

Property Inspection: Yes No
Inspection Date: 10/03/22

Name: Ernest F. Goettlich v
License #: REA-RAG-LIC-10644
Certification #:

Appraiser has inspected verified analyzed the sales contained herein.

Date Signed: 10/24/22

USPAP, Organizational, or Other Requirements

Report Type:	Appraisal Report		
Date of Inspection:	10/03/22	Date of Value Opinion:	10/03/22
		Date of Report:	10/24/22

Scope of Work *(Describe the amount and type of information researched and the analysis applied in this assignment. The Scope of Work includes, but is not limited to the degree and extent of the property inspection; the extent of research into physical and economic factors affecting the property; the extent of data research; and the type and extent of analysis applied to arrive at the opinions or conclusions. Additionally, describe sales availability & ability to demonstrate market - "as vacant" - and "as improved" if applicable - or describe sales available to form value opinion "as completed" or proposed if requested; describe income sources and ability of income to support existing or proposed construction; discuss extent of third party verification of RCN, if applicable.):*

The legal description, which was provided by the client, acreage, tax assessments, ownership history, and zoning information were all verified by inspection of Chouteau County records. The property was inspected on 10/03/2022. The appraiser, Ernest Goettlich, made an exterior inspection of the property. Most areas of the property were inspected.

The comparable sales have been inspected and verified. Soils information has been considered and comparable qualities of land and other aspects of the property are part of this appraisal report. Information has been gathered from the Chouteau County Treasurer, Assessor and Appraiser Offices located in Fort Benton, Chouteau County, Montana. This summary report includes estimates of value obtained by the Market Data, Income, and Cost Approach to value. A final conclusion to the estimate of Market Value is determined.

This appraisal is being made to determine an opinion of Market Value of all the rights of fee simple ownership (less subsurface mineral rights) of the property that is the subject of this appraisal report in its entirety, as it exists on the date of the appraisal.

Farm Service Agency records and aerial photos were researched to aid in the determination of the crop acreage to be appraised. An abstract of water rights appurtenant to the property was obtained from the State of Montana Department of Natural Resources and Conservation's website. Surety Custom Online Mapping® was referenced for soils information. Publications referenced within the body of the appraisal report were consulted for information regarding vegetative range types, etc. The Marshall Swift Valuation Guide and local contractors were relied upon to determine construction costs, applicable depreciation, and value of those items unique to the property, if applicable. In addition to information contained within office files, several area real estate brokers and other appraisers active in this area were contacted in order to secure comparable sales data.

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis): The subject property is vacant raw land exclusive of real property improvements.

Subject Property Sale & Marketing History: *(Analyze and report any agreements of sale, options, or current listings as of the date of the appraisal - and all sales within three (3) years prior to the effective date of appraisal. For UASFLA assignments, report the details of the LAST SALE OF THE SUBJECT - no matter when it occurred):* Subject property has no sales history in the past 3 years. There is a proposed sale #1158 expected to take place within the next 12 months. The purpose of this appraisal is to establish a market price for the subject property with the land and improvements as separate values to establish a minimum bid price for the property once it goes to public auction.

Market Conditions *(Volume of Competing Listings, Volume of Sales, Amenities Sought by Buyers):* Over the last few years, sales of similar tracts of land are limited although they have occurred over a period of time. Most of these sales are economically sized units that are economically feasible to own on their own merits. Real estate agents in the area report that these types of properties will sell if they are priced within the same value range of other properties in the area. Pasture units are considered highly sought after because there are not many units available.

Approaches to Value *(Explain Approaches Used and/or Omitted):* The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

The Cost Approach is used in the analysis of value of the subject property by comparing similar tracts of land that have previously sold in the same general area. Time adjustments can be made to arrive at a current market value of the comparable sales. The Cost Approach is not developed in the second analysis as the Hypothetical Condition provided by the engagement letter states that the land is to be appraised as though it is vacant raw land exclusive of any improvements and the Cost Approach would be a restatement of the Sales Comparison Approach and could be potentially misleading to the client and/or the intended user.

The Sales Comparison Approach has also been used in this analysis of value of the subject property. This approach compares market-indicated values of the sale property after adjustments are made to the sale property for comparison to the subject. The generally accepted unit of measure in this approach is an overall price per acre for the entire property. The adjustments considered can be for land classification, improvements, time, location, access, water resources, productivity or other market-indicated factors affecting value. The Income Approach is used to measure value based on a capitalization rate technique derived by dividing the net income of a sale property by the sales price to arrive at a market-indicated capitalization rate. This rate is then applied to the projected net income of the subject property to derive a capitalized value. This approach is considered the least reliable method of valuation as small changes in cap rates can have a significant effect on the indicated value.

MARKET VALUE DEFINITION

Regulations published by federal regulatory agencies pursuant to title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)

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 best interests;
3. A reasonable time is allowed for exposure on the open market;
4. Payment is made in terms of cash in United States 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.

Other:

The definition utilized in this report is more specifically described in Appendix D of the Federal Deposit Insurance Corporation Statements of Policy 5000 Interagency Appraisal and Evaluation Guidelines.

EXPOSURE AND MARKETING TIME ESTIMATES

Market value (see above definition) conclusion and the costs and other estimates used in arriving at conclusion of value is as of the date of the appraisal. Because markets upon which these estimates and conclusions are based upon are dynamic in nature, they are subject to change over time. Further, the report and value conclusion is subject to change if future physical, financial, or other conditions differ from conditions as of the date of appraisal.

In applying the market value definition to this appraisal, a reasonable exposure time of 12 months has been estimated. Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; exposure time is always presumed to **precede** the effective date of the appraisal.

Marketing time, however, is an estimate of the amount of time it takes to sell a property interest at the market value conclusion during the period **after** the effective date of the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is inappropriate to assume that the value as of the effective date of appraisal remains stable during a marketing period. Additionally, the appraiser(s) have considered market factors external to this appraisal report and have concluded that a reasonable marketing time for the property is 12 months.

Comments:

Assumptions and Limiting Conditions

The certification of the Appraiser(s) appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth in the report.

1. The Appraiser(s) assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser(s) render any opinion as to title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Sketches in the report may show approximate dimensions and are included only to assist the reader in visualizing the property. The Appraiser(s) have made no survey of the property. Drawings and/or plats are not represented as an engineer's work product, nor are they provided for legal reference.
3. The Appraiser(s) are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made.
4. Any distribution of the valuation in the report applies only under the existing program of utilization. The separate valuations of components must not be used outside of this appraisal and are invalid if so used.
5. The Appraiser(s) have, in the process of exercising due diligence, requested, reviewed, and considered information provided by the ownership of the property and client, and the Appraiser(s) have relied on such information and assumes there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser(s) assume no responsibility for such conditions, for engineering which might be required to discover such factors, or the cost of discovery or correction.
6. While the Appraiser(s) have have not inspected the subject property and have have not considered the information developed in the course of such inspection, together with the information provided by the ownership and client, the Appraiser(s) are not qualified to verify or detect the presence of hazardous substances by visual inspection or otherwise, nor qualified to determine the effect, if any, of known or unknown substances present. Unless otherwise stated, the final value conclusion is based on the subject property being free of hazardous waste contaminations, and it is specifically assumed that present and subsequent ownerships will exercise due diligence to ensure that the property does not become otherwise contaminated.
7. Information, estimates, and opinions furnished to the Appraiser(s), and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser(s) can be assumed by the Appraiser(s).
8. Unless specifically cited, no value has been allocated to mineral rights or deposits.
9. Water requirements and information provided has been relied on and, unless otherwise stated, it is assumed that:
 - a. All water rights to the property have been secured or perfected, that there are no adverse easements or encumbrances, and the property complies with Bureau of Reclamation or other state and federal agencies;
 - b. Irrigation and domestic water and drainage system components, including distribution equipment and piping, are real estate fixtures;
 - c. Any mobile surface piping or equipment essential for water distribution, recovery, or drainage is secured with the title to real estate; and
 - d. Title to all such property conveys with the land.
10. Disclosure of the contents of this report is governed by applicable law and/or by the Bylaws and Regulations of the professional appraisal organization(s) with which the Appraiser(s) are affiliated.
11. Neither all nor any part of the report, or copy thereof, shall be used for any purposes by anyone but the client specified in the report without the written consent of the Appraiser.
12. Where the appraisal conclusions are subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner consistent with the plans, specifications and/or scope of work relied upon in the appraisal.
13. Acreage of land types and measurements of improvements are based on physical inspection of the subject property unless otherwise noted in this appraisal report.
14. EXCLUSIONS. The Appraiser(s) considered and used the three independent approaches to value (cost, income, and sales comparison) where applicable in valuing the resources of the subject property for determining a final value conclusion. Explanation for the exclusion of any of the three independent approaches to value in determining a final value conclusion has been disclosed in this report.
15. SCOPE OF WORK RULE. The scope of work was developed based on information from the client. This appraisal and report was prepared for the client, at their sole discretion, within the framework of the intended use. The use of the appraisal and report for any other purpose, or use by any party not identified as an intended user, is beyond the scope of work contemplated in the appraisal, and does not create an obligation for the Appraiser.
16. Acceptance of the report by the client constitutes acceptance of all assumptions and limiting conditions contained in the report.
17. Other Contingent and Limiting Conditions:

-Mineral Rights, if any, are not included in this appraised value. Mineral rights are more specifically described as subsurface rights with the intent of extraction such as oil and gas extraction, coal extraction, or any other minerals typically hydrocarbons. These subsurface rights do not extend to gravel extraction which is typically associated with surface rights and unless specifically included in the mineral rights description are not a part of any such transaction.

-Gravel extraction rights, if any, are not included in this appraised value. Without a full survey of the quality and extent of the gravel deposits determination of the value of such deposits falls outside of the scope of this appraisal. These are denoted separately from Mineral Rights as they are typically considered surface rights.

-Growing Crops, if any, are not included in the appraisal value.

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis only): The subject property is vacant raw land exclusive of real property improvements.

Legal Description

Chouteau County

Township 24 North, Range 07 East, M.P.M.

Section 28: Certificate of Survey 220A recorded August 30th, 2022 with the Chouteau County, Montana Clerk and Recorder's Office containing 10.42 acres, more or less, located in the SE4

Area-Regional Description	Area-Regional Boundary: Chouteau and Cascade Counties.	On and Off Property:																				
	Major Commodities: Small grains, oil seeds, pulse crops, hay, and livestock.	<table style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">Up</td> <td style="text-align: center;">Stable</td> <td style="text-align: center;">Down</td> </tr> <tr> <td>Value Trend:</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Sales Activity Trend:</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Population Trend:</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Employment Trend:</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>		Up	Stable	Down	Value Trend:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sales Activity Trend:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Population Trend:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Employment Trend:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Above Avg.</td> <td style="text-align: center;">Avg.</td> <td style="text-align: center;">Below Avg.</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td colspan="4">Off Property Employment:</td> </tr> <tr> <td style="text-align: center;">Unlikely</td> <td style="text-align: center;">Likely</td> <td colspan="2" style="text-align: center;">Taking Place</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td colspan="2" style="text-align: center;"><input type="checkbox"/></td> </tr> </table> <p>Change in Economic Base: From Agriculture To</p>	Above Avg.	Avg.	Below Avg.	N/A	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Off Property Employment:				Unlikely	Likely	Taking Place		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Market Availability:	
Above Avg.	Avg.	Below Avg.	N/A																			
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																			
Off Property Employment:																						
Unlikely	Likely	Taking Place																				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				

Forces of Value: *(Discuss social, economic, governmental, and environmental forces.)*
Social Forces: This force comes primarily through population characteristics. The composition of the population reveals the potential basic demand for real estate. Real estate values are affected by population changes.
Economic Forces: The fundamental relationship between current and anticipated supply and demand and the economic ability of the population to satisfy its wants and needs through its purchasing power has an affect on the value of real estate.
Environmental Forces: Natural and man-made environmental forces influence real property values. Environmental forces would include climatic conditions, topography and soils type, water availability. Transportation systems can have an impact on the surrounding area. All of these factors can have a direct influence on property values.
Zoning and Land Use Regulations: Fee lands are subject to county sanitary restrictions, and they are also subject to state subdivision regulations.

Exposure Time: 12 months. *(See attached definition and discussion)*

Specific Market Area Boundaries: Chouteau and Cascade Counties.

Market Area Description	Market Area:	Market Area:																																																			
	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Rural</td> <td style="text-align: center;">Suburb</td> <td style="text-align: center;">Urban</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;">Up</td> <td style="text-align: center;">Stable</td> <td style="text-align: center;">Down</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Value Trend</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Sales Activity Trend</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Population Trend</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Development Trend</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Rural	Suburb	Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Up	Stable	Down	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Value Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sales Activity Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Population Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Development Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Above Avg.</td> <td style="text-align: center;">Avg.</td> <td style="text-align: center;">Below Avg.</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Property Compatibility</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Effective Purchase Power</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Demand</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Development Potential</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Desirability</td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Above Avg.	Avg.	Below Avg.	N/A	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Effective Purchase Power	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Demand	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Development Potential	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Desirability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Analysis/Comments: *(Discuss positive and negative aspects of market area.)*
 Chouteau County is located north of Cascade County (the county in which Great Falls is located).
 Through the Covid-19 quarantine periods as well as the past two years of the pandemic, workers have started to migrate away from city centers to places they would rather live and telecommute to work. The area has access to high speed internet, power, and is located in a reasonable proximity to an international airport (Great Falls). The recreation value of properties, particularly ones with scenic views or access to recreation activities such as hunting, fishing, hiking, etc. have increased the number of market participants over the past two years to include many out of state buyers that would not have considered areas outside of certain popular areas in Montana.
 Recent drought condition have impacted commodity prices, however as of the effective date of this appraisal report they have not yet impacted sale prices.
 As of the effective date of this appraisal report the interest rates (financing) are predicted to continue to rise. There have still been several cash buyers in the market and the marketing times do not appear to be getting longer as of the effective date of this appraisal report. There are a number of economic factors impacting the market at the current time.

Aerial View

Aerial Map



Map Center: 47.807852, -110.843700

0ft 813ft 1627ft

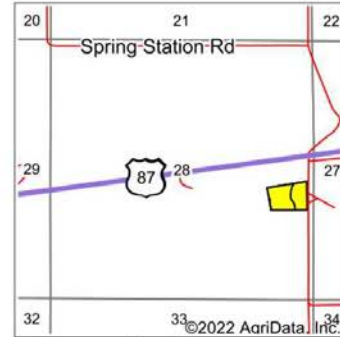
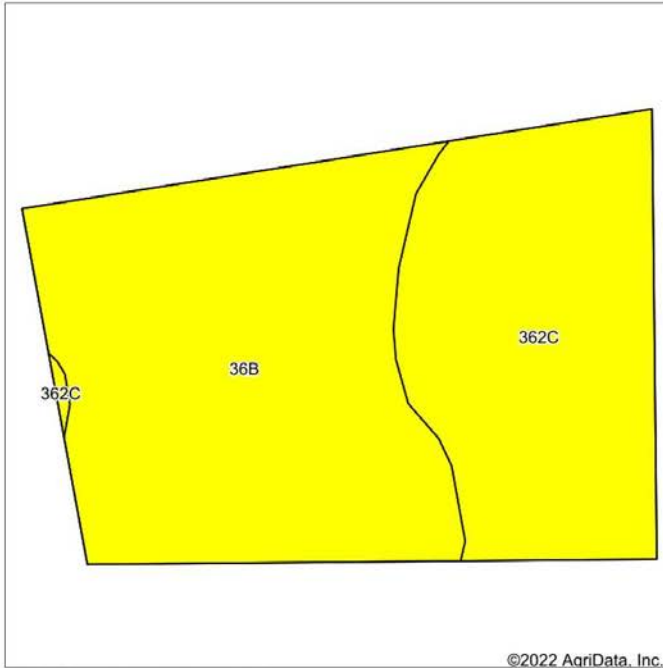


28-24N-7E
Chouteau County
Montana



Soils Map

Soils Map



State: **Montana**
 County: **Chouteau**
 Location: **28-24N-7E**
 Township: **Fort Benton**
 Acres: **9.26**
 Date: **10/9/2022**



Maps Provided By:

 CUSTOMIZED ONLINE MAPPING
 © AgriData, Inc. 2021 www.AgriDataInc.com



Soils data provided by USDA and NRCS.

Area Symbol: MT615, Soil Area Version: 18

Code	Soil Description	Acres	Percent of field	Non-Irr Class Legend	Non-Irr Class *c	Irr Class *c	Range Production (lbs/acre/yr)	*n NCCPI Overall	*n NCCPI Corn	*n NCCPI Small Grains	*n NCCPI Soybeans			
36B	Chinook fine sandy loam, 0 to 4 percent slopes	5.41	58.4%		IVe	IVe	600	14		14	5			
362C	Chinook-Yetull complex, 2 to 10 percent slopes	3.85	41.6%		IVe	IVe	1590	13	2	13	7			
Weighted Average								4.00	4.00	1011.6	*n 13.6	*n 0.8	*n 13.6	*n 5.8

*n: The aggregation method is "Weighted Average using all components"
 *c: Using Capabilities Class Dominant Condition Aggregation Method
 Soils data provided by USDA and NRCS.

Property Description: *(Location, use and physical characteristics)* The subject property is located 6.2 miles west of Fort Benton, Chouteau County, Montana, via 6 miles west on U.S. Highway #87, thence 0.2 miles south on Tunis Road S. Improvements are located within the surveyed area of the subject property more generally 28-24N-07E: Tract 1 of Certificate of survey #220A included above.

The subject property consists of a 10.42 acre parcel, more or less, according to the survey provided by the client, comprised of building site. The terrain is generally level to gently rolling. Access is provided via Tunis Road S. The property has some perimeter fencing.

Subject Land Description

Land Use	Deeded Acres	Unit Type	Unit Size	
Irrigated Cropland				(0.0%)
Irrigated Pasture				(0.0%)
Dry Cropland				(0.0%)
Hayland				(0.0%)
Tame/Imp. Pasture				(0.0%)
Pasture				(0.0%)
Site	10.42	Acres		(100.0%)
Roads & Waste				(0.0%)
Other				(0.0%)
Public Lease				(0.0%)
Total Deeded Acres	10.42	Total Units	0.00	(100 %)

Subject Description:	Above Avg.	Avg.	Below Avg.	N/A
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical Access	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contiguity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shape/Ease Mgt.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FEMA Zone/Date	Unmapped			
Building Location	Subject			

Comments As is very common, a slight discrepancy may exist concerning the exact acreage amounts for the subject property among the various public records researched. The total appraised acreage was taken from official county records. This data was used in conjunction with aerial maps, soil maps, and crop history maps to arrive at final acreage estimates and land-type allocations.

Land Improvements:	Above Avg.	Avg.	Below Avg.	N/A
Domestic Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Livestock Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Roads	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Drainage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Water Rights: No Yes Supplement Attached
Mineral Rights: No Yes Supplement Attached
Comments: Without a survey or detail as to the nature and extent of the subsurface resources along with a lack of an active market for subsurface rights it would be misleading to attempt to include them in the value definition utilized in this report. See narrative description for Water Rights.

Topography:	Level	Undulating	Rolling	Sloping
Irrigated Cropland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Irrigated Pasture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dry Cropland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hayland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tame/Imp. Pasture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pasture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Topography	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Soils Description: See attached Soil Map.

Soil Quality/Production: Above Avg. Avg. Below Avg. N/A Supplement Attached

Climatic: 10-14 " Annual Precipitation 2,000 ' to 3,870 ' Elevation 100-140 Frost-Free Days
Utilities: Carter Water Water Public Electric Septic Sewer Propane Gas Public Telephone
Distance To: 6.2 Schools 6.2 Hospital 6.2 Markets 0.2 Major Hwy. 6.2 Service Center
Easements/Encroachments: *(Conservation, Utility, Preservation, etc.)* Easements include apparent roads and utilities.

Hazards and Detriments: See Narrative Land Description.

Land Description**Location:** (Proximity to services, rentability, market appeal, building location, etc.)

The subject property is located 6.2 miles west of Fort Benton, Chouteau County, Montana, via 6 miles west on U.S. Highway #87, thence 0.2 miles south on Tunis Road S.

Improvements are located within the surveyed area of the subject property more generally 28-24N-07E: Tract 1 of Certificate of survey #220A included above.

Physical Characteristics: (Size, contiguity, terrain, land-mix, roads, legal & physical access, elevation/growing season, etc.)

The subject property consists of a 10.42 acre parcel, more or less, according to the survey provided by the client, comprised of building site.

The terrain is generally level to gently rolling.

Access is provided via Tunis Road S.

Land Improvements: (Utilities, interior roads, drainage, fences, water development, recreational food plots, etc.)

Utilities are available and utilized at the building site. Interior roads are typical of this property type and location and are in average condition. The subject property includes some perimeter fencing along the north, west, and south borders.

Other Rights: (Water rights, mineral rights, air rights, etc.)

The subject area and the immediate area are not zoned for tax purposes. The property is classified as agricultural land. A title search was not conducted. The subject property has no specific water rights attached to it according to the land status report provided by the client. Water is provided via the Carter waterline. No opinion of subsurface rights is included in this appraisal report. A copy of the Water Rights Query is included in the addendum.

Mineral Rights are not included nor appraised within this appraisal report.

Soils Description:

36B - Chinook fine sandy loam, 0 to 4 percent slopes. Classified 4e-non irrigated and 4e irrigated. Yield potential non-irrigated: Spring Wheat 29 bu/ac, Winter Wheat 33 bu/ac, Barley 49 bu/ac.

362C - Chinook-Yetull complex, 2 to 10 percent slopes. Classified 4e-6e non-irrigated and 4e-4e irrigated. Yield potential non-irrigated: Spring Wheat 29-15 bu/ac, Winter Wheat 33-16 bu/ac, Barley 49-28 bu/ac.

Easements/Encroachments: (Conservation, Utility, Preservation, etc.)

Easements include apparent roads and utilities.

Hazards & Detriments:

The main hazard of the subject area consists of extreme climate problems such as frost, severe winters, hot summers, wind erosion, drought and hail. These hazards are typical of this area of Montana and affect local areas in varying degrees.

Hazards and detriments associated particularly with the subject property may be a shortage of water in drought periods, and moderate wind and water erosion.

Comments:

The subject property has good road access and is near a major highway, U.S. Highway #87 connects Havre to Great Falls with Fort Benton, Big Sandy, Box Elder, and Carter also being along the highway. The subject property is located near several grain elevators as well as several additional markets for livestock. The subject property is also in close proximity to additional market areas and provide an opportunity to commute to work in larger market areas.

Photos



Dwelling Exterior Front



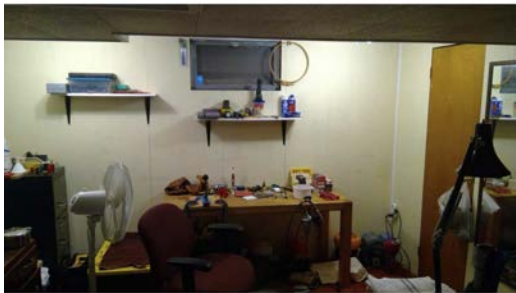
Additional view Dwelling Exterior Front



Dwelling Exterior Rear



Additional view Dwelling Exterior Rear



Dwelling Basement Room 1



Dwelling Basement Room 2

Photos



Dwelling Furnace



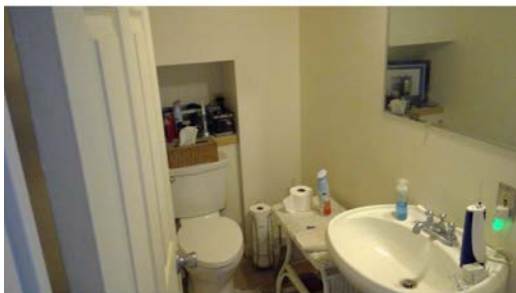
Dwelling Water Heater



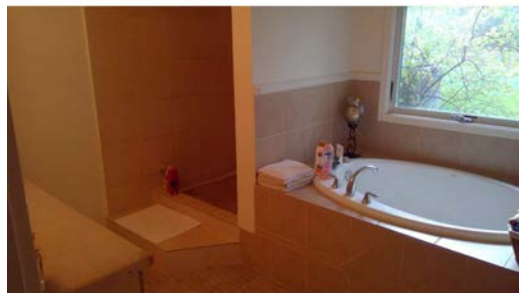
Dwelling Interior Living Room



Dwelling Interior Kitchen



Dwelling Interior Main Floor Bathroom



Dwelling Interior Main Floor Bathroom Shower and Tub

Photos



Garage

Additional View Garage



Bins

Bin



Fully Depreciated Bin
The Roof is collapsing

Quonset

Photos



Quonset Interior



Implement Shed and Pre-Fab Building Rear



Pre-Fab Building Front



Implement Shed Front



Bins



Cistern Pump House

Photos



Corrals

Corrals



Corrals

Corrals



Corrals

History

Ownership Longer Than 3 Years

Owner	Recording/Reference	Date	Price Paid	Terms
Previous: _____	_____	_____	_____	_____
Present: State of Montana	_____	_____	_____	_____

Currently: Optioned Under Contract Contract Price: _____

Buyer: Lessee/Public Bid Currently Listed Listing Price: _____ Listing Date: _____

This property has been nominated for sale by the lessee and this appraisal is being utilized to determine the market value of the subject property to establish a minimum bid.

The Lessee, Olson Farms Inc owns the improvements to the subject property.

Zoning

Current Zoning: _____ There is no zoning outside city limits **Zoning Conformity:** Yes No

Zoning Change: Unlikely Probable To: _____

Comments: Current zoning is agricultural. A zoning change in the foreseeable future is unlikely.

Taxes

Tax Basis:	Assessment Year	Forecast:
<input checked="" type="checkbox"/> Agricultural	2021	Current Tax \$10,908
<input type="checkbox"/> _____	Land \$43,370	Estimated/Stabilized \$10,908
<input type="checkbox"/> _____	Building(s) \$215,150	Or (10.42 Ac.) = \$1,046.83 /acre
Parcel #: 20022 (Land) & 5157(Improvements)	Total Assessed Value \$258,520	Trend: <input type="checkbox"/> Up <input type="checkbox"/> Down <input checked="" type="checkbox"/> Stable

Comments: Land prices have remained stable over the past three year period, an large changes in the tax value are not likely to happen and the taxes should remain the same over the next 2 year tax cycle.

Highest & Best Use is defined as that reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legally alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value.

Highest & Best Use Analysis

Analysis:

Legally Permissible: The present use of the subject property as an agricultural operation is legally permissible. In addition, many alternate uses of the property would be allowable under the current zoning regulations. Small parcel splits would affect the county's land use plan and require the land to be subdivided.

Physically Possible: Theoretically, other uses of the appraised unit are physically possible. The property has historically been utilized as a residential home site in support of an agriculture operation.

Financially Feasible: Agricultural uses are financially feasible if operating expenses can be met or exceeded from the sale of crops or livestock produced on the land, or, alternatively, by leasing the property for its current use. Based on current production and open market lease rates, leasing the property for agricultural uses would be financially feasible.

Maximally Productive: The current use of the subject property as an agricultural operation is maximally productive. The current use would return the greatest monetary return, especially when any future appreciation is considered.

The highest and best use of the subject property based on the harmonious use of the surrounding properties would be Agricultural in nature as the property does not have the timbered lot and mountain views that would draw recreational use buyers, nor is it close enough to a major market town such as Great Falls to draw the rural residential use buyers. Agricultural use would also include the dwelling and outbuildings that make up the subject property which serve as support improvements for a larger agriculture operation such as a small grains farm or livestock operation.

Current Use: Agricultural

Highest and Best Use: "As if" Vacant Agriculture/Rural Residential
"As Improved" Agriculture

Value Methods

Valuation Methods: Cost Approach Income Approach Sales Comparison Approach

(Explain and support exclusion of one or more approaches) The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

The Cost Approach is used in the analysis of value of the subject property by comparing similar tracts of land that have previously sold in the same general area. Time adjustments can be made to arrive at a current market value of the comparable sales. The Cost Approach is not developed in the second analysis as the Hypothetical Condition provided by the engagement letter states that the land is to be appraised as though it is vacant raw land exclusive of any improvements and the Cost Approach would be a restatement of the Sales Comparison Approach and could be potentially misleading to the client and/or the intended user.

"As Is" Condition

Uniform Agricultural Appraisal Report

Property Identification	Owner/Occupant: <u>State of Montana (Land)/Olson Farms Inc (Improvements)</u>	Total Deeded Acres: <u>10.42</u>
	Property Address: <u>104 Tunis Road S, Fort Benton</u>	Effective Unit Size: <u>10.42</u>
	State/County: <u>MT / Chouteau</u>	Zip Code: <u>59442</u>
	Property Location: <u>6.2 miles west of Fort Benton</u>	Property Code #: _____
	Highest & Best Use: <u>Agriculture/Rural Residential "As If" Vacant</u>	FAMC Comd'ity Gp: _____
	<u>Agriculture "As Improved"</u>	Primary Land Type: <u>Cabin Site/Building Site</u>
	Zoning: <u>There is no zoning outside city limits</u>	Primary Commodity: <u>N/A</u>
	Unit Type: <input checked="" type="checkbox"/> Economic Sized Unit <input type="checkbox"/> Supplemental/Add-On Unit	
	FEMA Community # <u>300011</u> FEMA Map # _____ FEMA Zone/Date: <u>Unmapped</u>	
	Legal Description: <u>See Attached Legal Description</u> SEC _____ TWP _____ RNG _____ Attached <input checked="" type="checkbox"/>	
	Purpose of Report: <u>Determine Market Value</u>	
	Use/Intended User(s): <u>Determine Market Value/See Comment Below for client/intended users</u>	
	Rights Appraised: <u>Fee Simple less subsurface rights</u>	
	Value Definition: _____ Attached <input checked="" type="checkbox"/>	

Assignment: _____ Report Type: Appraisal Report

Extent of Process/Scope of Work: Client: The Montana Board of Land Commissioners, & the Department of Natural Resources and Conservation.

Intended Users: The Montana Board of Land Commissioners, the Department of Natural Resources and Conservation, and Lessee Olson Farms Inc.

See Scope of Work page for further Scope of Work details.

Summary of Facts and Conclusions

Appraisal Report Summary	Date of Inspection: <u>10/03/22</u> Effective Date of Appraisal: <u>10/03/22</u>
	Value Indication
	- Cost Approach: \$ <u>530,449</u>
	- Income Approach: \$ <u>N/A</u>
	- Sales Comparison Approach: \$ <u>531,000</u>
	Opinion of Value: <u>(Estimated Marketing Time 12 months)</u> \$ <u>531,000</u>
	Cost of Repairs: \$ _____ Cost of Additions: \$ _____
	Allocation:
	Land: \$ <u>177,000</u> \$ <u>16,987</u> / Acre (<u>33</u> %)
	Land Improvements: \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)
	Structural Improvement Contribution: \$ <u>354,000</u> \$ <u>33,973</u> / Acre (<u>67</u> %)
	Non-Realty Items: \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)
	Leased Fee Value <u>(Remaining term of encumbrance _____)</u> \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)
	Leasehold Value: \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)
	Overall Value: \$ <u>50,960</u> / Acre (<u>100</u> %)
Income and Other Data Summary: <input type="checkbox"/> Cash Rent <input type="checkbox"/> Share <input type="checkbox"/> Owner/Operator <input type="checkbox"/> FAMC Suppl. Attached	
Income Multiplier _____ () Income Estimate: \$ _____ / _____ (unit)	
Expense Ratio _____ % Expense Estimate: \$ _____ / _____ (unit)	
Overall Cap Rate: _____ % Net Property Income: \$ _____ / _____ (unit)	

	Above Avg.	Avg.	Below Avg.	N/A
Area-Regional-Market Area Data and Trends:				
Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales Activity Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Potential	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desirability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject Property Rating:				
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soil Quality/Productivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Type	Size	Construction	Qty	Foundation	Roof	Floor	Exterior	Act. Age	Eff. Age	Rem. Life	Con-formity	Utility	Cond.
Dwelling	1,854 SF	Frame	Avg.	Conc.	Asphalt		Masonite	66	18	42	Avg.	Avg.	Avg.
Basement	728 SF	Frame	Avg.	Conc.	Asphalt		Masonite	66	18	42	Avg.	Avg.	Avg.
Garage	816 SF	Frame	Avg.	Conc.	Asphalt		Metal	50	30	30	Avg.	Avg.	Avg.
3 Bins	6,300 bu	Metal	Avg.	Conc.	Metal		Metal	69	35	15	Avg.	Avg.	Avg.
Hopper Bin	3,100 bu	Metal	Avg.	Conc.	Metal		Metal	69	35	15	Avg.	Avg.	Avg.
Quonset	1,536 SF	Metal	Avg.	Conc.	Metal		Metal	69	35	15	Avg.	Avg.	Avg.
Shed	448 SF	Frame	Avg.		Metal		Metal	57	29	21	Avg.	Avg.	Avg.
Bin	3,900 bu	Metal	Avg.	Conc.	Wd/Asph		Metal	61	50	0	Avg.	Avg.	Poor
Imp. Shed	2,592 SF	Frame	Avg.	Conc.	Metal		Metal	46	23	27	Avg.	Avg.	Avg.
Bin	6,500 bu	Metal	Avg.	Conc.	Metal		Metal	42	21	29	Avg.	Avg.	Avg.
3 Bins	22,200 bu	Metal	Avg.	Conc.	Metal		Metal	42	21	29	Avg.	Avg.	Avg.
Bin	19,900 bu	Metal	Avg.	Conc.	Metal		Metal	41	21	29	Avg.	Avg.	Avg.
Bin	10,400 bu	Metal	Avg.	Conc.	Metal		Metal	39	20	30	Avg.	Avg.	Avg.
Prefab Bldg	3,000 SF	Metal	Avg.	Conc.	Metal		Metal	36	18	32	Avg.	Avg.	Avg.
Corrals	1 corral	Wood	Avg.					Var	25	25	Avg.	Avg.	Avg.

Subject Improvement Description

Improvement Comments: *(Discuss and/or expand any items affecting value structure-by-structure, if necessary)*

The dwelling includes 2 bedrooms, 1 bathroom, a living room, kitchen/dining room, an office and a laundry room on the main floor. The basement is approximately 75% finished.

Water is provided by the Carter Water Line. There are two cisterns on the property for domestic and livestock use. An 8,000 gallon cistern between the house and the corrals, and a 1,000 gallon cistern near the house.

The remainder of the improvements are typical of this property type and location and are typical of properties utilized for small grains farming operations and ranching operations. The improvements are in average condition.

Site Improvements: Septic, electric, telephone, propane, Carter Water Line.

	Above Avg.	Avg.	Below Avg.	N/A
Overall Structural Balance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Structural Condition	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Building REL _____ years				

Highest & Best Use Analysis

Highest & Best Use is defined as that reasonable and probable use that supports the highest present value, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legally alternative uses found to be physically possible, appropriately supported, financially feasible, and which results in the highest value. (Appraisal of Rural Property, 2nd Edition 2000, ASFMRA/AI, Page 148.)

Legally Permissible Use(s) *(Include deed restrictions, existing zoning and/or potential to change zoning).*

The present use of the subject property as an agricultural operation is legally permissible. In addition, many alternate uses of the property would be allowable under the current zoning regulations. Small parcel splits would affect the county's land use plan and require the land to be subdivided.

Current Zoning: None Assessed Value: \$ 258,520 Taxes: \$ 10,908

Physically Possible Use(s) *(Discuss any limitations and/or advantages).*

Theoretically, other uses of the appraised unit are physically possible. The property has historically been utilized for agricultural production.

Other uses would include using the property for recreation, given its scenic, recreational, and/or hunting amenities.

Financially Feasible Use(s) *(Discuss any/all potential financial uses & likelihood of realization).*

Agricultural uses are financially feasible if operating expenses can be met or exceeded from the sale of crops or livestock produced on the land, or, alternatively, by leasing the property for its current use. Based on current production and open market lease rates, leasing the property for agricultural uses would be financially feasible.

Income from hunting would be an additional financial gain on the property.

Maximally Productive Use(s) *(Discuss single and/or concurrent uses of the subject property).*

The current use of the subject property as an agricultural operation is maximally productive. The current use would return the greatest monetary return, especially when any future appreciation is considered.

The property would most likely have a better monetary gain from agriculture than from being leased strictly for hunting.

Consistent Use: *(If improved, do structures conform to Highest & Best Use "as if" vacant?)*

The improvements to the subject property are consistent with agricultural use as the highest and best use as though vacant and also support recreation use and rural residential use. Many of the structures are agriculture use, however would meet the requirements of both a rural residential use and a recreation use with the subject dwelling and the large storage buildings.

Cost Approach Comments

The Cost Approach to value is based on the premise that an informed purchaser would pay no more for a given property than the cost of producing a substitute property with the same utility, assuming there was no undue delay. This approach involves estimating the reproduction cost of the subject improvements, subtracting accrued depreciation from all causes to arrive at a contributory value, and then adding the value of the subject site. This approach is most reliable when the improvements are relatively new and represent the highest and best use of the land.

Improvements are valued based on information found in the Marshall & Swift Valuation Service book and are tempered by local estimates and bid proposals.

Typically in Montana the majority of structures are purpose built so there is no "Entrepreneurial Incentive" as most buildings are sold before they are built and there is little to no speculative (spec) building going on in the market area. Any additional profit that the builder is making is included in the materials and labor costs associated with the structure and is included in the per SF cost calculations.

A total of five area sales were analyzed for comparison to the subject in the Cost Approach to value. The sales are located in Chouteau and Cascade Counties.

Sales 1 & 2 are located off of a major highway, at the time of inspection (10/03/2022) it had rained two days prior to the inspection date and the road to sales 1 & 2 was difficult to traverse and required four wheel drive to get to the two sales. Based on the access issues a location adjustment is warranted for these two sales. Based on the comparable sales approach the location adjustment would be \$10,000/acre and would bring sales 1 & 2 inline with the remaining sales.

Sale 1 is a vacant parcel of land located near Great Falls. This property does not have reliable access, the access is legal and there is a road, however during certain times of year the road could become impassible. Access to water may also be an issue without a common well agreement or access to a water line. Sale 1 is inferior to the subject property.

Sale 2 is a vacant parcel of land located near Great Falls. This property does not have reliable access, the access is legal and there is a road, however during certain times of year the road could become impassible. Access to water may also be an issue without a common well agreement or access to a water line. Sale 2 is inferior to the subject property.

Sale 3 is located off of the Highwood Road, which connects Fort Benton to Belt, and is a paved (oil road) road. Sale 3 is larger than the subject property and serves to bracket the subject in terms of size. Sale three is a similar distance from a market when compared to the subject property though it is located off of a less traveled roadway.

Sale 4 is located off of U.S. Highway #89 which connects Belt Montana to Great Falls. This highway is similarly traveled when compared to U.S. Highway #87 which the subject property is located on. Sale 4 is a larger sale when compared to the subject property and serves to bracket the subject in terms of size.

Sale 5 is located off of MT Highway 432 and offers similar views when compared to the subject property. Sale 5 is located approximately 10 miles west of U.S. Highway #87. Sale 5 is smaller than the subject property and serves to bracket the subject property in terms of size. Sale 5 is located outside of what would traditionally be considered a recreation area.

The sales represent properties having comparable acreage as the subject. No size adjustment appears to be warranted. Adjustments to value were considered for land type, building improvements. The first step in the cost approach is determining land value.

Site values from the comparable sales included in this analysis range in value from \$5,500/acre to \$28,938/acre with an average of \$16,1978/acre. A value of \$20,000/acre is selected as representative of the market value of site acres for the subject property as it falls within the range of site values from the comparable sales and places more weight on sales 3, 4, & 5 which bracket the subject property in terms of size and are similarly situated near major thoroughfares similar to the subject property.

The indicated value of the subject property from the Cost Approach is **\$530,449.00**, rounded to **\$530,000.00**.

Cost Approach (Sales 1-5)

Item:		Sale #1	1	Sale #2	2	Sale #3	3	Sale #4	4	Sale #5	5
Grantor		The Leslie Duncan Estate		Lorraine Hughes		Schroeder		Downard		Kimbrig	
Grantee		Kristi & Karl (jr.) Akerman		Matz Enterprises LLC		Mark Spade		Jarred & Lauren Simons		Stephen Lund	
Source		MLS #22210976		MLS #22209763		MLS #22202104		MLS #22115860		MLS #22111036	
Date		08/22		08/22		04/22		03/22		10/21	
CEV Price		30,000		27,500		675,000		800,000		295,000	
Deeded Acres		5.00		5.00		17.86		21.77		5.50	
Location		6 n Great Falls		6 n Great Falls		11 n Belt		4 n Belt		10 w Big Sandy	
	Historic Allocation	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
	Time Adjusted Allocation	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Sale Land Allocation	Irrigated Cropland		0.00		0.00		0.00		0.00		0.00
	Allocated Value (100%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Irrigated Pasture		0.00		0.00		0.00		0.00		0.00
	Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Dry Cropland		0.00		0.00		0.00		0.00		0.00
	Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Hayland		0.00		0.00		0.00		0.00		0.00
	Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Tame/Imp. Pasture		0.00		0.00		0.00		0.00		0.00
	Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Pasture		0.00		0.00		0.00		0.00		0.00
	Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
	Acres Site		5.00		5.00		17.86		21.77		5.50
	Allocated Value (%)	\$	6,000.00	\$	5,500.00	\$	22,574.00	\$	17,973.00	\$	28,938.00
	Roads & Waste		0.00		0.00		0.00		0.00		0.00
Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00	
Other		0.00		0.00		0.00		0.00		0.00	
Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00	
Public Lease		0.00		0.00		0.00		0.00		0.00	
Allocated Value (%)	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00	

Subject Land Estimate	Land Use	Acres	\$/Acre	Unit Type	Unit Size	\$/Unit	Total
	Irrigated Cropland		\$			\$	\$
	Irrigated Pasture		\$			\$	\$
	Dry Cropland		\$			\$	\$
	Hayland		\$			\$	\$
	Tame/Imp. Pasture		\$			\$	\$
	Pasture		\$			\$	\$
	Site	10.42	\$ 20,000.00	Acres		\$	\$ 208,400.00
	Roads & Waste		\$			\$	\$
	Other		\$			\$	\$
	Public Lease		\$			\$	\$
	Total Acres:	10.42	\$ 20,000.00	Total Units:	0.00	\$	\$ 208,400.00

Cost Approach Summary: (Check one of the following methods applicable to the subject and sale analyses)

- Lump Sum Depreciation: Improvement Contribution _____ % of Cost Estimate \$ _____
- Breakdown Depreciation: Improvement Contribution Indication \$ 0
- Breakdown Depreciation: Age/Life Depreciation Improvement Contribution Indication \$ 322,049

OTHER \$ _____

COST APPROACH INDICATION (Land & Improvements) \$ 530,449

Improvement Contribution (1-10)

Cost Approach Improvements

IMPROVEMENT	1	2	3	4	5
Type	Dwelling	Basement	Garage	3 Bins	Hopper Bin
Size	1,854 SF	728 SF	816 SF	6,300 bu	3,100 bu
Age	18	18	30	35	35
Remaining Life	42	42	30	15	15
RCN \$/Unit	120.00	20.00	25.00	2.50	3.50
RCN	222,480	14,560	20,400	15,750	10,850
\$/Unit Contribution	84.00	14.00	12.50	0.75	1.05
Total Depreciation	66,744	4,368	10,200	11,025	7,595
Total Depreciation %	30	30	50	70	70
% Physical	30	30	50	70	70
Physical Depreciation	66,744	4,368	10,200	11,025	7,595
RCN Rem. After Phys. Depr.	155,736	10,192	10,200	4,725	3,255
% Functional					
Functional Obsolescence					
RCN Rem. After Phys./Funct. Depr.	155,736	10,192	10,200	4,725	3,255
% External					
External Obsolescence					
Improvement Contribution	155,736	10,192	10,200	4,725	3,255

IMPROVEMENT	6	7	8	9	10
Type	Quonset	Shed	Bin	Imp. Shed	Bin
Size	1,536 SF	448 SF	3,900 bu	2,592 SF	6,500 bu
Age	35	29	50	23	21
Remaining Life	15	21	0	27	29
RCN \$/Unit	12.00	8.00	2.50	12.00	2.50
RCN	18,432	3,584	9,750	31,104	16,250
\$/Unit Contribution	3.60	3.36	0.00	6.48	1.45
Total Depreciation	12,902	2,079	9,750	14,308	6,825
Total Depreciation %	70	58	100	46	42
% Physical	70	58	100	46	42
Physical Depreciation	12,902	2,079	9,750	14,308	6,825
RCN Rem. After Phys. Depr.	5,530	1,505	0	16,796	9,425
% Functional					
Functional Obsolescence					
RCN Rem. After Phys./Funct. Depr.	5,530	1,505	0	16,796	9,425
% External					
External Obsolescence					
<input checked="" type="checkbox"/> Age/Life Depreciation					
Improvement Contribution	5,530	1,505	0	16,796	9,425

Overall Contribution (All Improvements)	\$ 322,049	Cost Approach Est. \$ 530,449	Improvement Contribution 61 %	Cost: <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Reproduction
Total RCN \$	540,410	Total \$	218,361	Total \$
		Total %	40	Total %
		Physical Depreciation		Functional Obsolescence
				External Obsolescence
				Depreciation

Improvement Contribution (11-20)

IMPROVEMENT	11	12	13	14	15
Type	3 Bins	Bin	Bin	Prefab Bldg	Corrals
Size	22,200 bu	19,900 bu	10,400 bu	3,000 SF	1 corral
Age	21	21	20	18	25
Remaining Life	29	29	30	32	25
RCN \$/Unit	2.50	2.50	2.50	12.00	10,000.00
RCN Total	55,500	49,750	26,000	36,000	10,000
\$/Unit Contribution	1.45	1.45	1.50	7.68	5,000.00
Total Depreciation	23,310	20,895	10,400	12,960	5,000
Total Depreciation %	42	42	40	36	50
% Physical	42	42	40	36	50
Physical Depreciation	23,310	20,895	10,400	12,960	5,000
RCN Rem. After Phys. Depr.	32,190	28,855	15,600	23,040	5,000
% Functional					
Functional Obsolescence					
RCN Rem After Phys./Funct. Depr.	32,190	28,855	15,600	23,040	5,000
% External					
External Obsolescence					
Improvement Contribution	32,190	28,855	15,600	23,040	5,000
IMPROVEMENT	16	17	18	19	20
Type					
Size					
Age					
Remaining Life					
RCN \$/Unit					
RCN Total					
\$/Unit Contribution					
Total Depreciation					
Total Depreciation %					
% Physical					
Physical Depreciation					
RCN Rem. After Phys. Depr.					
% Functional					
Functional Obsolescence					
RCN Rem After Phys./Funct. Depr.					
% External					
External Obsolescence					
<input checked="" type="checkbox"/> Age/Life Depreciation					
Improvement Contribution					

Income Approach Comments

The Income Approach is based on the projected annual income stream that the subject property will most likely produce in the foreseeable future. A typical crop-share lease arrangement is projected, and income is projected on the subjects production capability. Landowners typical expenses are then estimated. The net income is then divided by the Capitalization Rate to arrive at the earning value.

While there are many cash leases in place, the predominant lease type is still a crop share lease with the State, BLM, and private land owners. typical crop shares are 1/3-2/3 which usually equates to a 30% share for small grains and pulse crops as well as corn and soy beans due to input costs and taxes, etc; and 40% for hay crops due to the decreased planting costs for alfalfa stands that typically go 5 years between replanting.

The capitalization rates from the comparable sales are utilized to analyze and develop a market cap rate that is applicable to the subject property.

The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

Comparable sources for income data including commodity pricing and crop share ratios, and typical expenses are located in my office comp files

Sales Comparison Comments

The Sales Comparison Approach estimates the value by comparing the appraised property with similar properties that have sold in the area. This approach considers the conditions of sale, financing terms, market conditions, location, and physical and income characteristics of the property. Adjustments are made to these various factors affecting value as indicated by the sales market. These adjustments can be either dollar or percentage adjustments that are made to the sale price of each comparable property. Through this procedure, a logical estimate of the probable price for which the subject property could be sold, on the date of the estimate of appraised value, is determined.

Elements of Comparison

Variables considered when evaluating comparable sales include date of sale, location, water resources, size of parcel, access, soil types, stock water distribution, fencing, general desirability, condition at time of sale, financing factors, and more. Other general factors affecting farm and ranch land values include recreation and scenic values, minerals, interest rates, urban influences, investment potential, and the supply and demand for agricultural properties in the market. In order to perform a proper analysis, necessary adjustments and/or considerations are made for the pertinent variables when relating each individual comparable sale to the subject property.

A total of five area sales were analyzed for comparison to the subject property in the Sales Comparison Approach to value. All of the sales are located in Chouteau and Cascade Counties.

Reconciliation of Values from Comparable Sales Approach

Land Adjustment - The actual per acre difference in value considering the mix of acreage (pasture, hayland, cropland, etc.) comparing the sales to the subject. Some adjustments were necessary to the sales available.

Lease - Reflects the overall per acre consideration paid for leases conveyed with the sales as compared to the subject. These leases can include but are not limited to deeded acreages, State Land Leases, BLM Land Leases, BOR Land Leases, as well as tribal land leases. This adjustment if any is included in the land adjustment. For the subject property there was no adjustment necessary.

Improvements - The actual per acre difference in value of building improvements comparing the sales to the subject. The subject property is improved. Some adjustments were necessary and are detailed in the adjustment sheets.

Time - Reflects the adjustment made due to recent market changes. These adjustments are supported by Montana State University and USDA reports tracking the trends in agriculture land sales, as well as re-sales of properties. Based on a trend analysis of the sales (see addenda), no time adjustment was warranted. A lack of a strong trend indicating a change in value over time as well as a lack of re-sales of the same property indicate that there is not enough justification for a Time Adjustment.

Size - This reflects differences in sale price per unit for larger sales when compared to smaller ones where smaller parcels may be more desirable than larger ones due to additional financing sources, and for certain markets may have less excess land that would not be utilized to its highest and best use. No adjustments for size were warranted.

Financing Terms - Reflect adjustments to the sale of the property if they include favorable financing terms such as a below market rate, longer amortization, or less down payment requirements. These adjustments account for changes in the prime rate when compared to today for financing terms, cost of credit adjustments. Sales reported as cash transactions will typically involve some form of financing and some adjustments may be necessary based on the timing of the sale and the rate environment on effective financing terms at the time of the sale when compared to the subject property at the time of the inspection this is typically reflected in changes in the prime rate as reported by the United States Federal Reserve Bank. Some adjustments were necessary for this analysis of the subject property and included sales based on historical changes in the prime rate.

Rights Transferred - Reflects the property rights transferred by the sale including both surface and sub-surface rights as well as use rights. This is where conservation easements are reflected. No adjustments were warranted for rights transferred.

Conditions of sale - Reflect adjustments for short sale, distressed sale, bank-owned real estate. No adjustments were warranted for conditions of sale.

Location - Reflects the adjustment made due to the location, rainfall, stock water, etc., of the sale as compared to the subject. Some location adjustments were warranted, more specifically for proximity to major thoroughfares and reliable access roads.

Land Quality - Reflects the per acre value difference between the subject and the sales considering land quality, yield potential, soil capability and utilization. These adjustments reflect access to irrigation water, favorable soil conditions that support higher yields under irrigation when compared to the subject property. Adjustments are made to the comparable sales to bring them in line with the subject property. No adjustments are warranted for differences in land productivity by soil types.

Condition of Land - Reflects the age and condition of forage stands and irrigation delivery systems. No adjustments were warranted for condition of land.

Crop - The per acre value of growing crop contribution in the sale. This value is typically specified in a contract and verified with the input costs of said growing crop. There are no growing crops that are included in the purchase agreement nor were any disclosed to the Appraiser at the time of inspection. There are no adjustments with regard to crop in this appraisal report.

Sales Comparison Approach (1-5)

Sale Data	Sale Data	Subject	Sale #1 1	Sale #2 2	Sale #3 3	Sale #4 4	Sale #5 5
	Grantor (Seller)		The Leslie Duncan Estate	Lorraine Hughes	Schroeder	Downard	Kimbrig
	Grantee (Buyer)		Kristi & Karl (jr.) Akerman	Matz Enterprises LLC	Mark Spade	Jarred & Lauren Simons	Stephen Lund
	Source		MLS #22210976	MLS #22209763	MLS #22202104	MLS #22115860	MLS #22111036
	Date	Eff 10/22	08/22	08/22	04/22	03/22	10/21
	Eff Unit Size/Unit	10.42 / Acres	5	5	18	22	6
	Sale Price		30,000	27,500	675,000	800,000	295,000
	Finance Adjusted		Cash 0	Cash 0	Conv. 0	VA/MBOH 0	Conv. 0
	CEV Price		30,000	27,500	675,000	800,000	295,000
	Multiplier						
Expense Ratio	141.18		670.00	1,976.09	1,064.69	11,404.76	

The Appraiser has cited sales of similar property to the subject and considered these in the market analysis. The description below includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and the sales documented. When significant items are superior to the property appraised, a negative adjustment is applied. If the item is inferior, a positive adjustment is applied. Thus, each sale is adjusted for the measurable dissimilarities and each sale producing a separate value indication. The indications from each sale are then reconciled into one indication of value for this approach.

CEV Price/ Acres		6,000.00	5,500.00	37,793.95	36,747.82	53,636.36
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LAND AND IMPROVEMENT ADJUSTMENTS

Land Adjustment		0.00	0.00	0.00	0.00	0.00
Impvt. Adjustment		35,413.72	35,413.72	25,378.73	20,427.09	9,654.04
Adjusted Price		41,413.72	40,913.72	63,172.68	57,174.91	63,290.40

TIME ADJUSTMENTS

<input type="checkbox"/> Yr	<input type="checkbox"/> Mo	Periods				
<input type="checkbox"/> Smpl	<input type="checkbox"/> Cmp	Rate				
<input type="checkbox"/> Auto	<input checked="" type="checkbox"/> Man	Time Adjustment	0.00	0.00	0.00	0.00
		Time Adj. Price	41,413.72	40,913.72	63,172.65	57,174.95

OTHER ADJUSTMENTS

Rights Transferred	Adjustment	0.00	0.00	0.00	0.00	0.00
Financing Terms	Adjustment	-285.04	-261.29	-6,272.72	-6,331.76	-8,923.78
Location	Adjustment	10,000.00	10,000.00	0.00	0.00	0.00
Land Quality	Adjustment	0.00	0.00	0.00	0.00	0.00
Property Condition	Adjustment	0.00	0.00	0.00	0.00	0.00
Net Adjustments		45,129	45,152	19,106	14,095	730
ADJUSTED PRICE		51,129	50,652	56,900	50,843	54,366

Analysis/Comments: (Discuss positive and negative aspects of each sale as they affect value)

Sales Comparison Approach Summary:

Property Basis (Value Range): \$ 50,652.00 to \$ 56,900.00
 Unit Basis: \$ 51,000.00 / Acre X 10.42 Acres = \$ 531,420.00
 Multiplier Basis: \$ X (multiple) = \$

Sales Comparison Indication:

\$ 531,000

"As Is" Sales Comparison Approach Analysis**Sales:**

Sales 1 & 2 are located off of a major highway, at the time of inspection (10/03/2022) it had rained two days prior to the inspection date and the road to sales 1 & 2 was difficult to traverse and required four wheel drive to get to the two sales. Based on the access issues a location adjustment is warranted for these two sales. Based on the comparable sales approach the location adjustment would be \$10,000/acre and would bring sales 1 & 2 inline with the remaining sales.

Sale 1 is included because of its size, it is a raw land sale, and is in proximity to Great falls.

Sale 2 is included because of its size, it is a raw land sale, and is in proximity to Great falls.

Sale 3 is included because of its proximity to the subject property, the improvements, and the use being similar to the current use of the subject property. Sale 3 brackets the subject property in terms of land size, improvement age and improvement size. Sale 3 is located off of the Highwood road which connects Fort Benton to Belt, this is a more heavily traveled road.

Sale 4 is included because of its size, improvements, and proximity to the subject property. Sale 4 is also located off of U.S. Highway #89 which is a similar highway when compared to U.S. Highway #87 which the subject property is located off of.

Sale 5 is included because of its improvements and proximity to the subject property. Sale 5 is located outside of Big Sandy, and is located in Chouteau County. Sale 5 is similar to the subject property in terms of improvement age and condition. Sale 5 also brackets the subject property in terms of land size and the number and type of improvements.

Adjustments:

The Land Use Mix Adjustment (Land Adjustment), the Improvement Adjustment, and the Time Adjustment are sequential adjustments that are made in a specific order due to industry standards, and valuation principles taught in the qualifying education courses and reinforced throughout the appraisal education and training process based on the forces of value.

It should be noted that while the corrals have value in the Cost Approach, very rarely do they include value in the Sales Comparison Approach due to differences in preference in corral construction, materials, and utilization. For these reasons, the corrals carry no value in the Sales Comparison Approach.

The next set of adjustments are all made simultaneously and are not sequential based on the weight of each adjustment to the overall value and the forces of value. This is also an industry standard practice and one that is taught the qualifying education courses and reinforced throughout the appraisal education and training process based on the forces of value.

Sale 1 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report. Sale 1 is also adjusted for location based on the access road and proximity to a major thoroughfare.

Sale 2 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report. Sale 2 is also adjusted for location based on the access road and proximity to a major thoroughfare.

Sale 3 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

Sale 4 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

Sale 5 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

The financing terms adjustment is a calculation based on the difference in buying power with changes in the prime rate that most financing interest rates are tied to.

The location adjustment is calculated based on the difference in value per acre from sales 1 & 2 when compared to the remaining sales as well as additional sales in the market area. In the case of sales 1 & 2 an adjustment of \$10,000/acre was warranted based on the lack of reliable access due to the proximity of these sales to a major highway or thoroughfare.

Conclusions:

The adjusted sales prices from the four comparable sales analyzed ranges from \$50,652/acre to \$56,900/acre with an average of \$52,778/ac. Sale 5 includes the smallest net adjustment. All of the sales have a similar adjusted sale price per acre. All of the sales are weighted equally.

A value of \$51,000/acre is the best indication of market value for the subject property.

The indicated value for the subject property "As Is" from the Sales Comparison Approach is 10.42 acres @ \$51,000/acre = **\$531,420.00**, rounded to **\$531,000.00**.

Sales Comparison Approach - Land Adjustment for Sale# 1

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #1			1		Land Adjustment Amt. \$		0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Unit	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.00	6,000.00	Acres			10.42	6,000.00			62,520
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	30,000.00	/ Eff. Unit Size	5.00	=	6,000.00	Total	62,520	/ Eff. Unit Size	10.42	= 6,000.00

Sales Comparison Approach - Improvement Adjustment for Sale# 1

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #1				1		Improvement Adjustment Amt. \$:		35,413.72 / Acres	
Sale Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value
	/	X	\$	=\$	Dwelling	Avg. /	Avg. 1,854 SF	\$ 105.00	=\$ 194,670
	/	X	\$	=\$	Basement	Avg. /	Avg. 728 SF	X \$ 18.00	=\$ 13,104
	/	X	\$	=\$	Garage	Avg. /	Avg. 816 SF	X \$ 20.75	=\$ 16,932
	/	X	\$	=\$	3 Bins	Avg. /	Avg. 6,300 bu	X \$ 1.25	=\$ 7,875
	/	X	\$	=\$	Hopper Bin	Avg. /	Avg. 3,100 bu	X \$ 1.25	=\$ 3,875
	/	X	\$	=\$	Quonset	Avg. /	Avg. 1,536 SF	X \$ 8.40	=\$ 12,902
	/	X	\$	=\$	Shed	Avg. /	Avg. 448 SF	X \$ 5.60	=\$ 2,509
	/	X	\$	=\$	Bin	Avg. /	Poor 3,900 bu	X \$ 0.00	=\$ 0
	/	X	\$	=\$	Imp. Shed	Avg. /	Avg. 2,592 SF	X \$ 7.76	=\$ 20,114
	/	X	\$	=\$	Bin	Avg. /	Avg. 6,500 bu	X \$ 1.25	=\$ 8,125
	/	X	\$	=\$	3 Bins	Avg. /	Avg. 22,200 bu	X \$ 1.25	=\$ 27,750
	/	X	\$	=\$	Bin	Avg. /	Avg. 19,900 bu	X \$ 1.25	=\$ 24,875
	/	X	\$	=\$	Bin	Avg. /	Avg. 10,400 bu	X \$ 1.25	=\$ 13,000
	/	X	\$	=\$	Prefab Bldg	Avg. /	Avg. 3,000 SF	X \$ 7.76	=\$ 23,280
	/	X	\$	=\$	Corrals	Avg. /	Avg. 1 corral	X \$ 0.00	=\$ 0
	/	X	\$	=\$		/	X	\$	=\$
	/	X	\$	=\$		/	X	\$	=\$
	/	X	\$	=\$		/	X	\$	=\$
	/	X	\$	=\$		/	X	\$	=\$
	/	X	\$	=\$		/	X	\$	=\$
	/	X	\$	=\$		/	X	\$	=\$
Sale Effective Unit Size:		5.00		\$	Subject Effective Unit Size:		10.42		\$ 369,011
Total Improvement Value = \$		0.00	/	Acres	Total Improvement Value = \$		35,413.72	/	Acres

Sales Comparison Approach - Land Adjustment for Sale# 2

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #2			2		Land Adjustment Amt. \$		0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.00	5,500.00	Acres			10.42	5,500.00			57,310
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	27,500.00	/ Eff. Unit Size	5.00	=	5,500.00	Total	57,310	/ Eff. Unit Size	10.42	= 5,500.00

Sales Comparison Approach - Improvement Adjustment for Sale# 2

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #2			2		Improvement Adjustment Amt. \$:		35,413.72 / Acres			
Sale Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value			
	/	X \$	=\$	Dwelling	Avg. / Avg. 1,854 SF	\$ 105.00	=\$ 194,670			
	/	X \$	=\$	Basement	Avg. / Avg. 728 SF	X \$ 18.00	=\$ 13,104			
	/	X \$	=\$	Garage	Avg. / Avg. 816 SF	X \$ 20.75	=\$ 16,932			
	/	X \$	=\$	3 Bins	Avg. / Avg. 6,300 bu	X \$ 1.25	=\$ 7,875			
	/	X \$	=\$	Hopper Bin	Avg. / Avg. 3,100 bu	X \$ 1.25	=\$ 3,875			
	/	X \$	=\$	Quonset	Avg. / Avg. 1,536 SF	X \$ 8.40	=\$ 12,902			
	/	X \$	=\$	Shed	Avg. / Avg. 448 SF	X \$ 5.60	=\$ 2,509			
	/	X \$	=\$	Bin	Avg. / Poor 3,900 bu	X \$ 0.00	=\$ 0			
	/	X \$	=\$	Imp. Shed	Avg. / Avg. 2,592 SF	X \$ 7.76	=\$ 20,114			
	/	X \$	=\$	Bin	Avg. / Avg. 6,500 bu	X \$ 1.25	=\$ 8,125			
	/	X \$	=\$	3 Bins	Avg. / Avg. 22,200 bu	X \$ 1.25	=\$ 27,750			
	/	X \$	=\$	Bin	Avg. / Avg. 19,900 bu	X \$ 1.25	=\$ 24,875			
	/	X \$	=\$	Bin	Avg. / Avg. 10,400 bu	X \$ 1.25	=\$ 13,000			
	/	X \$	=\$	Prefab Bldg	Avg. / Avg. 3,000 SF	X \$ 7.76	=\$ 23,280			
	/	X \$	=\$	Corrals	Avg. / Avg. 1 corral	X \$ 0.00	=\$ 0			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
	/	X \$	=\$		/	X \$	=\$			
Sale Effective Unit Size:	5.00		\$	Subject Effective Unit Size:	10.42		\$ 369,011			
Total Improvement Value = \$	0.00	/ Acres		Total Improvement Value = \$	35,413.72	/ Acres				

Sales Comparison Approach - Land Adjustment for Sale# 3

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #3			3			Land Adjustment Amt. \$		0.00		
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	17.86	22,574.00	Acres			10.42	22,574.00			235,221
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	403,172.00	/ Eff. Unit Size	17.86	=	22,574.02	Total	235,221	/ Eff. Unit Size	10.42	= 22,573.99

Sales Comparison Approach - Improvement Adjustment for Sale# 3

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #3			3			Improvement Adjustment Amt. \$:		25,378.73 / Acres		
Sale Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value			
Dwelling	Avg. / Avg. 1,742 X	\$ 134.40	=\$ 234,125	Dwelling	Avg. / Avg. 1,854 SF X	\$ 134.40	=\$ 249,178			
Att Garage	Avg. / Avg. 750 X	\$ 24.00	=\$ 18,000	Basement	Avg. / Avg. 728 SF X	\$ 18.00	=\$ 13,104			
Garage	Avg. / Avg. 576 X	\$ 20.75	=\$ 11,952	Garage	Avg. / Avg. 816 SF X	\$ 20.75	=\$ 16,932			
Pole Bldg	Avg. / Avg. 960 X	\$ 6.72	=\$ 6,451	3 Bins	Avg. / Avg. 6,300 bu X	\$ 1.25	=\$ 7,875			
Shed	Avg. / Avg. 216 X	\$ 0.00	=\$ 0	Hopper Bin	Avg. / Avg. 3,100 bu X	\$ 1.25	=\$ 3,875			
Shed	Avg. / Avg. 168 X	\$ 7.76	=\$ 1,304	Quonset	Avg. / Avg. 1,536 SF X	\$ 7.76	=\$ 11,919			
	/ X	\$	=\$	Shed	Avg. / Avg. 448 SF X	\$ 6.72	=\$ 3,011			
	/ X	\$	=\$	Bin	Avg. / Poor 3,900 bu X	\$ 0.00	=\$ 0			
	/ X	\$	=\$	Imp. Shed	Avg. / Avg. 2,592 SF X	\$ 7.76	=\$ 20,114			
	/ X	\$	=\$	Bin	Avg. / Avg. 6,500 bu X	\$ 1.25	=\$ 8,125			
	/ X	\$	=\$	3 Bins	Avg. / Avg. 22,200 bu X	\$ 1.25	=\$ 27,750			
	/ X	\$	=\$	Bin	Avg. / Avg. 19,900 bu X	\$ 1.25	=\$ 24,875			
	/ X	\$	=\$	Bin	Avg. / Avg. 10,400 bu X	\$ 1.25	=\$ 13,000			
	/ X	\$	=\$	Prefab Bldg	Avg. / Avg. 3,000 SF X	\$ 7.76	=\$ 23,280			
	/ X	\$	=\$	Corrals	Avg. / Avg. 1 corral X	\$ 0.00	=\$ 0			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
	/ X	\$	=\$		/ X	\$	=\$			
Sale Effective Unit Size:	17.86	\$	271,828	Subject Effective Unit Size:	10.42	\$	423,038			
Total Improvement Value = \$	15,219.93	/ Acres		Total Improvement Value = \$	40,598.66	/ Acres				

Sales Comparison Approach - Land Adjustment for Sale# 4

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #4				4		Land Adjustment Amt. \$			0.00	
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	21.77	17,973.00	Acres			10.42	17,973.00			187,279
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	391,272.00	/ Eff. Unit Size	21.77	=	17,972.99	Total	187,279	/ Eff. Unit Size	10.42	= 17,973.03

Sales Comparison Approach - Improvement Adjustment for Sale# 4

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #4				4		Improvement Adjustment Amt. \$:			20,427.09 / Acres	
Sale Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	
Dwelling	Avg. /	Avg. 2,160	X \$ 126.00	=\$ 272,160	Dwelling	Avg. /	Avg. 1,854 SF	X \$ 126.00	=\$ 233,604	
Basement	Avg. /	Avg. 2,160	X \$ 18.00	=\$ 38,880	Basement	Avg. /	Avg. 728 SF	X \$ 18.00	=\$ 13,104	
Att Garage	Avg. /	Avg. 960	X \$ 22.50	=\$ 21,600	Garage	Avg. /	Avg. 816 SF	X \$ 22.00	=\$ 17,952	
Dwelling	Avg. /	Avg. 360	X \$ 105.60	=\$ 38,016	3 Bins	Avg. /	Avg. 6,300 bu	X \$ 1.25	=\$ 7,875	
Garage	Avg. /	Avg. 1,200	X \$ 22.00	=\$ 26,400	Hopper Bin	Avg. /	Avg. 3,100 bu	X \$ 1.25	=\$ 3,875	
Garage	Avg. /	Avg. 529	X \$ 14.50	=\$ 7,671	Quonset	Avg. /	Avg. 1,536 SF	X \$ 7.76	=\$ 11,919	
Garage	Avg. /	Avg. 276	X \$ 14.50	=\$ 4,002	Shed	Avg. /	Avg. 448 SF	X \$ 6.72	=\$ 3,011	
	/		X \$	=\$	Bin	Avg. /	Poor 3,900 bu	X \$ 0.00	=\$ 0	
	/		X \$	=\$	Imp. Shed	Avg. /	Avg. 2,592 SF	X \$ 7.76	=\$ 20,114	
	/		X \$	=\$	Bin	Avg. /	Avg. 6,500 bu	X \$ 1.25	=\$ 8,125	
	/		X \$	=\$	3 Bins	Avg. /	Avg. 22,200 bu	X \$ 1.25	=\$ 27,750	
	/		X \$	=\$	Bin	Avg. /	Avg. 19,900 bu	X \$ 1.25	=\$ 24,875	
	/		X \$	=\$	Bin	Avg. /	Avg. 10,400 bu	X \$ 1.25	=\$ 13,000	
	/		X \$	=\$	Prefab Bldg	Avg. /	Avg. 3,000 SF	X \$ 7.76	=\$ 23,280	
	/		X \$	=\$	Corrals	Avg. /	Avg. 1 corral	X \$ 0.00	=\$ 0	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
	/		X \$	=\$		/		X \$	=\$	
Sale Effective Unit Size:		21.77		\$ 408,728	Subject Effective Unit Size:		10.42		\$ 408,484	
Total Improvement Value = \$		18,774.83	/ Acres		Total Improvement Value = \$		39,201.92	/ Acres		

Sales Comparison Approach - Land Adjustment for Sale# 5

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #5			5		Land Adjustment Amt. \$			0.00		
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.50	28,938.00	Acres			10.42	28,938.00			301,534
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	159,159.00		/ Eff. Unit Size	5.50	=	28,938.00	Total	301,534	/ Eff. Unit Size	10.42 = 28,938.00

Sales Comparison Approach - Improvement Adjustment for Sale# 5

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #5			5		Improvement Adjustment Amt. \$:			9,654.04 / Acres		
Sale Impt.	Ut/Cond. Size	X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond. Size	X	\$/Unit	Contrib. Value	
Dwelling	Avg. / Avg. 976	X	\$ 105.00	=\$ 102,480	Dwelling	Avg. / Avg. 1,854 SF	X	\$ 105.00	=\$ 194,670	
Quonset	Avg. / Avg. 2,040	X	\$ 8.40	=\$ 17,136	Basement	Avg. / Avg. 728 SF	X	\$ 18.00	=\$ 13,104	
Bin	Avg. / Avg. 3,200	X	\$ 1.05	=\$ 3,360	Garage	Avg. / Avg. 816 SF	X	\$ 22.00	=\$ 17,952	
Bin	Avg. / Avg. 3,200	X	\$ 1.25	=\$ 4,000	3 Bins	Avg. / Avg. 6,300 bu	X	\$ 1.25	=\$ 7,875	
Shed	Avg. / Avg. 488	X	\$ 0.72	=\$ 351	Hopper Bin	Avg. / Avg. 3,100 bu	X	\$ 1.25	=\$ 3,875	
Shed	Avg. / Avg. 1,232	X	\$ 5.60	=\$ 6,899	Quonset	Avg. / Avg. 1,536 SF	X	\$ 8.40	=\$ 12,902	
Granary	Avg. / Avg. 960	X	\$ 1.68	=\$ 1,613	Shed	Avg. / Avg. 448 SF	X	\$ 5.60	=\$ 2,509	
	/	X	\$	=\$	Bin	Avg. / Poor 3,900 bu	X	\$ 0.00	=\$ 0	
	/	X	\$	=\$	Imp. Shed	Avg. / Avg. 2,592 SF	X	\$ 5.60	=\$ 14,515	
	/	X	\$	=\$	Bin	Avg. / Avg. 6,500 bu	X	\$ 1.25	=\$ 8,125	
	/	X	\$	=\$	3 Bins	Avg. / Avg. 22,200 bu	X	\$ 1.25	=\$ 27,750	
	/	X	\$	=\$	Bin	Avg. / Avg. 19,900 bu	X	\$ 1.25	=\$ 24,875	
	/	X	\$	=\$	Bin	Avg. / Avg. 10,400 bu	X	\$ 1.25	=\$ 13,000	
	/	X	\$	=\$	Prefab Bldg	Avg. / Avg. 3,000 SF	X	\$ 5.60	=\$ 16,800	
	/	X	\$	=\$	Corrals	Avg. / Avg. 1 corral	X	\$ 0.00	=\$ 0	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
Sale Effective Unit Size:	5.50		\$	135,841	Subject Effective Unit Size:	10.42		\$	357,952	
Total Improvement Value = \$	24,698.36	/	Acres		Total Improvement Value = \$	34,352.40	/	Acres		

Reconciliation and Opinion of Value

Summary	Cost Approach \$ 530,449
	Income Approach \$ N/A
	Sales Comparison Approach \$ 531,000

Analysis of Each Approach and Opinion of Value: Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

The two value indicators for the subject property are relatively similar.

The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

The Cost Approach is most effective with new or recently remodeled improvements where the effective age and actual age are very similar and require small depreciation adjustments. The improvements are well maintained and continue to provide contributory value to the subject property. For this reason the Cost Approach carries weight.

Although the sales used for the Sales Comparison Approach are not as similar to the subject as they could ideally be, they are an indicator of farmland value in the area. Large adjustments were unavoidable. Sale 5 includes the smallest net adjustment. All of the sales have a similar adjusted sale price per acre. All of the sales are weighted equally. The Sales Comparison Approach typically reflects the motivations of actual market participants and most accurately reflects buyers and sellers in the market area.

The most weight is placed on the Sales Comparison Approach which is further supported by the Cost Approach. The breakdown between the land and the improvements is based on the additional "As Though Vacant" analysis in the next section. This analysis provides a clear indication of value for the land.

The final reconciled opinion of Market Value for the subject property of the subject from the Approaches reconciled above is:
\$531,000.00

Allocation of Value	Opinion Of Value - (Estimated Marketing Time 12 months, see attached) \$ 531,000	
	Cost of Repairs	\$ _____
	Cost of Additions	\$ _____
	Allocation: (Total Deeded Units: 10.42)	Land: \$ 177,000 \$ 16,987 / Acre (33 %)
		Land Improvements: \$ _____ \$ 0 / (0 %)
		Structural Improvement Contribution: \$ 354,000 \$ 33,973 / Acre (67 %)
	Value Estimate of Non-Realty Items:	
	Value of Personal Property (local market basis)	\$ _____
	Value of Other Non-Realty Interests:	\$ _____
	Non-Realty Items:	\$ _____ \$ 0 / (0 %)
Leased Fee Value (Remaining Term of Encumbrance)	\$ _____ \$ 0 / (0 %)	
Leasehold Value	\$ _____ \$ 0 / (0 %)	
Overall Value	\$ 531,000 \$ 50,960 / Acre (100 %)	

"As Though Vacant" Hypothetical Condition

Hypothetical Condition: The subject property is vacant raw land exclusive of real property improvements.

This section is the analysis of the subject property with the Hypothetical Condition provided by the engagement letter.

Uniform Agricultural Appraisal Report

Property Identification

Owner/Occupant: State of Montana (Land)/Olson Farms Inc (Improvements) Total Deeded Acres: 10.42
 Property Address: 104 Tunis Road S, Fort Benton Effective Unit Size: 10.42
 State/County: MT / Chouteau Zip Code: 59442
 Property Location: 6.2 miles west of Fort Benton Property Code #: _____
 Highest & Best Use: Agriculture/Rural Residential "As If" Vacant FAMC Comd'ity Gp: _____
Agriculture "As Improved" Primary Land Type: Cabin Site/Building Site
 Zoning: There is no zoning outside city limits Primary Commodity: N/A
 Unit Type: Economic Sized Unit Supplemental/Add-On Unit
 FEMA Community # 300011 FEMA Map # _____ FEMA Zone/Date: Unmapped
 Legal Description: See Attached Legal Description SEC _____ TWP _____ RNG _____ Attached
 Purpose of Report: Determine Market Value
 Use/Intended User(s): Determine Market Value/See Comment Below for client/intended users
 Rights Appraised: Fee Simple less subsurface rights
 Value Definition: _____ Attached
 Assignment: _____ Report Type: Appraisal Report
 Extent of Process/Scope of Work: Client: The Montana Board of Land Commissioners, & the Department of Natural Resources and Conservation.
 Intended Users: The Montana Board of Land Commissioners, the Department of Natural Resources and Conservation, and Lessee Olson Farms Inc.
 See Scope of Work page for further Scope of Work details.

Summary of Facts and Conclusions

Appraisal Report Summary

Date of Inspection: 10/03/22 Effective Date of Appraisal: 10/03/22

Value Indication

- Cost Approach:	_____	\$	_____	N/A
- Income Approach:	_____	\$	_____	N/A
- Sales Comparison Approach:	_____	\$	_____	177,000

Opinion of Value: *(Estimated Marketing Time 12 months)* \$ 177,000

Cost of Repairs: \$ _____ Cost of Additions: \$ _____

Allocation:

Land:	\$ <u>177,000</u>	\$	<u>16,987</u>	/	Acre	(<u>100</u> %)
Land Improvements:	\$ _____	\$	<u>0</u>	/		(<u>0</u> %)
Structural Improvement Contribution:	\$ _____	\$	<u>0</u>	/		(<u>0</u> %)
Non-Realty Items:	\$ _____	\$	<u>0</u>	/		(<u>0</u> %)
Leased Fee Value <i>(Remaining term of encumbrance _____)</i>	\$ _____	\$	<u>0</u>	/		(<u>0</u> %)
Leasehold Value:	\$ _____	\$	<u>0</u>	/		(<u>0</u> %)
Overall Value:	\$ _____	\$	<u>16,987</u>	/	Acre	(<u>100</u> %)

Income and Other Data Summary: Cash Rent Share Owner/Operator FAMC Suppl. Attached

Income Multiplier _____ () Income Estimate: \$ _____ / _____ (unit)
 Expense Ratio _____ % Expense Estimate: \$ _____ / _____ (unit)
 Overall Cap Rate: _____ % Net Property Income: \$ _____ / _____ (unit)

Area-Regional-Market Area Data and Trends:

	Above Avg.	Avg.	Below Avg.	N/A
Value Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales Activity Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Potential	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desirability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Subject Property Rating:

	Above Avg.	Avg.	Below Avg.	N/A
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soil Quality/Productivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Highest & Best Use Analysis

Highest & Best Use is defined as that reasonable and probable use that supports the highest present value, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legally alternative uses found to be physically possible, appropriately supported, financially feasible, and which results in the highest value. (Appraisal of Rural Property, 2nd Edition 2000, ASFMRA/AI, Page 148.)

Legally Permissible Use(s) *(Include deed restrictions, existing zoning and/or potential to change zoning).*

The present use of the subject property as an agricultural operation is legally permissible. In addition, many alternate uses of the property would be allowable under the current zoning regulations. Small parcel splits would affect the county's land use plan and require the land to be subdivided.

Current Zoning: None Assessed Value: \$ 43,370 Taxes: \$ Exempt

Physically Possible Use(s) *(Discuss any limitations and/or advantages).*

Theoretically, other uses of the appraised unit are physically possible. The property has historically been utilized for agricultural production.

Other uses would include using the property for recreation, given its scenic, recreational, and/or hunting amenities.

Financially Feasible Use(s) *(Discuss any/all potential financial uses & likelihood of realization).*

Agricultural uses are financially feasible if operating expenses can be met or exceeded from the sale of crops or livestock produced on the land, or, alternatively, by leasing the property for its current use. Based on current production and open market lease rates, leasing the property for agricultural uses would be financially feasible.

Income from hunting would be an additional financial gain on the property.

Maximally Productive Use(s) *(Discuss single and/or concurrent uses of the subject property).*

The current use of the subject property as an agricultural operation is maximally productive. The current use would return the greatest monetary return, especially when any future appreciation is considered.

The property would most likely have a better monetary gain from agriculture than from being leased strictly for hunting.

Consistent Use: *(If improved, do structures conform to Highest & Best Use "as if" vacant?)*

Hypothetical Condition: The subject property is vacant raw land exclusive of real property improvements.

Under this hypothetical condition the subject property has no improvements.

Cost Approach Comments

The Cost Approach to value is based on the premise that an informed purchaser would pay no more for a given property than the cost of producing a substitute property with the same utility, assuming there was no undue delay. This approach involves estimating the reproduction cost of the subject improvements, subtracting accrued depreciation from all causes to arrive at a contributory value, and then adding the value of the subject site. This approach is most reliable when the improvements are relatively new and represent the highest and best use of the land.

Improvements are valued based on information found in the Marshall & Swift Valuation Service book and are tempered by local estimates and bid proposals.

Typically in Montana the majority of structures are purpose built so there is no "Entrepreneurial Incentive" as most buildings are sold before they are built and there is little to no speculative (spec) building going on in the market area. Any additional profit that the builder is making is included in the materials and labor costs associated with the structure and is included in the per SF cost calculations.

The Cost Approach is used in the analysis of value of the subject property by comparing similar tracts of land that have previously sold in the same general area. Time adjustments can be made to arrive at a current market value of the comparable sales.

The Cost Approach is not developed in the second analysis as the Hypothetical Condition provided by the engagement letter states that the land is to be appraised as though it is vacant raw land exclusive of any improvements and the Cost Approach would be a restatement of the Sales Comparison Approach and could be potentially misleading to the client and/or the intended user.

Income Approach Comments

The Income Approach is based on the projected annual income stream that the subject property will most likely produce in the foreseeable future. A typical crop-share lease arrangement is projected, and income is projected on the subjects production capability. Landowners typical expenses are then estimated. The net income is then divided by the Capitalization Rate to arrive at the earning value.

While there are many cash leases in place, the predominant lease type is still a crop share lease with the State, BLM, and private land owners. typical crop shares are 1/3-2/3 which usually equates to a 30% share for small grains and pulse crops as well as corn and soy beans due to input costs and taxes, etc; and 40% for hay crops due to the decreased planting costs for alfalfa stands that typically go 5 years between replanting.

The capitalization rates from the comparable sales are utilized to analyze and develop a market cap rate that is applicable to the subject property.

The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

Comparable sources for income data including commodity pricing and crop share ratios, and typical expenses are located in my office comp files

Sales Comparison Comments

The Sales Comparison Approach estimates the value by comparing the appraised property with similar properties that have sold in the area. This approach considers the conditions of sale, financing terms, market conditions, location, and physical and income characteristics of the property. Adjustments are made to these various factors affecting value as indicated by the sales market. These adjustments can be either dollar or percentage adjustments that are made to the sale price of each comparable property. Through this procedure, a logical estimate of the probable price for which the subject property could be sold, on the date of the estimate of appraised value, is determined.

Elements of Comparison

Variables considered when evaluating comparable sales include date of sale, location, water resources, size of parcel, access, soil types, stock water distribution, fencing, general desirability, condition at time of sale, financing factors, and more. Other general factors affecting farm and ranch land values include recreation and scenic values, minerals, interest rates, urban influences, investment potential, and the supply and demand for agricultural properties in the market. In order to perform a proper analysis, necessary adjustments and/or considerations are made for the pertinent variables when relating each individual comparable sale to the subject property.

A total of five area sales were analyzed for comparison to the subject property in the Sales Comparison Approach to value. All of the sales are located in Chouteau and Cascade Counties.

Reconciliation of Values from Comparable Sales Approach

Land Adjustment - The actual per acre difference in value considering the mix of acreage (pasture, hayland, cropland, etc.) comparing the sales to the subject. Some adjustments were necessary to the sales available.

Lease - Reflects the overall per acre consideration paid for leases conveyed with the sales as compared to the subject. These leases can include but are not limited to deeded acreages, State Land Leases, BLM Land Leases, BOR Land Leases, as well as tribal land leases. This adjustment if any is included in the land adjustment. For the subject property there was no adjustment necessary.

Improvements - The actual per acre difference in value of building improvements comparing the sales to the subject. The subject property is improved. Some adjustments were necessary and are detailed in the adjustment sheets.

Time - Reflects the adjustment made due to recent market changes. These adjustments are supported by Montana State University and USDA reports tracking the trends in agriculture land sales, as well as re-sales of properties. Based on a trend analysis of the sales (see addenda), no time adjustment was warranted. A lack of a strong trend indicating a change in value over time as well as a lack of re-sales of the same property indicate that there is not enough justification for a Time Adjustment.

Size - This reflects differences in sale price per unit for larger sales when compared to smaller ones where smaller parcels may be more desirable than larger ones due to additional financing sources, and for certain markets may have less excess land that would not be utilized to its highest and best use. No adjustments for size were warranted.

Financing Terms - Reflect adjustments to the sale of the property if they include favorable financing terms such as a below market rate, longer amortization, or less down payment requirements. These adjustments account for changes in the prime rate when compared to today for financing terms, cost of credit adjustments. Sales reported as cash transactions will typically involve some form of financing and some adjustments may be necessary based on the timing of the sale and the rate environment on effective financing terms at the time of the sale when compared to the subject property at the time of the inspection this is typically reflected in changes in the prime rate as reported by the United States Federal Reserve Bank. Some adjustments were necessary for this analysis of the subject property and included sales based on historical changes in the prime rate.

Rights Transferred - Reflects the property rights transferred by the sale including both surface and sub-surface rights as well as use rights. This is where conservation easements are reflected. No adjustments were warranted for rights transferred.

Conditions of sale - Reflect adjustments for short sale, distressed sale, bank-owned real estate. No adjustments were warranted for conditions of sale.

Location - Reflects the adjustment made due to the location, rainfall, stock water, etc., of the sale as compared to the subject. Some location adjustments were warranted, more specifically for proximity to major thoroughfares and reliable access roads.

Land Quality - Reflects the per acre value difference between the subject and the sales considering land quality, yield potential, soil capability and utilization. These adjustments reflect access to irrigation water, favorable soil conditions that support higher yields under irrigation when compared to the subject property. Adjustments are made to the comparable sales to bring them in line with the subject property. No adjustments are warranted for differences in land productivity by soil types.

Condition of Land - Reflects the age and condition of forage stands and irrigation delivery systems. No adjustments were warranted for condition of land.

Crop - The per acre value of growing crop contribution in the sale. This value is typically specified in a contract and verified with the input costs of said growing crop. There are no growing crops that are included in the purchase agreement nor were any disclosed to the Appraiser at the time of inspection. There are no adjustments with regard to crop in this appraisal report.

Sales Comparison Approach (1-5)

Sale Data	Sale Data	Subject	Sale #1 1	Sale #2 2	Sale #3 3	Sale #4 4	Sale #5 5
	Grantor (Seller)		The Leslie Duncan Estate	Lorraine Hughes	Schroeder	Downard	Kimbrig
	Grantee (Buyer)		Kristi & Karl (jr.) Akerman	Matz Enterprises LLC	Mark Spade	Jarred & Lauren Simons	Stephen Lund
	Source		MLS #22210976	MLS #22209763	MLS #22202104	MLS #22115860	MLS #22111036
	Date	Eff 10/22	08/22	08/22	04/22	03/22	10/21
	Eff Unit Size/Unit	10.42 / Acres	5	5	18	22	6
	Sale Price		30,000	27,500	675,000	800,000	295,000
	Finance Adjusted		Cash 0	Cash 0	Conv. 0	VA/MBOH 0	Conv. 0
	CEV Price		30,000	27,500	675,000	800,000	295,000
	Multiplier						
Expense Ratio	141.18		670.00	1,976.09	1,064.69	11,404.76	

The Appraiser has cited sales of similar property to the subject and considered these in the market analysis. The description below includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and the sales documented. When significant items are superior to the property appraised, a negative adjustment is applied. If the item is inferior, a positive adjustment is applied. Thus, each sale is adjusted for the measurable dissimilarities and each sale producing a separate value indication. The indications from each sale are then reconciled into one indication of value for this approach.

CEV Price/ Acres		6,000.00	5,500.00	37,793.95	36,747.82	53,636.36
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LAND AND IMPROVEMENT ADJUSTMENTS

Land Adjustment		0.00	0.00	0.00	0.00	0.00
Impvt. Adjustment		0.00	0.00	-15,219.93	-18,774.83	-24,698.36
Adjusted Price		6,000.00	5,500.00	22,574.02	17,972.99	28,938.00

TIME ADJUSTMENTS

<input type="checkbox"/> Yr	<input type="checkbox"/> Mo	Periods				
<input type="checkbox"/> Smpl	<input type="checkbox"/> Cmp	Rate				
<input type="checkbox"/> Auto	<input checked="" type="checkbox"/> Man	Time Adjustment	0.00	0.00	0.00	0.00
		Time Adj. Price	6,000.00	5,500.00	22,573.99	17,973.03

OTHER ADJUSTMENTS

Rights Transferred	Adjustment	0.00	0.00	0.00	0.00	0.00
Financing Terms	Adjustment	-285.04	-261.29	-6,272.72	-6,331.76	-8,923.78
Location	Adjustment	10,000.00	10,000.00	0.00	0.00	0.00
Land Quality	Adjustment	0.00	0.00	0.00	0.00	0.00
Property Condition	Adjustment	0.00	0.00	0.00	0.00	0.00
Net Adjustments		9,715	9,739	-21,493	-25,107	-33,622
ADJUSTED PRICE		15,715	15,239	16,301	11,641	20,014

Analysis/Comments: (Discuss positive and negative aspects of each sale as they affect value)

Sales Comparison Approach Summary:

Property Basis (Value Range): \$ 11,641.00 to \$ 20,014.00
 Unit Basis: \$ 17,000.00 / Acre X 10.42 Acres = \$ 177,140.00
 Multiplier Basis: \$ X (multiple) = \$

Sales Comparison Indication:

\$ 177,000

"As Though Vacant" Sales Comparison Approach Analysis

Sales:

Sales 1 & 2 are located off of a major highway, at the time of inspection (10/03/2022) it had rained two days prior to the inspection date and the road to sales 1 & 2 was difficult to traverse and required four wheel drive to get to the two sales. Based on the access issues a location adjustment is warranted for these two sales. Based on the comparable sales approach the location adjustment would be \$10,000/acre and would bring sales 1 & 2 inline with the remaining sales.

Sale 1 is included because of its size, it is a raw land sale, and is in proximity to Great falls.

Sale 2 is included because of its size, it is a raw land sale, and is in proximity to Great falls.

Sale 3 is included because of its proximity to the subject property, the improvements, and the use being similar to the current use of the subject property. Sale 3 brackets the subject property in terms of land size, improvement age and improvement size. Sale 3 is located off of the Highwood road which connects Fort Benton to Belt, this is a more heavily traveled road.

Sale 4 is included because of its size, improvements, and proximity to the subject property. Sale 4 is also located off of U.S. Highway #89 which is a similar highway when compared to U.S. Highway #87 which the subject property is located off of.

Sale 5 is included because of its improvements and proximity to the subject property. Sale 5 is located outside of Big Sandy, and is located in Chouteau County. Sale 5 is similar to the subject property in terms of improvement age and condition. Sale 5 also brackets the subject property in terms of land size and the number and type of improvements.

Adjustments:

The Land Use Mix Adjustment (Land Adjustment), the Improvement Adjustment, and the Time Adjustment are sequential adjustments that are made in a specific order due to industry standards, and valuation principles taught in the qualifying education courses and reinforced throughout the appraisal education and training process based on the forces of value.

The next set of adjustments are all made simultaneously and are not sequential based on the weight of each adjustment to the overall value and the forces of value. This is also an industry standard practice and one that is taught the qualifying education courses and reinforced throughout the appraisal education and training process based on the forces of value.

Sale 1 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report. Sale 1 is also adjusted fro location based on the access road and proximity to a major thoroughfare.

Sale 2 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report. Sale 2 is also adjusted fro location based on the access road and proximity to a major thoroughfare.

Sale 3 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

Sale 4 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

Sale 5 is adjusted for differences in financing terms from the date of the sale to the date of inspection/effective date of this appraisal report.

The financing terms adjustment is a calculation based on the difference in buying power with changes in the prime rate that most financing interest rates are tied to.

The location adjustment is calculated based on the difference in value per acre from sales 1 & 2 when compared to the remaining sales as well as additional sales in the market area. In the case of sales 1 & 2 an adjustment of \$10,000/acre was warranted based on the lack of reliable access due to the proximity of these sales to a major highway or thoroughfare.

Conclusions:

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis): The subject property is vacant raw land exclusive of real property improvements.

The adjusted sales prices from the four comparable sales analyzed ranges from \$11,641/acre to \$20,014/acre with an average of \$15,782/ac. Sales 1 & 2 included the smallest net adjustment as they are already similar to the Hypothetical Condition that the subject property be raw land exclusive of any improvements. Sales 4 & 5 are most similar to the subject property in terms of proximity to a major highway, as well as proximity to markets. All of the sales are weighted equally.

A value of \$17,000/acre is the best indication of market value for the subject property.

The indicated value for the subject property "As Is" from the Sales Comparison Approach is 10.42 acres @ \$17,000/acre = **\$177,140.00**, rounded to **\$177,000.00**.

Sales Comparison Approach - Land Adjustment for Sale# 1

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #1			1		Land Adjustment Amt. \$		0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Unit	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.00	6,000.00	Acres			10.42	6,000.00			62,520
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	30,000.00	/ Eff. Unit Size	5.00	=	6,000.00	Total	62,520	/ Eff. Unit Size	10.42	= 6,000.00

Sales Comparison Approach - Improvement Adjustment for Sale# 1

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #1			1		Improvement Adjustment Amt. \$:		0.00 / Acres			
Sale Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	
	/	X	\$	=\$		/	X	\$	=\$	
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	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X	\$	=\$		/	X	\$	=\$	
	/	X								

Sales Comparison Approach - Land Adjustment for Sale# 2

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #2			2		Land Adjustment Amt. \$		0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.00	5,500.00	Acres			10.42	5,500.00			57,310
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	27,500.00	/ Eff. Unit Size	5.00	=	5,500.00	Total	57,310	/ Eff. Unit Size	10.42	= 5,500.00

Sales Comparison Approach - Improvement Adjustment for Sale# 2

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #2				2		Improvement Adjustment Amt. \$:		0.00		/ Acres	
Sale Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
	/	X	\$	=\$		/	X	\$	=\$		
Sale Effective Unit Size:			5.00	\$	Subject Effective Unit Size:			10.42	\$		
Total Improvement Value = \$			0.00	/ Acres	Total Improvement Value = \$			0.00	/ Acres		

Sales Comparison Approach - Land Adjustment for Sale# 3

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #3			3	Land Adjustment Amt. \$			0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	17.86	22,574.00	Acres			10.42	22,574.00			235,221
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	403,172.00	/ Eff. Unit Size	17.86	=	22,574.02	Total	235,221	/ Eff. Unit Size	10.42	= 22,573.99

Sales Comparison Approach - Improvement Adjustment for Sale# 3

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #3			3	Improvement Adjustment Amt. \$:			-15,219.93	/	Acres
Sale Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond. Size X	\$/Unit	Contrib. Value		
Dwelling	Avg. / Avg. 1,742 X \$	134.40	=\$ 234,125		/	X \$	=\$		
Att Garage	Avg. / Avg. 750 X \$	24.00	=\$ 18,000		/	X \$	=\$		
Garage	Avg. / Avg. 576 X \$	20.75	=\$ 11,952		/	X \$	=\$		
Pole Bldg	Avg. / Avg. 960 X \$	6.72	=\$ 6,451		/	X \$	=\$		
Shed	Avg. / Avg. 216 X \$	0.00	=\$ 0		/	X \$	=\$		
Shed	Avg. / Avg. 168 X \$	7.76	=\$ 1,304		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
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	/	X \$	=\$		/	X \$	=\$		
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	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
	/	X \$	=\$		/	X \$	=\$		
Sale Effective Unit Size:	17.86		\$ 271,828	Subject Effective Unit Size:	10.42		\$		
Total Improvement Value = \$	15,219.93	/ Acres		Total Improvement Value = \$	0.00	/ Acres			

Sales Comparison Approach - Land Adjustment for Sale# 5

Adjust each sale to the subject's land mix (land adjustment) using unimproved sales. This page allows for a "quantitative land adjustment" only.

Sales Comparison - Sale #5			5		Land Adjustment Amt. \$		0.00			
Land Use	Sale Acres	\$/Acre	Sale Unit Type	Sale Units	\$/Unit	Subj. Acres	\$/Acre	Subj. Units	\$/Unit	Total
Irrigated Cropland										
Irrigated Pasture										
Dry Cropland										
Hayland										
Tame/Imp. Pasture										
Pasture										
Site	5.50	28,938.00	Acres			10.42	28,938.00			301,534
Roads & Waste										
Other										
Public Lease										
Sale Land Contrib.	159,159.00		/ Eff. Unit Size	5.50	=	28,938.00	Total	301,534	/ Eff. Unit Size	10.42 = 28,938.00

Sales Comparison Approach - Improvement Adjustment for Sale# 5

Compare each set of sale improvements to the subject improvements making judgments regarding utility and condition. Then arrive at an improvement adjustment for each sale on a per acre or per unit basis. These adjustments are shown on the Sales Comparison Grid.
 Note: Appraiser must manually enter the \$/Unit for the Subject Improvements -- either individually or as a lump sum.

Sales Comparison - Sale #5			5		Improvement Adjustment Amt. \$:		-24,698.36 / Acres			
Sale Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	Subject Impt.	Ut/Cond.	Size X	\$/Unit	Contrib. Value	
Dwelling	Avg. / Avg.	976 X	\$ 105.00	=\$ 102,480		/	X	\$	=\$	
Quonset	Avg. / Avg.	2,040 X	\$ 8.40	=\$ 17,136		/	X	\$	=\$	
Bin	Avg. / Avg.	3,200 X	\$ 1.05	=\$ 3,360		/	X	\$	=\$	
Bin	Avg. / Avg.	3,200 X	\$ 1.25	=\$ 4,000		/	X	\$	=\$	
Shed	Avg. / Avg.	488 X	\$ 0.72	=\$ 351		/	X	\$	=\$	
Shed	Avg. / Avg.	1,232 X	\$ 5.60	=\$ 6,899		/	X	\$	=\$	
Granary	Avg. / Avg.	960 X	\$ 1.68	=\$ 1,613		/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
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						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
						/	X	\$	=\$	
Sale Effective Unit Size:			5.50	\$ 135,841	Subject Effective Unit Size:			10.42	\$	
Total Improvement Value = \$			24,698.36	/ Acres	Total Improvement Value = \$			0.00	/ Acres	

Reconciliation and Opinion of Value

Summary

Cost Approach	\$	N/A
Income Approach	\$	N/A
Sales Comparison Approach	\$	177,000

Discussion & Correlation of Values

Analysis of Each Approach and Opinion of Value: Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis): The subject property is vacant raw land exclusive of real property improvements.

The Income Approach is not developed in this report as the subject property is not large enough to be able to produce income to support its own tax value unless it is part of a larger economic unit. The dwelling will rarely produce enough income to justify the sales prices and many times without VRBO income which is scarce and difficult to obtain most properties have a negative income after paying taxes. The Income Approach in this instance would not provide any useful information in developing a market value for the subject property.

The Cost Approach is used in the analysis of value of the subject property by comparing similar tracts of land that have previously sold in the same general area. Time adjustments can be made to arrive at a current market value of the comparable sales. The Cost Approach is not developed in the second analysis as the Hypothetical Condition provided by the engagement letter states that the land is to be appraised as though it is vacant raw land exclusive of any improvements and the Cost Approach would be a restatement of the Sales Comparison Approach and could be potentially misleading to the client and/or the intended user.

Although the sales used for the Sales Comparison Approach are not as similar to the subject as they could ideally be, they are an indicator of farmland value in the area. Large adjustments were unavoidable. Sales 1 & 2 included the smallest net adjustment as they are already similar to the Hypothetical Condition that the subject property be raw land exclusive of any improvements. Sales 4 & 5 are most similar to the subject property in terms of proximity to a major highway, as well as proximity to markets. All of the sales are weighted equally. The Sales Comparison Approach typically reflects the motivations of actual market participants and most accurately reflects buyers and sellers in the market area.

As the Sales Comparison Approach is the only approach completed in this analysis it carries all of the weight.

The final reconciled opinion of Market Value for the subject property of the subject from the Approaches reconciled above is:
\$177,000.00

Allocation of Value

Opinion Of Value -	(Estimated Marketing Time 12 months, see attached)	\$	177,000
Cost of Repairs	\$ _____		
Cost of Additions	\$ _____		
Allocation:	(Total Deeded Units: 10.42)	Land:	\$ 177,000 \$ 16,987 / Acre (100 %)
		Land Improvements:	\$ _____ \$ 0 / (0 %)
		Structural Improvement Contribution:	\$ _____ \$ 0 / (0 %)
Value Estimate of Non-Realty Items:			
	Value of Personal Property (local market basis)	\$ _____	
	Value of Other Non-Realty Interests:	\$ _____	
	Non-Realty Items:	\$ _____	\$ 0 / (0 %)
	Leased Fee Value (Remaining Term of Encumbrance)	\$ _____	\$ 0 / (0 %)
	Leasehold Value	\$ _____	\$ 0 / (0 %)
	Overall Value	\$ 177,000	\$ 16,987 / Acre (100 %)

Final Reconciliation

Final Reconciliation Additional Comments

The analysis of the subject property as though vacant (the second analysis) indicates the value of the subject property as if it were raw land per the hypothetical condition required by the engagement letter.

Hypothetical Condition: The land is owned in Fee Simple ownership and there are no leases on the property.

Hypothetical Condition (Second Analysis): The subject property is vacant raw land exclusive of real property improvements.

This second analysis provided the land value component of the total value from the first analysis. Which indicates the total value of the subject property from the Cost Approach and the Sales Comparison Approach in "As Is" condition.

From these two analysis' the final opinion of value for the subject property in "As Is" condition is \$531,000.00, and the final opinion of value for the subject property as though vacant (hypothetical condition above) is \$177,000.00. The value of this improvements can then be extracted from the opinion of market value for the total property as a whole at \$354,000.00 as the final opinion of market value for the improvements independent of the land value.

Opinion of Market Value:

Land Value: \$177,000.00 (from the "As Though Vacant" analysis of Market Value for the Subject Property)

Improvement Value: \$354,000.00 (from the calculation detailed above)

Total: \$531,000.00 (from the "As Is" analysis of Market Value for the Subject Property)

The Opinion of Market Value for the Land as though vacant raw land exclusive of real property improvements: \$177,000.00

The Opinion of Market Value for the Subject property "As Is" including both the land and improvements: \$531,000.00

The Opinion of Market Value for the Improvements to the subject property exclusive of the land: \$354,000.00

Exhibits and Addenda

Index #	Database #	575	Sale #	1	
Grantor	The Leslie Duncan Estate	Sales Price	30,000	Property Type	Building Site
Grantee	Kristi & Karl (jr.) Akerman	Other Contrib.		Primary Land Use	Building Site
Deeded Acres	5.00	Net Sale Price	30,000	Secondary Land Use	
Sale Date/DOM	08/25/22 / 31	\$/Deeded Acre	6,000.00	Water	
Prior Sale Date		Financing	Cash		
Prior CEV Price		% Fin. Adj.	0		
Analysis Code		CEV Price	30,000		
Source	MLS #22210976	SCA Unit Type	Acres		
Motivation	Land Purchase	Eff. Unit Size	5.00		
Highest & Best Use	Ag/Residential	SCA \$/Unit	6,000.00		
Address	Essex Lane	Multiplier Unit			
City	Great Falls	Multiplier No.			
County	Cascade	Legal Access	Yes		
State/Zip	MT / 59404	Physical Access	Yes		
Region/Area/Zone	/ /	View		Tax ID/Recording	R0434544
Location	6 n Great Falls	Utilities	Avail	Sec/Twp/Rge	05 / 21N / 04E
Legal Description: S05, T21 N, R04 E, W/2SWSWNW MK 20					

Land-Mix Analysis									
Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value		
Irrigated Cropland	%	Ac.			X \$	= \$			
Irrigated Pasture	%	Ac.			X \$	= \$			
Dry Cropland	%	Ac.			X \$	= \$			
Hayland	%	Ac.			X \$	= \$			
Tame/Imp Pasture	%	Ac.			X \$	= \$			
Pasture	%	Ac.			X \$	= \$			
Site	%	5.00	Ac. 6,000.00		Acres X \$	= \$	30,000		
Roads & Waste	%	Ac.			X \$	= \$			
Other	%	Ac.			X \$	= \$			
Public Lease	%	Ac.			X \$	= \$			
Totals		5.00	Ac. 6,000.00		X \$	= \$	30,000		
CEV Price \$	30,000	- Land Contribution \$		30,000	= Improvement Contribution \$				

Income Analysis									
Income Estimate Basis:		<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Share	<input type="checkbox"/> Owner/Operator					
Income Source	Units	Unit Measure	Stabilized Yield	Total Production		Cash/Share/Owner Income			
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Estimated				Stabilized \$/Unit	Gross Income	Share %	Income \$		
Pasture/Grazing	0.49	AUMs	1.00	35.00	17	100	17		
Improvements <input type="checkbox"/> Improvements Included in Land Rent				/mo	/yr				
Stabilized Gross Income = \$							17		
Expense Items:		Expenses (cont.):			Expenses (cont.):				
Real Estate Tax	\$ 24		\$		\$				
Insurance	\$		\$		\$				
Maintenance	\$		\$		\$				
Management	\$		\$		\$				
Total Expenses	24	/ Stabilized G.I.	17	= Expense Ratio	141.18 %	Total Expenses = \$		24	
Net Income	-7	/ CEV Price	30,000	= Cap Rate	-0.02 %	Net Income = \$		-7	

Index #	Database # 575	Sale # 1
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Improvement Analysis

	Impt. #1	Impt. #2	Impt. #3	Impt. #4	Impt. #5	Impt. #6	Impt. #7	Impt. #8	Impt. #9	Impt. #10
Item:										
Type										
Size										
Unit										
Utility										
Condition										
Age										
Remaining Life										
RCN/Unit										
RCN										
% Physical Depreciation										
RCN Remainder After Phys. Depr.										
% Functional Obsolescence										
RCN Rem. After Phys./Funct. Depr.										
% External Obsolescence										
Total Impt. Contribution										
Contribution \$/Unit										

Improvement Analysis

Physical Depreciation _____% Functional Obsolescence _____% External Obsolescence _____% Total Depreciation _____%
 Total RCN \$ _____ Total Improvement Contribution: \$ _____ Improvement As % of Price _____%

Comments

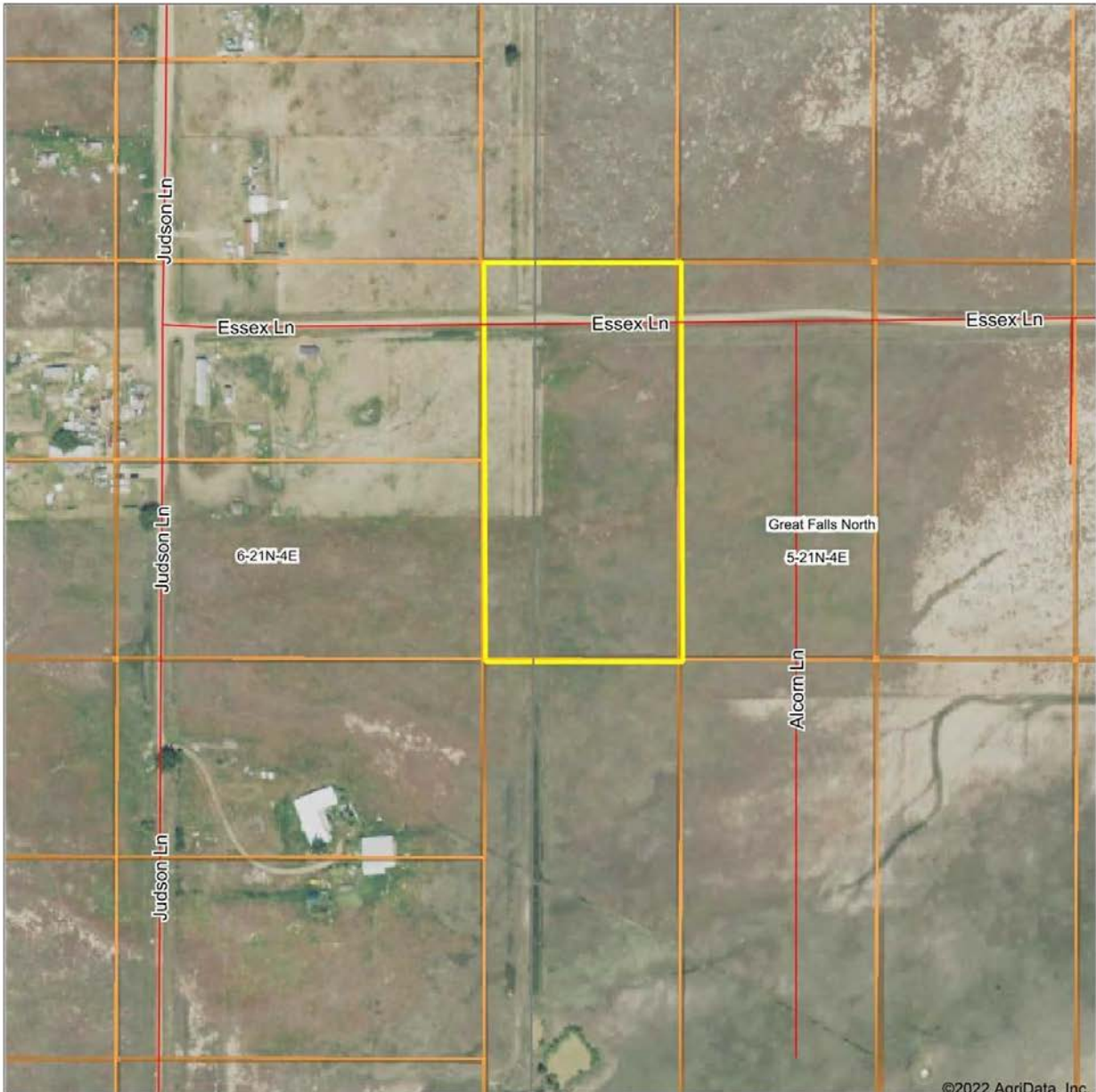
Index #

Database # 575

Sale # 1

Aerial Map

Aerial Map



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Map Center: 47.604771, -111.260878

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5-21N-4E
Cascade County
Montana



Index # _____

Database # _____ 575 _____

Sale # _____ 1 _____

Photo



Index #	Database #	574	Sale #	2	
Grantor	Lorraine Hughes	Sales Price	27,500	Property Type	Building Site
Grantee	Matz Enterprises LLC	Other Contrib.		Primary Land Use	Building Site
Deeded Acres	5.00	Net Sale Price	27,500	Secondary Land Use	
Sale Date/DOM	08/19/22 / 43	\$/Deeded Acre	5,500.00	Water	
Prior Sale Date		Financing	Cash		
Prior CEV Price		% Fin. Adj.	0		
Analysis Code		CEV Price	27,500		
Source	MLS #22209763	SCA Unit Type	Acres		
Motivation	Land Purchase	Eff. Unit Size	5.00		
Highest & Best Use	AG/Residential	SCA \$/Unit	5,500.00		
Address	Alcorn Ln	Multiplier Unit			
City	Great Falls	Multiplier No.			
County	Cascade	Legal Access	Yes		
State/Zip	MT / 59404	Physical Access	Yes		
Region/Area/Zone	/ /	View		Tax ID/Recording	R0434308
Location	6 n Great Falls	Utilities	Avail	Sec/Twp/Rge	/ /
Legal Description: S05, T21 N, R04 E, N2SWSWSE					
Homestead Acres Water District (HAW) MK 63					

Land-Mix Analysis							
Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Irrigated Cropland	%	Ac.			X \$	= \$	
Irrigated Pasture	%	Ac.			X \$	= \$	
Dry Cropland	%	Ac.			X \$	= \$	
Hayland	%	Ac.			X \$	= \$	
Tame/Imp Pasture	%	Ac.			X \$	= \$	
Pasture	%	Ac.			X \$	= \$	
Site	%	5.00	Ac. 5,500.00		Acres X \$	= \$	27,500
Roads & Waste	%	Ac.			X \$	= \$	
Other	%	Ac.			X \$	= \$	
Public Lease	%	Ac.			X \$	= \$	
Totals		5.00	Ac. 5,500.00		X \$	= \$	27,500
CEV Price \$	27,500	- Land Contribution \$		27,500	= Improvement Contribution \$		

Income Analysis							
Income Estimate Basis:		<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Share	<input type="checkbox"/> Owner/Operator			
Income Source	Units	Unit Measure	Stabilized Yield	Total Production		Cash/Share/Owner Income	
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Estimated				Stabilized \$/Unit	Gross Income	Share %	Income \$
Pasture/Grazing	0.57	AUMs	1.00	35.00	20	100	20
Improvements	<input type="checkbox"/>	Improvements Included in Land Rent		/mo	/yr		
Stabilized Gross Income = \$							20
Expense Items:		Expenses (cont.):		Expenses (cont.):			
Real Estate Tax	\$ 134		\$		\$		
Insurance	\$		\$		\$		
Maintenance	\$		\$		\$		
Management	\$		\$		\$		
Total Expenses	134	/ Stabilized G.I.	20	= Expense Ratio	670.00 %	Total Expenses = \$	134
Net Income	-114	/ CEV Price	27,500	= Cap Rate	-0.41 %	Net Income = \$	-114

Index #	Database # 574	Sale # 2
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Improvement Analysis

	Impt. #1	Impt. #2	Impt. #3	Impt. #4	Impt. #5	Impt. #6	Impt. #7	Impt. #8	Impt. #9	Impt. #10
Item:										
Type										
Size										
Unit										
Utility										
Condition										
Age										
Remaining Life										
RCN/Unit										
RCN										
% Physical Depreciation										
RCN Remainder After Phys. Depr.										
% Functional Obsolescence										
RCN Rem. After Phys./Funct. Depr.										
% External Obsolescence										
Total Impt. Contribution										
Contribution \$/Unit										

Improvement Analysis

Physical Depreciation _____% Functional Obsolescence _____% External Obsolescence _____% Total Depreciation _____%
 Total RCN \$ _____ Total Improvement Contribution: \$ _____ Improvement As % of Price _____%

Comments

Index #

Database # 574

Sale # 2

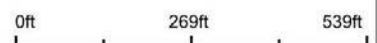
Aerial Map

Aerial Map



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Map Center: 47.598375, -111.249453



5-21N-4E
Cascade County
Montana



Index # _____

Database # _____ 574 _____

Sale # _____ 2 _____

Photo



	Index #	Database #	572	Sale #	3	Improved Sale	
Sale Analysis	Grantor	Schroeder	Sales Price	675,000	Property Type	Building Site	
	Grantee	Mark Spade	Other Contrib.		Primary Land Use	Building Site	
	Deeded Acres	17.86	Net Sale Price	675,000	Secondary Land Use		
	Sale Date/DOM	04/25/22 / 56	\$/Deeded Acre	37,793.95	Water		
	Prior Sale Date		Financing	Conv.			
	Prior CEV Price		% Fin. Adj.	0			
	Analysis Code		CEV Price	675,000			
	Source	MLS #22202104	SCA Unit Type	Acres			
	Motivation	Dwelling Purchase	Eff. Unit Size	17.86			
	Highest & Best Use	AG/Residential	SCA \$/Unit	37,793.95			
	Address	1631 Highwood Road	Multiplier Unit				
	City	Great Falls	Multiplier No.				
	County	Cascade	Legal Access	Yes			
	State/Zip	MT / 59412	Physical Access	Yes			
	Region/Area/Zone	/ /	View		Tax ID/Recording	R0428966	
	Location	11 n Belt	Utilities	Yes	Sec/Twp/Rge	30/31 / 21N / 07E	
	Legal Description: S30, T21 N, R07 E, C.O.S. 2675, A TRACT IN SWSE W/RD (SELL W/PT IN S31)						
	S31, T21 N, R07 E, C.O.S. 2675, A TRACT IN NWNE W/RD (SELL W/PT IN S30)						

Land-Mix Analysis										
	Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	= \$	Total Unit Value	
Land Mix Analysis	Irrigated Cropland	%	Ac.			X \$		= \$		
	Irrigated Pasture	%	Ac.			X \$		= \$		
	Dry Cropland	%	Ac.			X \$		= \$		
	Hayland	%	Ac.			X \$		= \$		
	Tame/Imp Pasture	%	Ac.			X \$		= \$		
	Pasture	%	Ac.			X \$		= \$		
	Site	%	17.86	Ac.	22,574.00		Acres	X \$	= \$	403,172
	Roads & Waste	%		Ac.			X \$		= \$	
	Other	%		Ac.			X \$		= \$	
	Public Lease	%		Ac.			X \$		= \$	
	Totals			17.86	Ac.	22,574.00		X \$	= \$	403,172
	CEV Price \$	675,000		- Land Contribution \$		403,172		= Improvement Contribution \$		271,828

Income Analysis										
Income Estimate Basis: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Share <input type="checkbox"/> Owner/Operator										
	Income Source		Unit	Stabilized	Total Production		Cash/Share/Owner Income			
	<input type="checkbox"/> Actual	<input checked="" type="checkbox"/> Estimated	Measure	Yield	Stabilized \$/Unit	Gross Income	Share %	Income \$		
Income Analysis	Pasture/Grazing		3.94	AUMs	1.00	35.00	138	100	138	
	Site		5.72	Acres	1.00			100		
	Improvements <input type="checkbox"/>		Improvements Included in Land Rent			/mo	/yr			
	Stabilized Gross Income = \$							138		
	Expense Items:									
				Expenses (cont.):			Expenses (cont.):			
	Real Estate Tax	\$	2,727		\$			\$		
	Insurance	\$			\$			\$		
	Maintenance	\$			\$			\$		
	Management	\$			\$			\$		
Total Expenses		2,727	/ Stabilized G.I.	138	= Expense Ratio	1,976.09 %	Total Expenses = \$		2,727	
Net Income		-2,589	/ CEV Price	675,000	= Cap Rate	-0.38 %	Net Income = \$		-2,589	

Index #	Database # 572	Sale # 3
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Improvement Analysis

Reproduction Cost

Improvement Analysis	Item:	Impt. #1	Impt. #2	Impt. #3	Impt. #4	Impt. #5	Impt. #6	Impt. #7	Impt. #8	Impt. #9	Impt. #10
	Type	Dwelling	Att Garage	Garage	Pole Bldg	Shed	Shed				
	Size	1,742	750	576	960	216	168				
	Unit	SF	SF	SF	SF	SF	SF				
	Utility	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.				
	Condition	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.				
	Age	2	2	9	8	50	2				
	Remaining Life	58	58	41	42		48				
	RCN/Unit	140.00	25.00	25.00	8.00	8.00	8.00				
	RCN	243,880	18,750	14,400	7,680	1,728	1,344				
	% Physical Depreciation	4	4	17	16	100	3				
	RCN Remainder After Phys. Depr.	234,125	18,000	11,952	6,451		1,304				
	% Functional Obsolescence										
	RCN Rem. After Phys./Funct. Depr.	234,125	18,000	11,952	6,451		1,304				
	% External Obsolescence										
	Total Impt. Contribution	234,125	18,000	11,952	6,451		1,304				
	Contribution \$/Unit	134.40	24.00	20.75	6.72		7.76				

Physical Depreciation 6 % Functional Obsolescence % External Obsolescence % Total Depreciation 6 %
 Total RCN \$ 287,782 Total Improvement Contribution: \$ 271,832 Improvement As % of Price 40 %

Comments

Index # _____

Database # _____ 572 _____

Sale # _____ 3 _____

Photo



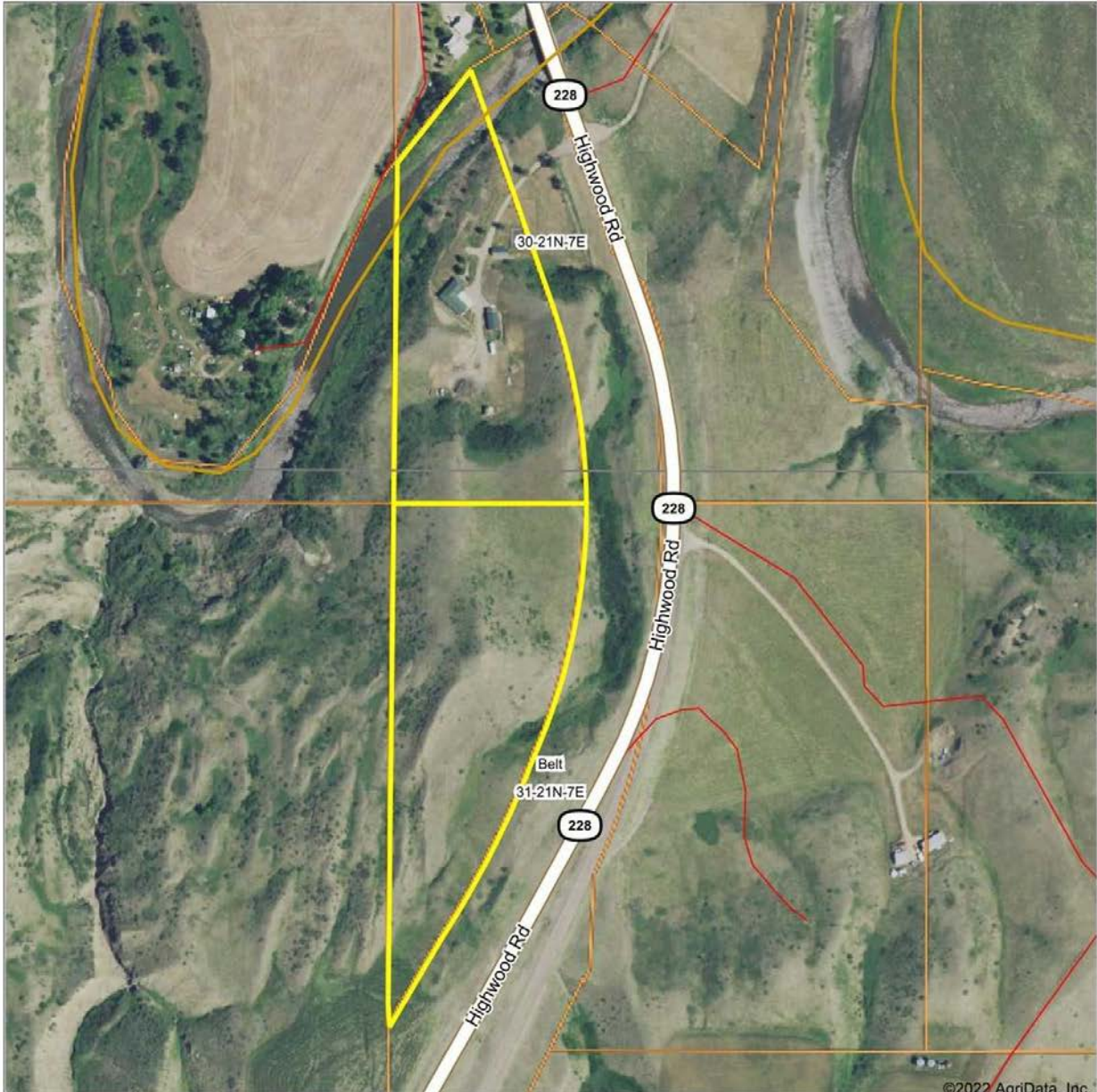
Index #

Database # 572

Sale # 3

Aerial Map

Aerial Map



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Map Center: 47.539016, -110.885332

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31-21N-7E
Cascade County
Montana



	Index #	Database #	573	Sale #	4	Improved Sale	
Sale Analysis	Grantor	Downard	Sales Price	800,000	Property Type	Building Site	
	Grantee	Jarred & Lauren Simons	Other Contrib.		Primary Land Use	Building Site	
	Deeded Acres	21.77	Net Sale Price	800,000	Secondary Land Use		
	Sale Date/DOM	03/11/22 / 154	\$/Deeded Acre	36,747.82	Water		
	Prior Sale Date		Financing	VA/MBOH			
	Prior CEV Price		% Fin. Adj.	0			
	Analysis Code		CEV Price	800,000			
	Source	MLS #22115860	SCA Unit Type	Acres			
	Motivation	Dwelling Purchase	Eff. Unit Size	21.77			
	Highest & Best Use	Ag/Residential	SCA \$/Unit	36,747.82			
	Address	7745 U.S. Hwy 89	Multiplier Unit				
	City	Belt	Multiplier No.				
	County	Cascade	Legal Access	Yes			
	State/Zip	MT / 59412	Physical Access	Yes			
	Region/Area/Zone	/ /	View		Tax ID/Recording	R0426879	
	Location	4 n Belt	Utilities	Yes	Sec/Twp/Rge	09 / 19N / 06E	
	Legal Description: HIGHWOOD VISTA ESTATES, S09, T19 N, R06 E, Lot 004, PLAT 7-03 TR 4 LS .48 R/W						

Land-Mix Analysis										
	Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	= \$	Total Unit Value	
Land Mix Analysis	Irrigated Cropland	%	Ac.			X	\$	= \$		
	Irrigated Pasture	%	Ac.			X	\$	= \$		
	Dry Cropland	%	Ac.			X	\$	= \$		
	Hayland	%	Ac.			X	\$	= \$		
	Tame/Imp Pasture	%	Ac.			X	\$	= \$		
	Pasture	%	Ac.			X	\$	= \$		
	Site	%	21.77	Ac.	17,973.00		Acres	X	\$	= \$ 391,272
	Roads & Waste	%	Ac.			X	\$	= \$		
	Other	%	Ac.			X	\$	= \$		
	Public Lease	%	Ac.			X	\$	= \$		
Totals			21.77	Ac.	17,973.00		X	\$	= \$ 391,272	
CEV Price \$		800,000	- Land Contribution \$		391,272	= Improvement Contribution \$			408,728	

Income Analysis										
Income Estimate Basis: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Share <input type="checkbox"/> Owner/Operator										
	Income Source		Unit	Stabilized	Total Production		Cash/Share/Owner Income			
	<input type="checkbox"/> Actual	<input checked="" type="checkbox"/> Estimated	Measure	Yield	Stabilized \$/Unit	Gross Income	Share %	Income \$		
	Pasture/Grazing		9.13	AUMs	1.00	35.00	320	100	320	
	Building Site		2.81	Acres	1.00			100		
Improvements <input type="checkbox"/> Improvements Included in Land Rent <input type="checkbox"/> /mo /yr										
							Stabilized Gross Income = \$			320
Expense Items:			Expenses (cont.):			Expenses (cont.):				
Real Estate Tax	\$	3,407		\$			\$			
Insurance	\$			\$			\$			
Maintenance	\$			\$			\$			
Management	\$			\$			\$			
Total Expenses		3,407	/ Stabilized G.I.	320	= Expense Ratio	1,064.69 %	Total Expenses = \$		3,407	
Net Income		-3,087	/ CEV Price	800,000	= Cap Rate	-0.39 %	Net Income = \$		-3,087	

Index #	Database #	573	Sale #	4
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Improvement Analysis

Reproduction Cost

Improvement Analysis	Item:	Impt. #1	Impt. #2	Impt. #3	Impt. #4	Impt. #5	Impt. #6	Impt. #7	Impt. #8	Impt. #9	Impt. #10
	Type	Dwelling	Basement	Att Garage	Dwelling	Garage	Garage	Garage			
	Size	2,160	2,160	960	360	1,200	529	276			
	Unit	SF	SF	SF	SF	SF	SF	SF			
	Utility	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.			
	Condition	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.			
	Age	6	6	6	7	6	21	21			
	Remaining Life	54	54	54	53	44	29	29			
	RCN/Unit	140.00	20.00	25.00	120.00	25.00	25.00	25.00			
	RCN	302,400	43,200	24,000	43,200	30,000	13,225	6,900			
	% Physical Depreciation	10	10	10	12	12	42	42			
	RCN Remainder After Phys. Depr.	272,160	38,880	21,600	38,016	26,400	7,671	4,002			
	% Functional Obsolescence										
	RCN Rem. After Phys./Funct. Depr.	272,160	38,880	21,600	38,016	26,400	7,671	4,002			
	% External Obsolescence										
	Total Impt. Contribution	272,160	38,880	21,600	38,016	26,400	7,671	4,002			
	Contribution \$/Unit	126.00	18.00	22.50	105.60	22.00	14.50	14.50			

Physical Depreciation 12 % Functional Obsolescence % External Obsolescence % Total Depreciation 12 %
 Total RCN \$ 462,925 Total Improvement Contribution: \$ 408,729 Improvement As % of Price 51 %

Comments

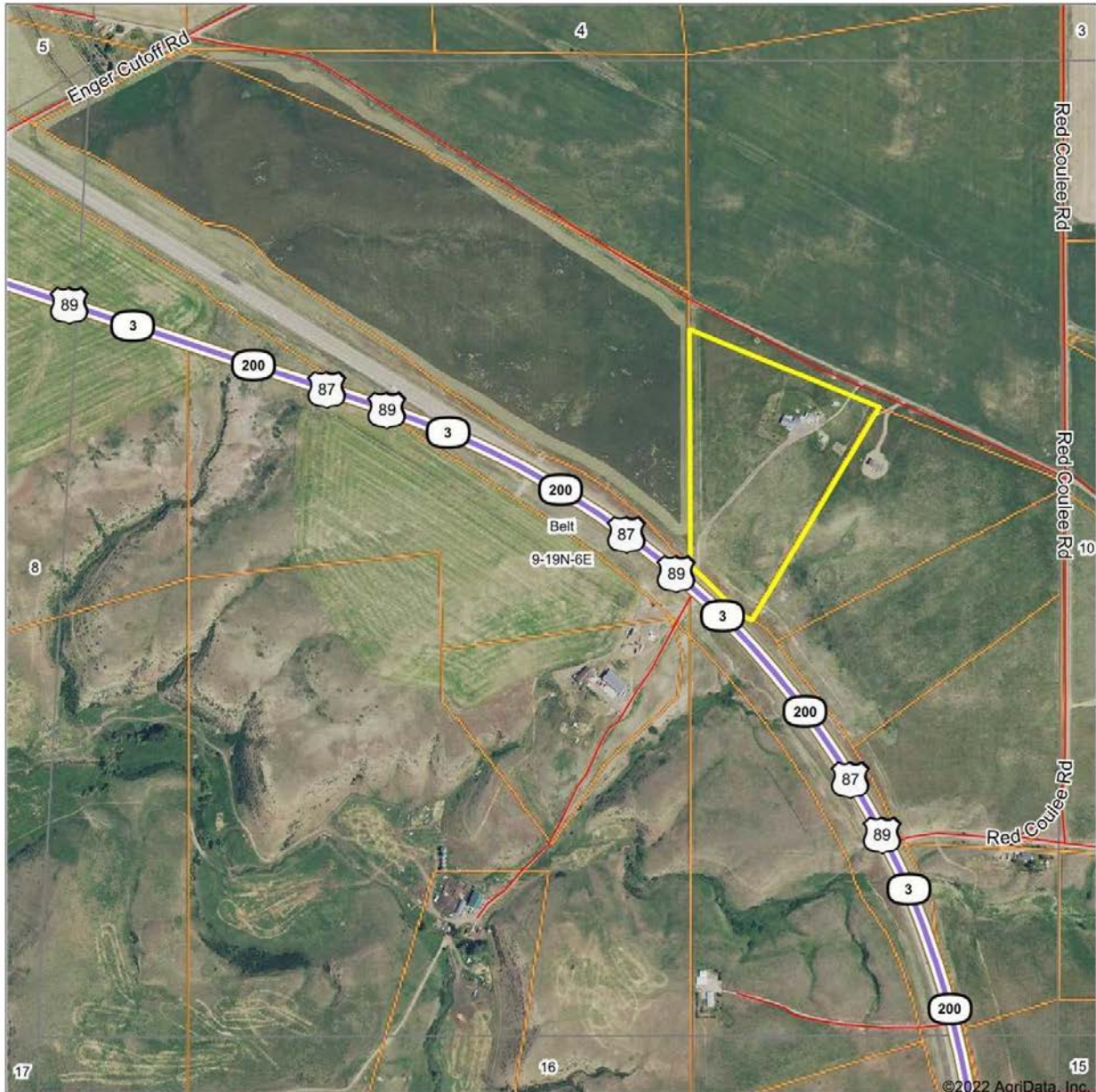
Index #

Database # 573

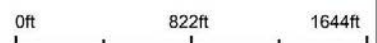
Sale # 4

Aerial Map

Aerial Map



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9-19N-6E
Cascade County
Montana



Index # _____

Database # _____ 573 _____

Sale # _____ 4 _____

Photo



Index #	Database #	571	Sale #	5	Improved Sale
Grantor	Kimbrig	Sales Price	295,000	Property Type	Building Site
Grantee	Stephen Lund	Other Contrib.		Primary Land Use	Building Site
Deeded Acres	5.50	Net Sale Price	295,000	Secondary Land Use	
Sale Date/DOM	10/25/21 / 103	\$/Deeded Acre	53,636.36	Water	
Prior Sale Date		Financing	Conv.		
Prior CEV Price		% Fin. Adj.	0		
Analysis Code		CEV Price	295,000		
Source	MLS #22111036	SCA Unit Type	Acres		
Motivation	Dwelling Purchase	Eff. Unit Size	5.50		
Highest & Best Use	Ag/Residential	SCA \$/Unit	53,636.36		
Address	1670 Penquin Lane	Multiplier Unit			
City	Big Sandy	Multiplier No.			
County	Chouteau	Legal Access	Yes		
State/Zip	MT / 59520	Physical Access	Yes		
Region/Area/Zone	/ /	View		Tax ID/Recording	479614
Location	10 w Big Sandy	Utilities	Yes	Sec/Twp/Rge	10 / 28N / 11E
Legal Description: S10, T28 N, R11 E, C.O.S. 190C, TRACT 1 IN SESW					

Land-Mix Analysis							
Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Irrigated Cropland	%	Ac.			X \$	= \$	
Irrigated Pasture	%	Ac.			X \$	= \$	
Dry Cropland	%	Ac.			X \$	= \$	
Hayland	%	Ac.			X \$	= \$	
Tame/Imp Pasture	%	Ac.			X \$	= \$	
Pasture	%	Ac.			X \$	= \$	
Site	%	5.50 Ac.	28,938.00		Acres X \$	= \$	159,159
Roads & Waste	%	Ac.			X \$	= \$	
Other	%	Ac.			X \$	= \$	
Public Lease	%	Ac.			X \$	= \$	
Totals		5.50 Ac.	28,938.00		X \$	= \$	159,159
CEV Price \$	295,000	- Land Contribution \$		159,159	= Improvement Contribution \$		135,841

Income Analysis							
Income Estimate Basis:		<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Share	<input type="checkbox"/> Owner/Operator			
Income Source	Units	Unit Measure	Stabilized Yield	Total Production		Cash/Share/Owner Income	
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Estimated				Stabilized \$/Unit	Gross Income	Share %	Income \$
Pasture	0.61	AUMs	1.00	35.00	21	100	21
Site	2.00	Acres	1.00			100	
Improvements <input type="checkbox"/> Improvements Included in Land Rent				/mo	/yr		
Stabilized Gross Income = \$							21
Expense Items:		Expenses (cont.):		Expenses (cont.):			
Real Estate Tax	\$ 2,395		\$		\$		
Insurance	\$		\$		\$		
Maintenance	\$		\$		\$		
Management	\$		\$		\$		
Total Expenses	2,395	/ Stabilized G.I.	21	= Expense Ratio	11,404.76 %	Total Expenses = \$	2,395
Net Income	-2,374	/ CEV Price	295,000	= Cap Rate	-0.80 %	Net Income = \$	-2,374

Index #	Database # 571	Sale # 5
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Improvement Analysis

Reproduction Cost

Improvement Analysis	Item:	Impt. #1	Impt. #2	Impt. #3	Impt. #4	Impt. #5	Impt. #6	Impt. #7	Impt. #8	Impt. #9	Impt. #10
	Type	Dwelling	Quonset	Bin	Bin	Shed	Shed	Granary			
	Size	976	2,040	3,200	3,200	488	1,232	960			
	Unit	SF	SF	bu	bu	SF	SF	SF			
	Utility	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.			
	Condition	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.	Avg.			
	Age	15	15	29	25	46	15	40			
	Remaining Life	45	35	21	25	4	35	10			
	RCN/Unit	140.00	12.00	2.50	2.50	8.00	8.00	8.00			
	RCN	136,640	24,480	8,000	8,000	3,904	9,856	7,680			
	% Physical Depreciation	25	30	58	50	91	30	79			
	RCN Remainder After Phys. Depr.	102,480	17,136	3,360	4,000	351	6,899	1,613			
	% Functional Obsolescence										
	RCN Rem. After Phys./Funct. Depr.	102,480	17,136	3,360	4,000	351	6,899	1,613			
	% External Obsolescence										
	Total Impt. Contribution	102,480	17,136	3,360	4,000	351	6,899	1,613			
	Contribution \$/Unit	105.00	8.40	1.05	1.25	0.72	5.60	1.68			

Physical Depreciation 32 % Functional Obsolescence % External Obsolescence % Total Depreciation 32 %
 Total RCN \$ 198,560 Total Improvement Contribution: \$ 135,839 Improvement As % of Price 46 %

Comments

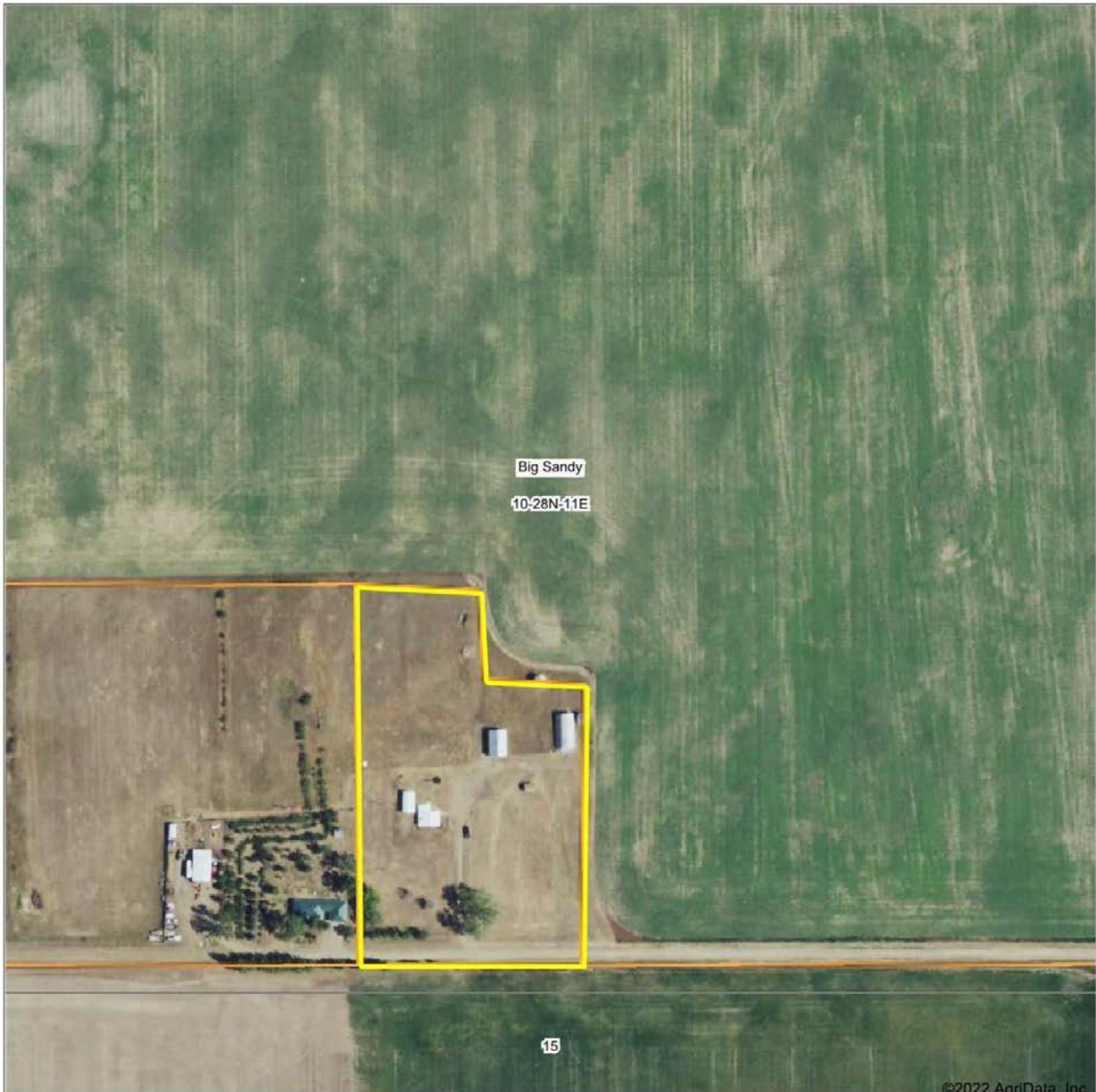
Index #

Database # 571

Sale # 5

Aerial Map

Aerial Map



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Map Center: 48.192752, -110.304447

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10-28N-11E
Chouteau County
Montana



Index # _____

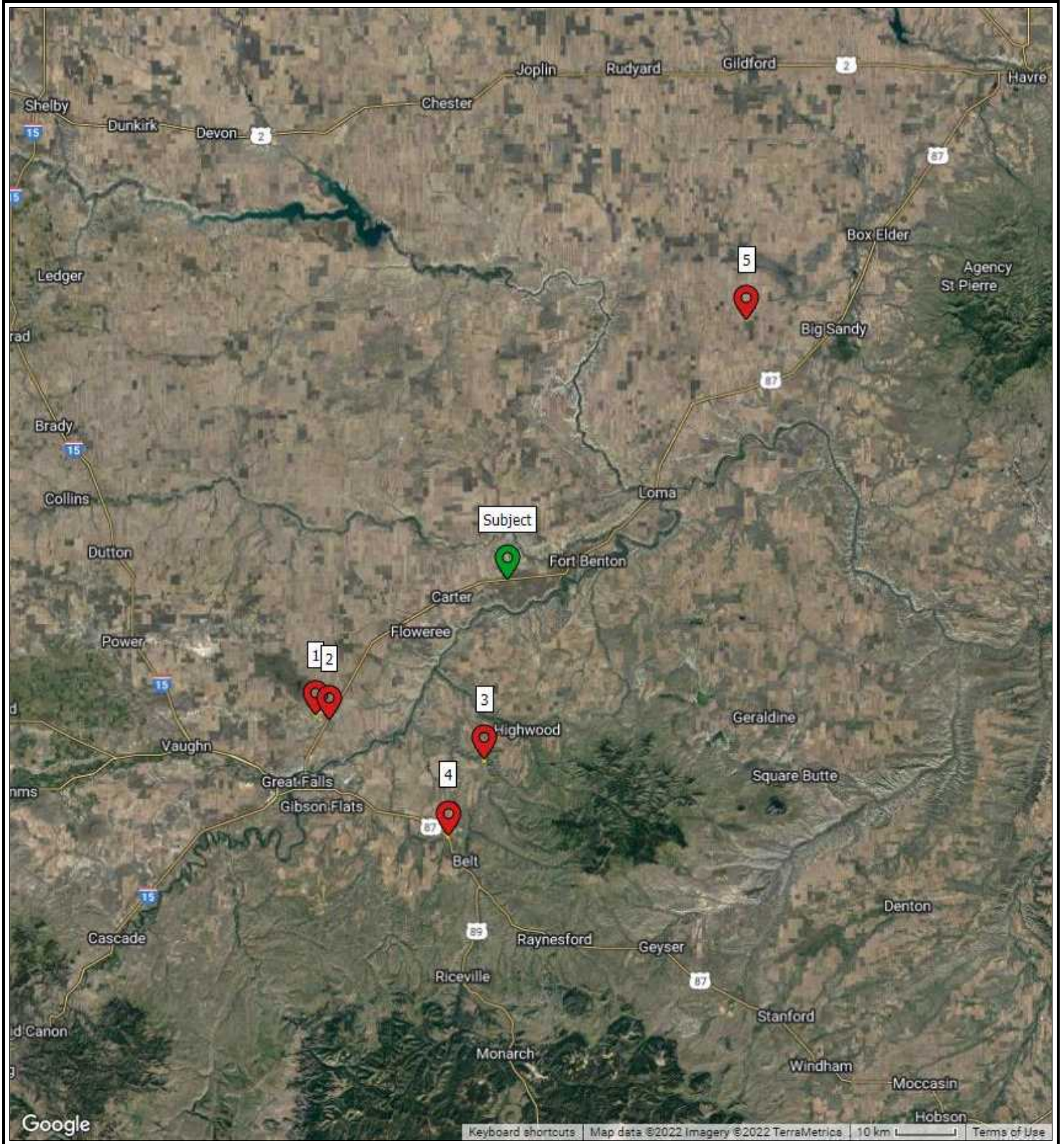
Database # _____ 571 _____

Sale # _____ 5 _____

Photo



Map Addendum

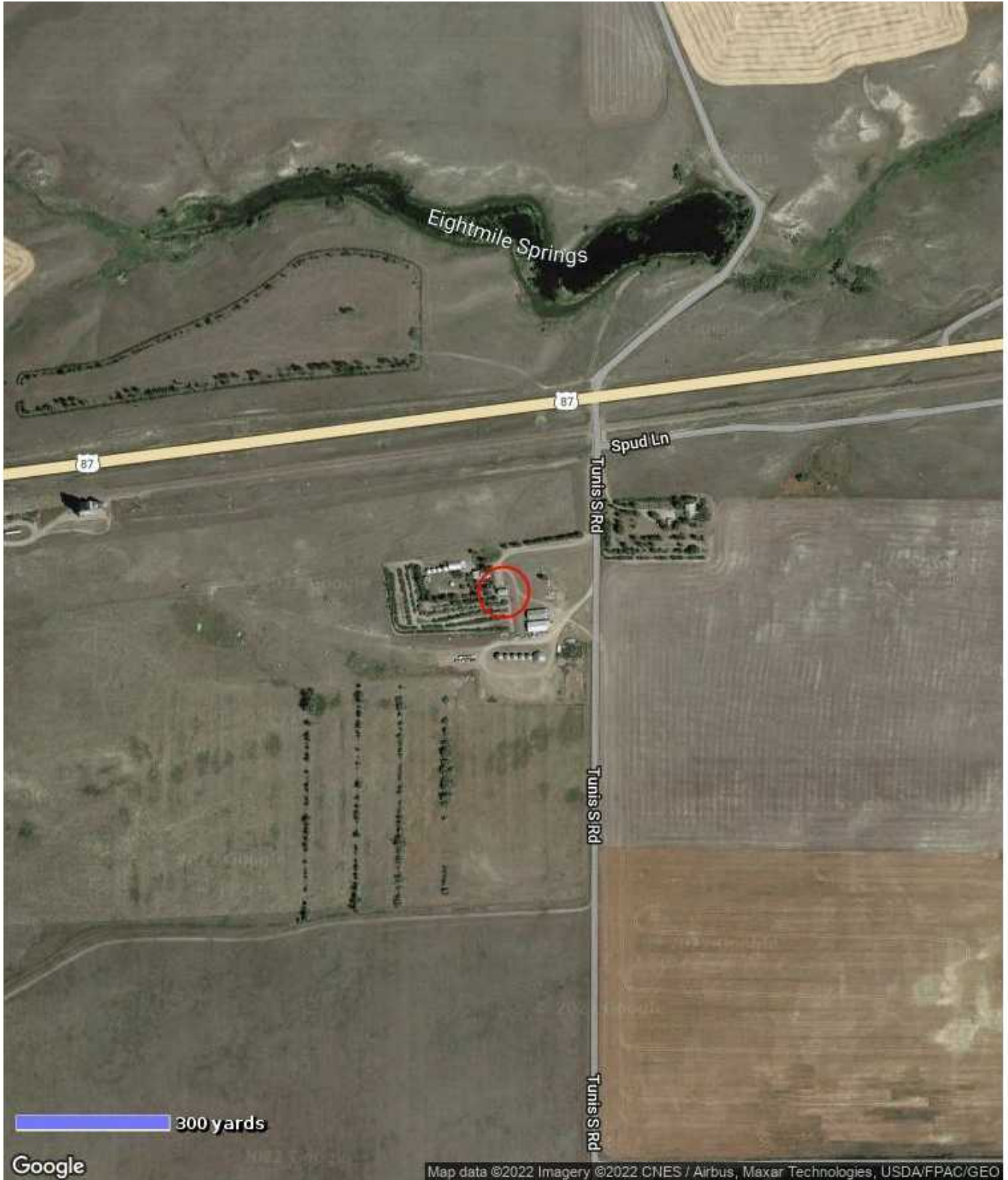


Montana Counties Map




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Flood Map



Engagement Letter

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FOR DNRC USE ONLY			<p>Approved</p> <p>No. <u>235039</u></p> <p>Division <u>RW</u></p> <p>Legal <u>MP</u></p> <p>F.S.O. <u>GU</u></p> 								
Amount under this Agreement: <u>\$3,500.00</u>											
<u>Source of Funds</u>											
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"><u>Fund Name</u></td> <td style="width: 50%;"><u>Fund No.</u></td> </tr> <tr> <td>Cabin Site Sale Private Closing Costs</td> <td>02031</td> </tr> <tr> <td>Trust Administration Account</td> <td>02938</td> </tr> </table>				<u>Fund Name</u>	<u>Fund No.</u>	Cabin Site Sale Private Closing Costs	02031	Trust Administration Account	02938		
<u>Fund Name</u>	<u>Fund No.</u>										
Cabin Site Sale Private Closing Costs	02031										
Trust Administration Account	02938										
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><u>Subclass</u></td> <td style="width: 33%;"><u>Org. No.</u></td> <td style="width: 33%;"><u>Percent</u></td> </tr> <tr> <td>555HA</td> <td>6049-59</td> <td>50%</td> </tr> <tr> <td></td> <td>6048-01</td> <td>50%</td> </tr> </table>			<u>Subclass</u>	<u>Org. No.</u>	<u>Percent</u>	555HA	6049-59	50%		6048-01	50%
<u>Subclass</u>	<u>Org. No.</u>	<u>Percent</u>									
555HA	6049-59	50%									
	6048-01	50%									

**TRUST LAND MANAGEMENT DIVISION
APPRAISAL OF POTENTIAL CABIN/HOME SITE SALE PROPERTY IN CHOUTEAU COUNTY**

THIS CONTRACT is entered into by and between the State of Montana, Department of Natural Resources and Conservation, (hereinafter referred to as "the State"), whose address and phone number are P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601, (406) 444-4165 and, Ernest F. Goettlich V, Northern Acres Appraisal Services, L.L.C. (Contractor), whose address and phone number are PO Box 2347 Havre, MT 59501 and (406) 942-0419.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The contract's initial term is upon contract execution, through November 30, 2022, unless terminated earlier as provided in this contract. In no event is this contract binding on the State unless the State's authorized representative has executed it in Section 34. **The appraisal report is to be completed and forwarded to DNRC, Deidra Kloberdanz, Lands Section Supervisor at P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601 by October 31, 2022.**

1.2 Contract Renewal.

N/A

2. COST ADJUSTMENTS – N/A

2.1 Cost Increase by Mutual Agreement. – N/A

3. SERVICES AND/OR SUPPLIES

Contractor shall provide the State the following: the contractor shall be responsible for providing a credible appraisal, for the parcel in Chouteau County, as described in Attachment B, Montana DNRC Trust Land Management Division Supplemental Appraisal Instructions. The appraisal will be an

Rev 2021021

Engagement Letter

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Appraisal Report, conducted and prepared in compliance with the Uniform Standards of Professional Appraisal Practice that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that supports the analyses, opinions and conclusions.

Attachments A and B are attached hereto and incorporated herein by reference.

The appraisal must comply with the instructions in Attachment A, Scope of Work for Appraisal of Potential Property Sales through the Land Banking Program, and all provisions in the body of this contract including the following:

- 1) The appraisal report will be one document containing the property data and analysis, opinions, and conclusions of value for the properties. 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 can be returned to the appraiser for retention in his/her files. The appraiser must submit an electronic copy as well as a printed copy of the appraisal report.
- 2) Each sale parcel listed in Attachment B, Montana DNRC Trust Land Management Division Supplemental Appraisal Instructions must be assigned separate values.
- 3) The definition of market value is that as defined in **12 C.F.R 34.42(h)**.

4. WARRANTIES

4.1 Warranty of Services. Contractor warrants that the services provided conform to the contract requirements, including all descriptions, specifications and attachments made a part of this contract. The State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this contract, at law, or in equity, the State may, at Contractor's expense, require prompt correction of any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this contract in the manner and to the same extent as services originally furnished.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the successful submission of the appraisal report to be provided, the State shall pay Contractor \$3,500.00.

The contractor shall, at no additional expense to the State, correct unsatisfactory work before payment is made.

In No case shall the State's total cumulative payment under this contract exceed Three Thousand Five Hundred dollars and no/100 (\$3,500.00).

5.2 Withholding of Payment N/A

Engagement Letter

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5.3 Payment Terms. Unless otherwise noted in the solicitation document, the State has thirty (30) days to pay invoices, as allowed by 17-8-242, MCA. Contractor shall provide banking information at the time of contract execution in order to facilitate the State's electronic funds transfer payments.

5.4 Reference to Contract. The contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the contract. If the number is not provided, the State is not obligated to pay the invoice.

5.5 Fuel Surcharge - N/A

6. PREVAILING WAGES REQUIREMENTS - N/A

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records. Contractor shall provide the State, Legislative Auditor, or their authorized agents access to any records necessary to determine contract compliance. The State may terminate this contract under section 21, without incurring liability, for the Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

7.2 Retention Period. Contractor shall create and retain all records documenting the Appraisal Report for a period of eight years after either the completion date of this contract or termination of the contract.

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this contract without the State's prior written consent. (18-4-141, MCA.) Contractor is responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and the State under this contract. Contractor is responsible to ensure that any assignee, transferee or subcontractor is subject to all of the terms and conditions of this Contract as fully set forth. Consent of the State to assign, transfer or subcontract any portion of this Contract does not relieve the Contractor in any manner of its responsibilities under this Contract.

9. HOLD HARMLESS/INDEMNIFICATION

9.1 Claims under this provision also include any claim arising out of or in any way connected with Contractor's breach of this contract, including any claims asserting that any of the Contractor's employees are actually employees of the state or common law employees of the state or any of its agencies or political subdivisions, including but not limited to excise taxes or penalties imposed on the State under Internal Revenue Code §§ 4980H, 6055 or 6056 and any subsequent amendments or additions to these Sections. Contractor shall be responsible for implementation of all aspects of the Affordable Care Act as this Act may apply to Contractor and shall be responsible for any violations including any sanction, penalty, fee or tax and shall indemnify the State and hold harmless and defend the State for any omission or failure of Contractor to meet its obligations under Sections 13 and 14.

Engagement Letter

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9.2 Contractor agrees to protect, defend, and save State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of State, under this Contract.

10. CONTRACTOR REGISTRATION (for construction) - N/A

11. CONTRACTOR WITHHOLDING (for construction) – N/A

12. REQUIRED INSURANCE

12.1 General Requirements. Contractor shall maintain for the duration of this contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

12.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

12.3 Specific Requirements for Commercial General Liability. – N/A

12.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, hired, or borrowed by Contractor.

12.5 Specific Requirements for Professional Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of \$500,000 per occurrence and \$500,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: If "occurrence" coverage is unavailable or cost prohibitive, Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of this contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

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12.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the State. At the request of the State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as pertain to the State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

12.7 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverage's, has been received by the State, PO Box 201601, Helena, MT 59620-1601. Contractor must notify the State immediately of any material change in insurance coverage, including but not limited to changes in limits, coverage's, and status of policy. The Contractor must provide the State with copies of insurance policies upon request.

13. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire contract term and any renewal. Upon expiration, a renewal document must be sent to the State, PO Box 201601, Helena, MT 59620-1601.

14. COMPLIANCE WITH LAWS

14.1 Federal, State, or Local laws, Rules, and Regulations. Contractor shall, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including but not limited to, the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. The State may audit or request from Contractor at any time a statement that it is fully compliant with all requirements of this Section.

14.2 Contractor as Employer under the Patient Protection and Affordable Care Act and this Contract. The Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Contractor represents and warrants that all individuals who perform services for an agency of the State for Contractor under this Contract are without exception Contractor's common law employees at all times and that Contractor acknowledges that Contractor has the responsibility and retains the obligation to direct and control its employees providing services under this Contract for the term of this Contract. Contractor is responsible for providing healthcare benefits for its employees under the Patient Protection and Affordable Care Act.

14.2.1 State Benefits Plans. Contractor acknowledges and agrees that it, its agents or employees are not employees of the State and that its agents or employees have no nexus with the State to participate in any of the State's benefits plans or programs that the State offers its employees and maintains for its employees.

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14.2.2 Contractor Provided Health Care Coverage. Contractor shall, if required by the Patient Protection and Affordable Care Act, offer to all its agents or employees who perform services for the State under this contract for 30 or more hours a week and for employee's or agent's dependents under age 26 health care coverage under its health care plans. Such coverage must provide minimum essential coverage and minimum value and be affordable for purposes of the employer responsibility provisions under Section 4980H of the Code and otherwise satisfy the requirements of Code 4980H if provided by the State. It shall be contractor's sole responsibility to determine applicability and compliance requirements that may apply to Contractor under the Patient Protection and Affordable Care Act.

14.2.3 Contractor Reporting Requirements. Contractor acknowledges that if it is subject to any reporting requirements under Code §§ 6055 and 6066 that Contractor will fully comply with any required reporting with respect to individuals who perform services for the State.

14.3 Any partial or whole assignment, transfer or subletting or subcontracting by Contractor subjects subcontractors to the same provisions of this Section and it is the responsibility of the Contractor to ensure any agreement to assign, transfer, sublet or subcontract binds any successor to this Contract in whole or in part or binds any subcontractor to all the terms and conditions of this Contract as if a party to the Contract from inception.

14.4 In accordance with 49-3-207, MCA, Contractor agrees that the hiring of persons to perform this contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin of the persons performing this contract.

15. DISABILITY ACCOMMODATIONS

The State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

16. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

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17. INTELLECTUAL PROPERTY/OWNERSHIP

17.1 Mutual Use. Contractor shall make available to the State, on a royalty-free, non-exclusive basis, all patent and other legal rights in or to inventions first conceived and reduced to practice or created in whole or in part under this contract, if such availability is necessary for the State to receive the benefits of this contract. Unless otherwise specified in a statement of work, both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use copyrightable property created under this contract. This mutual right includes (i) all deliverables and other materials, products, modifications that Contractor has developed or prepared for the State under this contract; (ii) any program code, or site- related program code that Contractor has created, developed, or prepared under or primarily in support of the performance of its specific obligations under this contract; and (iii) manuals, training materials, and documentation. All information described in (i), (ii), and (iii) is collectively called the "Work Product".

17.2 Title and Ownership Rights. The State retains title to and all ownership rights in all data and content, including but not limited to multimedia or images (graphics, audio, and video), text, and the like provided by the State (the "Content"), but grants Contractor the right to access and use Content for the purpose of complying with its obligations under this contract and any applicable statement of work.

17.3 Ownership of Work Product. Contractor shall execute any documents or take any other actions as may reasonably be necessary, or as the State may reasonably request, to perfect the State's ownership of any Work Product.

17.4 Copy of Work Product. Contractor shall, at no cost to the State, deliver to the State, upon the State's request during the term of this contract or at its expiration or termination, a current copy of all Work Product in the form and on the media in use as of the date of the State's request, or such expiration or termination.

17.5 Ownership of Contractor Pre-Existing Materials. Contractor retains ownership of all literary or other works of authorship (such as software programs and code, documentation, reports, and similar works), information, data, intellectual property, techniques, subroutines, algorithms, methods or related rights and derivatives that Contractor owns at the time this contract is executed or otherwise developed or acquired independent of this contract and employed by Contractor in connection with the services provided to the State (the "Contractor Pre-existing Materials"). Contractor Pre-existing Materials are not Work Product. Contractor shall provide full disclosure of any Contractor Pre-Existing Materials to the State before its use and to prove its ownership. If, however, Contractor fails to disclose to the State such Contractor Pre-Existing Materials, Contractor shall grant the State a nonexclusive, worldwide, paid-up license to use any Contractor Pre-Existing Materials embedded in the Work Product to the extent such Contractor Pre-Existing Materials are necessary for the State to receive the intended benefit under this contract. Such license shall remain in effect for so long as such Pre-Existing Materials remain embedded in the Work Product. Except as otherwise provided for in Section 17.3 or as may be expressly agreed in any statement of work, Contractor shall retain title to and ownership of any hardware it provides under this contract.

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18. PATENT AND COPYRIGHT PROTECTION – N/A**19. CONTRACT PERFORMANCE ASSURANCE – N/A****20. CONTRACT TERMINATION**

20.1 Termination for Cause with Notice to Cure Requirement. The State may terminate this contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 14 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

20.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this contract for the State's failure to perform any of its duties under this contract after giving the State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 14 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

20.3 Reduction of Funding. The State must by law terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this contract in a subsequent fiscal period. (18-4-313(4), MCA.) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, the State shall terminate this contract as required by law. The State shall provide Contractor the date the State's termination shall take effect. The State shall not be liable to Contractor for any payment that would have been payable had the contract not been terminated under this provision. As stated above, the State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date the State's termination takes effect. This is Contractor's sole remedy. The State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

21. EVENT OF BREACH – REMEDIES

21.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this contract:

- Products or services furnished fail to conform to any requirement;
- Failure to submit any report required by this Contract;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching Section 26.1, obligations; or
- Voluntary or involuntary bankruptcy or receivership.

21.2 Event of Breach by State. The State's failure to perform any material terms or conditions of this contract constitutes an event of breach.

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21.3 Actions in Event of Breach. Upon Contractor's material breach, the State may:

- Terminate this contract under section 20.1; or
- Treat this contract as materially breached and pursue any of its remedies under this contract, at law, or in equity.

Upon the State's material breach, the Contractor may:

- Terminate this Contract under Section 20.2 and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

22. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than 5 working days after the onset. If the notice is not provided within the 5 day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this contract, unless the parties mutually agree that the obligation is excused because of the condition.

23. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

24. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without the State prior written consent. Product or services provided that do not conform to the contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

25. LIAISONS AND SERVICE OF NOTICES

25.1 Contract Liaisons. All project management and coordination on the State's behalf must be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this contract must be coordinated between the State's liaison and Contractor's liaison.

Deidra Kloberdanz, Lands Section Supervisor, is the State's liaison.

Address: PO Box 201601

Helena, MT 59620-1601

Telephone: (406) 444-4165

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Fax: (406) 444-2684
E-Mail: deidra.kloberdanz@mt.gov

Ernest F. Goettlich V, Northern Acres Appraisal Services, L.L.C. is the Contractor's liaison.
Address: PO Box 2347
Havre, MT 59501
Telephone: (406) 942-0419
E-Mail: northernacresapp@gmail.com

25.2 Notifications. The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three (3) business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

25.3 Identification/Substitution of Personnel. – N/A

26. MEETINGS

26.1 Technical or Contractual Problems. Contractor shall meet with the State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the contract term or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. The State may request the meetings as problems arise and will be coordinated by the State. The State shall provide Contractor a minimum of three full working day notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings, two consecutive missed or rescheduled meetings, or failure to make a good faith effort to resolve problems, may result in termination of the contract.

26.2 Progress Meetings. – N/A

26.3 Failure to Notify. – N/A

26.4 State's Failure or Delay. – N/A

27. Transition Assistance

If this contract is not renewed at the end of this term, if the contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this contract or particular work under this contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay Contractor for any resources utilized in performing such transition assistance at the most current contract rates. If the State terminates a project or this contract for cause, then the State may

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offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages the State may have sustained as a result of Contractor's breach.

28. CHOICE OF LAW AND VENUE

Montana law governs this contract. The parties agree that any litigation concerning this bid, proposal, or this contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (18-1-401, MCA.)

29. TAX EXEMPTION

State of Montana is exempt from Federal Excise Taxes (#81-0302402) except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

30. AUTHORITY

This contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

31. SEVERABILITY CLAUSE

A declaration by any court or any other binding legal source that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually and materially dependent.

32. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

32.1 Contract. This contract consists of 12 numbered pages, Attachment A – Scope of Work and Attachment B – Supplemental Appraisal Instructions, pages 13-18. In the case of a dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

32.2 Entire Agreement. These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by all the parties.

33. WAIVER

The State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

34. EXECUTION

The parties through their authorized agents have executed this contract on the dates set out below.

A scanned copy or facsimile copy of the original has the same force and effect as the original document.

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STATE OF MONTANA

CONTRACTOR

**Dept. Natural Resources & Conservation
Trust Land Management Division
P.O. Box 201601
1539 11th Avenue
Helena, MT 59620-1601**

**Ernest F. Goettlich V
Northern Acres Appraisal Services, L.L.C.,
PO Box 2347
Havre, MT 59501
FEDERAL ID #: 84-4683696**

BY: Ryan Weiss Bureau Chief
(Name/Title)

BY: Ernest Goettlich Manager/Owner/Principal
(Name/Title)

DocuSigned by:
Ryan Weiss
(Signature)

DocuSigned by:
Ernest Goettlich
(Signature)

DATE: 9/26/2022

DATE: 9/26/2022

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ATTACHMENT A**Scope of Work for Appraisal of Potential Property Sale 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 Chouteau 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 Olson Farms, Inc. The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject property and is intended for use in the decision-making process concerning the potential sale of said subject property.

DEFINITIONS:

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

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

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

PROPERTY RIGHTS APPRAISED:

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

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

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

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The appraisal will be an Appraisal Report as per USPAP, that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that support the analyses, opinions and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values of the 1 (one) home site identified in the Supplemental Appraisal Instructions.

The subject property must be valued with the actual or hypothetical condition that the site has legal access.

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

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

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

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

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

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

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

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

Subject Property (Located in Chouteau County):

Sale #	Acres ±	Legal Description	Site Address (if known)
1158	10.42±	Tract 1 of COS 220A, Section 28, T24N-R7E	104 Tunis Road South Fort Benton, MT 59442

DNRC Contact Information:

Deidra Kloberdanz, Lands
Section Supervisor
PO Box 201601
Helena, MT 59620-1601
Phone: (406) 444-4165
Deidra.Kloberdanz@mt.gov

Lessees:

Sale 1158: Olson Farms, Inc. - (406) 734-5417

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 Parcel
Chouteau County Sale**



Ernest Goettlich License



State of Montana
Business Standards Division
Board of Real Estate Appraisers

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

REA-RAG-LIC-10644
Status: **Active**
Expires: **03/31/2023**

NORTHERN ACRES APPRAISAL SERVICES, LLC
ERNEST FREDERICK GOETTLICH
133 8TH ST
HAVRE, MT 59501



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

Renew online at <https://ebiz.mt.gov/pol> by signing in with your username and password.
The renewal cycle for your board opens 60 days prior to the expiration date on your current license.
Renew your license prior to your expiration date to avoid being charged a late fee(s).
Remember to maintain your online account information with a password, security question and a valid email address. You can update your account information by accessing the 'Account Management' link when logged in.

Appraiser Qualifications

Ernest F. Goettlich VEmployment

Quality Bank, Page ND, AG/Commercial Lender, Collections Officer	08/2008 – 12/2010
Farmers State Bank, Iroquois SD, AG/Commercial Lender, Developed in-house real estate evaluation program	02/2011 – 08/2012
Independence Bank, Havre, MT, Staff Appraiser	09/2012 – 03/2020
Northern Acres Appraisal Services, LLC, Owner/Principal	03/2020 to Present

Licenses

Real Estate Appraiser Trainee, State of Montana, License #REA-RET-LIC-5705 Completed Apprenticeship with Dave Anderson, Havre	03/2014 to 09/2018
Certified General Real Estate Appraiser, State of Montana, License #REA-RAG-LIC-10644	09/2018 to Present

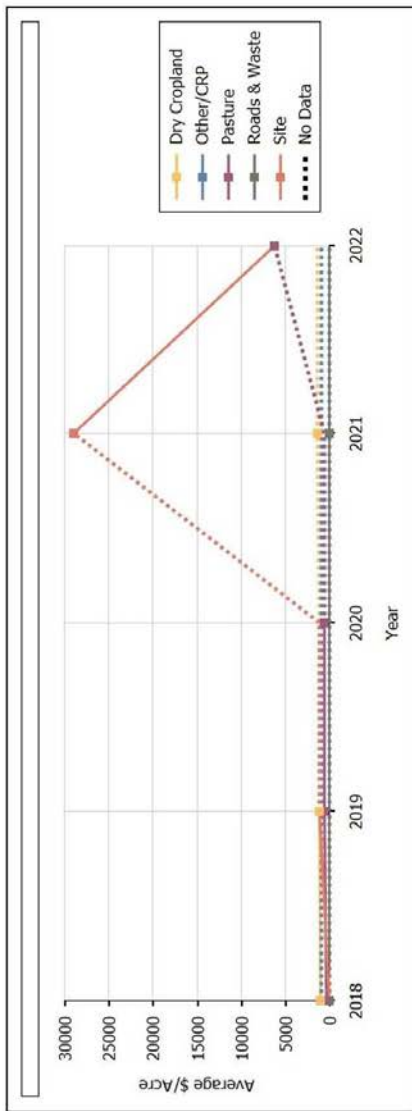
Types of Assignments

Appraisals: Irrigated and dryland farms and ranches, residential and special purpose properties, commercial and industrial properties.

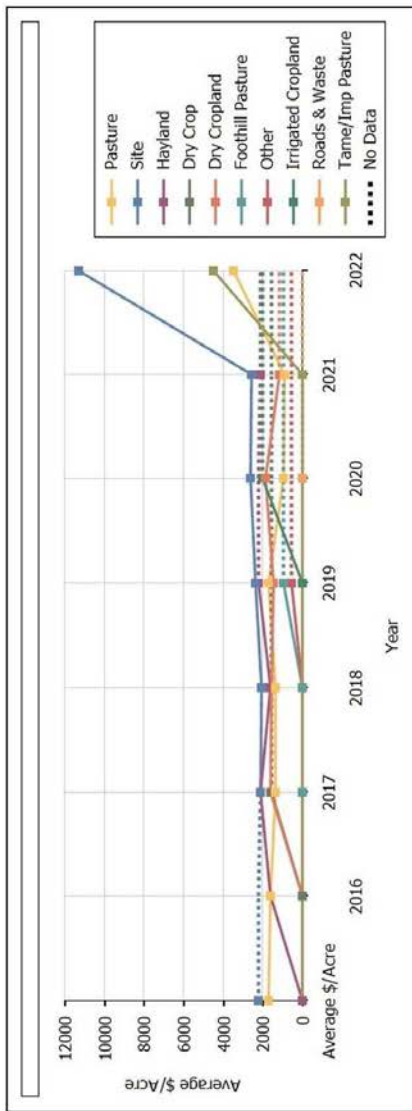
Education

Embry-Riddle Aeronautical University, Daytona Beach FL, Bachelor of Science Degree-Aerospace Engineering	08/2004 – 05/2008
South Dakota Bankers Association, Fundamentals of AG Lending	06/2009
Sheshunoff, Commercial Lending Coursework	2010
Appraisal Institute, Basic Appraisal Principles	10/04/2013
Appraisal Institute, 15-Hour National USPAP Course	11/08/2013
Appraisal Institute, Online Basic Appraisal Procedures	01/13/2014
Appraisal Institute, Real Estate Finance Statistics and Valuation Modeling	10/21/2014
McKissock, National USPAP Update (2014-2015)	02/16/2015
Appraisal Institute, General Appraiser Market Analysis and Highest & Best Use	03/27/2015
Appraisal Institute, General Appraiser Sales Comparison Approach	06/20/2015
Appraisal Institute, General Appraiser Site Valuation and Cost Approach	10/08/2015
McKissock, National USPAP Update (2016-2017)	02/21/2016
Appraisal Institute, General Appraiser Income Approach/Part 1	04/15/2016
Appraisal Institute, General Appraiser Income Approach/Part 2	07/14/2016
Appraisal Institute, General Appraiser Report Writing and Case Studies	10/20/2016
Appraisal Institute, Quantitative Analysis	5/8/2017
McKissock, 7-Hour National USPAP Update (2018-2019)	2/24/2018
Ag Lenders Range School, Inc, 2019 MT Ag Lenders Range School	6/21/2019
McKissock, Complex Properties: The Odd Side of Appraisal	11/26/2019
McKissock, 7-Hour National USPAP Update (2020-2021)	12/31/2019
McKissock, Basic Hotel Appraising – Limited Service Hotels	3/12/2021

Chouteau County Sale Trend Analysis



Cascade County Sale Trend Analysis



Definitions

Market Value - As defined by the 2010 Interagency Appraisal and Evaluation Guidelines (75 Fed. Reg. 77449 (December 10, 2010); the "Interagency Guidelines" can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2010-12-10/pdf/2010-30913.pdf>)

As defined in the Agencies' appraisal regulations, 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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

Extraordinary Assumption - As defined in USPAP, an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions regarding the property's market value. An example of an extraordinary assumption is when an appraiser assumes that an application for a zoning change will be approved and there is no evidence to suggest otherwise.

Hypothetical Condition

- A condition that is presumed to be true when it is known to be false.
- A condition, directly related to a specific assignment, which contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis.

Fair Value/Fair Market Value - is the Price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts.

Liquidation Value - The price that an owner is compelled to accept when a property must be sold without reasonable market exposure.

Definitions - Continued

Transaction Value

As defined in the Agencies' appraisal regulations:

- For loans or other extensions of credit, the amount of the loan or extension of credit;
- For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved; and
- For the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property.

For purposes of this definition, the transaction value for loans that permit negative amortization should be the institution's total committed amount, including any potential negative amortization.

Value-In-Use - The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually.

Value-As-Vacant - The most probable price for which the appraised property will sell in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under influence nor duress. This definition assumed the assets would be sold for and alternative use.

Montana waters, in all their varied forms and locations, belong to the State for the benefit of its people. A water right is the right to use the water within state-established guidelines, and not any ownership of the water itself. Since water rights in Montana are guided by the prior appropriation doctrine, a person's right to use a specific quantity of water depends on when the use of water began, establishing the relative priority date of use on the water source. The first person to use water from a source established the first right, the second person could establish a right to the water that was left, and so on. Additionally, water users are limited to the amount of water that can be beneficially used. Beneficial use includes, but is not limited to, agricultural, recreational, fish and wildlife and domestic purposes.

The total carrying capacity has been estimated utilizing the current livestock carrying capacity on the ranch, the guidelines as stated in the Vegetative Rangeland Types in Montana and the appraiser's knowledge in managing cow/calf operations. An animal-unit month (AUM) is expressed as the feed required to carry one 1,000 lb. cow with calf at side for 30 days. The actual total carrying capacity for a property can vary dramatically depending upon stewardship of the land, land-mix, weight of cattle, weather, and availability of livestock water, among other factors. The average rating for most of the range on the subject parcel falls between .30 and .40 AUMs per acre.

Reconciliation of Values from Comparable Sales Approach

Rights Transferred - Reflects the property rights transferred by the sale including both surface and sub-surface rights as well as use rights. This is where conservation easements are reflected.

Financing Terms - Reflect adjustments to the sale of the property if they include favorable financing terms such as a below market rate, longer amortization, or less down payment requirements.

Conditions of sale - Reflect adjustments for short sale, distressed sale, bank-owned real estate.

Definitions - Continued

Time - Reflects the adjustment made due to recent market changes. These adjustments are supported by Montana State University and USDA reports tracking the trends in agriculture land sales, as well as re-sales of properties.

Location - Reflects the adjustment made due to the location, rainfall, stock water, etc., of the sale as compared to the subject.

Mix - The actual per acre difference in value considering the mix of acreage (pasture, hayland, cropland, etc.) comparing the sales to the subject.

Improvements - The actual per acre difference in value of building improvements comparing the sales to the subject.

Land Quality - Reflects the per acre value difference between the subject and the sales considering land quality, yield potential, soil capability and utilization.

Condition of Land - Reflects the age and condition of forage stands and irrigation delivery systems.

Lease - Reflects the overall per acre consideration paid for leases conveyed with the sales as compared to the subject. These leases can include but are not limited to deeded acreages, State Land Leases, BLM Land Leases, BOR Land Leases, as well as tribal land leases.

Crop - The per acre value of growing crop contribution in the sale. This value is typically specified in a contract and verified with the input costs of said growing crop.

Real Estate is appraised on the basis of its Highest and Best Use.

Following is a definition of Highest and Best Use from "Appraiser's Terminology and Handbook".

"HIGHEST AND BEST USE...

The most profitable likely use to which a property can be put. The opinion of such use may be based on the highest and most profitable continuous use to which the property is adapted and needed, or likely to be in demand in the reasonably near future. However, elements affecting value which depend upon events or a combination of occurrences which, while within the realm of possibility are not fairly shown to be reasonably probable, should be excluded from consideration. Also, if the intended use is dependent on an uncertain act of another person, then intention cannot be considered.

That use of Land which may reasonably be expected to produce the greatest net return to land over a given period of time. That legal use which will yield to land the highest present value. Sometimes called optimum use."

Definitions - Continued

"Highest and Best Use" is further described as follows:

The determination of Market Value includes consideration of the highest and best use for which the appraised property is clearly adapted.

Highest and Best Use is the legal and probable use that supports the highest present value, as defined, of vacant land or improved property, as of the date of the appraisal.

It is that use found to be:

- (1) legally permissible
- (2) physically possible
- (3) financially feasible
- (4) maximally productive

Consideration is given to trends on recent land sales, economic factors, and strength of the local market. An analysis of the highest and best use of the property forms a basis for the valuation of the property. Highest and best use serves as a guide in the selection of comparable sales to be used in the analysis of the subject property.

The definition applies specifically to the highest and best use of the land. It is to be recognized that in cases where a site has existing improvements, the highest and best use may very well be determined to be different from existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. These definitions imply a recognition of the contribution of existing specific uses to the community environment or to community development goals in addition to increasing the wealth of individual property owners.

The final determination of the highest and best use is a result of appraiser's judgment and analytical skills. The use determined from analysis represents an opinion, not a determination of fact. Consideration has to be given to that range of uses which fit the appraised property. Consideration has to be given to alternative uses, as well as existing use. Lack of utilities, dedicated access, and title limitations may be limiting factors.

Land in the immediate surrounding area is currently under the same use as the subject property. The appraised property is located in an area that does not have established recreational value.

There is no indication of subdivision or industrial use for land in the area of the subject which can be considered relatively remote.

Minimum Appraisal Standards

As defined by the 2010 Interagency Appraisal and Evaluation Guidelines (75 Fed. Reg. 77449 (December 10, 2010); the "Interagency Guidelines" can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2010-12-10/pdf/2010-30913.pdf>)

The Agencies' appraisal regulations include minimum standards for the preparation of an appraisal. (See Appendix D, Glossary of Terms, for terminology used in these Guidelines.)

The appraisal must:

- Conform to generally accepted appraisal standards as evidenced by the USPAP promulgated by the Appraisal Standards Board of the Appraisal Foundation unless principles of safe and sound banking require compliance with stricter standards. Although allowed by USPAP, the Agencies' appraisal regulations do not permit an appraiser to appraise any property in which the appraiser has an interest, direct or indirect, financial or otherwise in the property or transaction. Further, the appraisal must contain an opinion of market value as defined in the Agencies' appraisal regulations. (See discussion on the definition of market value below.) Under USPAP, the appraisal must contain a certification that the appraiser has complied with USPAP. An institution may refer to the appraiser's USPAP certification in its assessment of the appraiser's independence concerning the transaction and the property. Under the Agencies' appraisal regulations, the result of an Automated Valuation Model (AVM), by itself or signed by an appraiser, is not an appraisal, because a state certified or licensed appraiser must perform an appraisal in conformance with USPAP and the Agencies' minimum appraisal standards. Further, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) 35 provides "[i]n conjunction with the purchase of a consumer's principal dwelling, broker price opinions may not be used as the primary basis to determine the value of a piece of property for the purpose of loan origination of a residential mortgage loan secured by such piece of property."
- Be written and contain sufficient information and analysis to support the institution's decision to engage in the transaction. An institution should obtain an appraisal that is appropriate for the particular federally related transaction, considering the risk and complexity of the transaction. The level of detail should be sufficient for the institution to understand the appraiser's analysis and opinion of the property's market value. As provided by the USPAP Scope of Work Rule, appraisers are responsible for establishing the scope of work to be performed in rendering an opinion of the property's market value. An institution should ensure that the scope of work is appropriate for the assignment. The appraiser's scope of work should be consistent with the extent of the research and analyses employed for similar property types, market conditions, and transactions. Therefore, an institution should be cautious in limiting the scope of the appraiser's inspection, research, or other information used to determine the property's condition and relevant market factors, which could affect the credibility of the appraisal. According to USPAP, appraisal reports must contain sufficient information to enable the intended user of the appraisal to understand the report properly. An institution should specify the use of an appraisal report option that is commensurate with the risk and complexity of the transaction. The appraisal report should contain sufficient disclosure of the nature and extent of inspection and research performed by the appraiser to verify the property's condition and support the appraiser's opinion of market value. (See Appendix D, Glossary of Terms, for the definition of appraisal report options.) Institutions should be aware that provisions in the Dodd-Frank Act address appraisal requirements for a higher-risk mortgage to a consumer. To implement these provisions, the Agencies recognize that future regulations will address the requirement that the appraiser conduct a physical property visit of the interior of the mortgaged property.

Minimum Appraisal Standards - Continued

- Analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units. Appraisers must analyze, apply, and report appropriate deductions and discounts when providing an estimate of market value based on demand for real estate in the future. This standard is designed to avoid having appraisals prepared using unrealistic assumptions and inappropriate methods in arriving at the property's market value. (See Appendix C, Deductions and Discounts, for further explanation on deductions and discounts.)
- Be based upon the definition of market value set forth in the appraisal regulation. Each appraisal must contain an estimate of market value, as defined by the Agencies' appraisal regulations. The definition of market value assumes that the price is not affected by undue stimulus, which would allow the value of the real property to be increased by favorable financing or seller concessions. Value opinions such as "going concern value," "value in use," or a special value to a specific property user may not be used as market value for federally related transactions. An appraisal may contain separate opinions of such values so long as they are clearly identified and disclosed. The estimate of market value should consider the real property's actual physical condition, use, and zoning as of the effective date of the appraiser's opinion of value. For a transaction financing construction or renovation of a building, an institution would generally request an appraiser to provide the property's current market value in its "as is" condition, and, as applicable, its prospective market value upon completion and/or prospective market value upon stabilization. Prospective market value opinions should be based upon current and reasonably expected market conditions. When an appraisal includes prospective market value opinions, there should be a point of reference to the market conditions and time frame on which the appraiser based the analysis. An institution should understand the real property's "as is" market value and should consider the prospective market value that corresponds to the credit decision and the phase of the project being funded, if applicable.
- Be performed by state certified or licensed appraisers in accordance with requirements set forth in the appraisal regulation. In determining competency for a given appraisal assignment, an institution must consider an appraiser's education and experience. While an institution must confirm that the appraiser holds a valid credential from the appropriate state appraiser regulatory authority, a state certification or license is a minimum credentialing requirement. Appraisers are expected to be selected for individual assignments based on their competency to perform the appraisal, including knowledge of the property type and specific property market. As stated in the Agencies' appraisal regulations, a state certified or licensed appraiser may not be considered competent solely by virtue of being certified or licensed. In communicating an appraisal assignment, an institution should convey to the appraiser that the Agencies' minimum appraisal standards must be followed.