A Self-Contained Appraisal Report

of

Potomac Acquisition Lands (HB674)
Missoula County, Montana

for

Mr. Tom Konency, Appraiser
State of Montana Department of Natural Resources and Conservation
Trust Land Management Division
P.O. Box 201601
Helena, MT 59620-1601

as of

February 28th, 2010

by

Kraig P. Kosena, MAI
Kembel, Kosena & Company, Inc.
432 West Spruce Street, Suite 101
P.O. Box 16653
Missoula, MT 59808-6653

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INTRODUCTION

KEMBEL, KOSENA & COMPANY, INC.

REAL ESTATE APPRAISERS & CONSULTANTS

March 2nd, 2010

Mr. Tom Konency, Appraiser
State of Montana Department of Natural Resources and Conservation
Trust Land Management Division
P.O. Box 201601
Helena, MT 59620-1601

Re: The appraisal of the Potomac acquisition lands (HB 674), Missoula County, Montana.

Dear Tom:

In accordance with your request for a a Self-Contained Appraisal Report setting forth the market value of the property under study, I am submitting the following report containing 40 pages plus Addenda.

The value opinion reported below is qualified by certain assumptions, limiting conditions, certifications, and definitions, which are set forth in the report. I particularly call your attention to the following extraordinary assumptions and hypothetical conditions:

extraordinary assumptions:	this appraisal employs the assumption that the property has legal access; and
hypothetical conditions:	this appraisal employs no hypothetical conditions.

Due to the length, the complete legal description of the property under study is included in the Addenda of this report.

The property rights appraised are the unencumbered fee simple estate. The writer assumes no responsibility for the marketability of the title.

POST OFFICE BOX 16653 ◆ 432 WEST SPRUCE STREET, SUITE 101 ◆ MISSOULA, MT 59808-6653
TELEPHONE 406-549-6151 ◆ TELEFAX 406-542-7054

This report is intended to be in complete conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Scope of Work specifications as detailed in the Agreement between the State of Montana Department of Natural Resources and Conservation and this firm. A complete copy of Agreement is included in the Addenda of this report.

An environmental assessment of the property has not been provided and it is assumed there are no environmental concerns related to the subject. I am not qualified to detect hazardous materials or toxic waste. Any environmental risk discovered at a later date may or may not require a revised estimate of value, which may or may not simply be a reduction of the value by the estimated cost-to-cure of the environmental condition. Properties known to have environmental risk may carry a stigma in the marketplace which may or may not affect the value.

By reason of my investigations, studies, and analyses, an opinion has been formed that the market value of the subject property, as of February 28th, 2010, assuming a reasonable marketing period of approximately three years, is as follows:

Twenty Two Million Two Hundred Fifty Thousand Dollars
($22,250,000)

Your attention is invited to the data and discussions that follow and which are the foundations of this conclusion.

I, the undersigned project appraiser, Kraig P. Kosena, hold the MAI designation and am current in the Continuing Education Program of the Appraisal Institute. My member number is 10,933.

I am also licensed as a Certified General Real Estate Appraiser in the State of Montana. My State of Montana license number is 225 and expires March 31st, 2011.

Further, I am licensed by the State of Idaho as a Certified General Real Estate Appraiser. My State of Idaho license number is CGA-995 and expires July 20th, 2010.

Neither license has ever been suspended, revoked, canceled, or restricted.

I appreciate the opportunity to be of service to you. Please contact me if you have any questions or if I can be of further service.

Respectfully submitted,
Kembel, Kosena & Company, Inc.

By: Kraig P. Kosena, MAI, Project Appraiser
Montana Certified General Real Estate Appraiser No. 225
Idaho Certified General Real Estate Appraiser No. 995

KPK/mek

Summary of Salient Facts and Conclusions

Record Owner	:	The Nature Conservancy.
Location of Property	:	Approximately seven miles east of Missoula between Montana Highway No. 200 to the north and U.S. I-90 to the south. The property is wholly in Missoula County, Montana.
Property Rights Appraised	:	Unencumbered fee simple estate.
Historical Use	:	Timberland/public recreational.
Present Use	:	Open space/public recreational.
Highest and Best Use		
As Though Vacant	:	Open space/public recreational.
As Improved	:	Not applicable.
Date of Value	:	February 2010.
Date(s) of Inspection	:	The subject property was inspected on numerous occasions during November and December, 2009 and January and February, 2010, the most recent being an aerial inspection on February 28th, 2010. Generally speaking, this aerial inspection was conducted at an altitude of 1,000' to 1,500' AGL.
Date of Report	:	March 2nd, 2010.
Exposure Period	:	The estimated reasonable exposure period of the subject property is approximately three years.
Marketing Period	:	Similar to the estimate of exposure period - approximately three years.

Site : Per the legal description provided by the client for the purposes of this report, the subject property gross land area is ± 34,226.87 and is scattered across 64 sections between Montana Highway 200 to the north and U.S. I-90 to the south.

For the purposes of this report, I have assumed legal access to the subject property. A complete copy of the 14-page County Road Report which indicates legal access by Bear Creek Road, Wallace Creek Road/Morrison Lane, Potomac Road/Swanson Lane, and Cramer Creek Road/Old Bonita Trail is included in the Addenda of this report as an exhibit item.

Adjacent ownerships are a combination of private and public.

As rural property, it is unzoned.

Topographically, the property is classified as mountainous being the upper portions of the Garnet Range. Based on my review of the maps provided, the highest point on the subject property appears to be Olson Peak at nearly 6,200' above mean sea level along the western portion of the property. Conversely, the lowest portion of the property is along the northern boundary near Camas Creek in the Potomac Valley at ± 4,150'.

Regarding surface water amenities, the main amenity to mention is that of the now famous Blackfoot River along the northern boundary at

and around Rainbow Bend. The Blackfoot River, while always known locally as a scenic waterway drew national attention with the release of "A River Runs Through It" in 1992. Because the subject property involves the upper portion of the Garnet Range, numerous smaller creeks originate on or near the subject property and flow out either to the south to the Clark Fork River or to the north to the Blackfoot River.

The creeks that originate on or near the subject property and flow to the Clark Fork River include (from east to west) Donovan, Dirty Ike, Wallace, Cramer, and Ryan Creeks.

The creeks that originate on or near the subject property and flow to the Blackfoot River include (from east to west) Bear, Norman, Game, Blixit, Arkansas, Ashby, Smith, Camas, and Union Creeks.

Ground cover is mainly native weeds and grasses with some moderate timber cover. Based on my most recent aerial inspection, I would submit that most of the merchantable timber in the lower elevations has been harvested. However, along the ridge line there does still appear to be significant merchantable timber on the property. For the purposes of this report I was not provided with any specifics with regard to quantity, quality, etc. Per the client(s), The Nature Conservancy is planning on harvesting between 7,000 and 8,000 MBF from ± 6,200 to ± 7,500 acres before consummating the purchase of the property in

the fall of 2010. This is not expected to significantly change the long-term timber resources from that which was originally projected for this property under the former Fiber Supply Agreement. Given the generally cut-over nature of the comparable sales which were considered for a basis for the market value conclusion which follows in the body of this report, this planned harvest is not expected to significantly impact the value presented herein.

Due to the rural location, only minimal utilities are available to the property. Speaking of utilities, it should be noted that a large (by relative comparison) overhead electrical transmission line does bisect the eastern portion of the property.

Site Improvements : None.

Structural Improvements : None.

Market Value by the Sales Comparison Approach - $650/acre.

Final Indication of Market Value - $22,247,466, rounded to $22,250,000.

Assumptions and Limiting Conditions

This is to certify that I, in submitting these statements and opinion of value, acted in accordance with and was bound by the following principles, limiting conditions, and assumptions:

- This is a Self-Contained Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the USPAP. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. I am not responsible for the unauthorized use of this report.

- No responsibility is assumed for matters that are legal in nature nor is any opinion rendered on title of land appraised.

- Unless otherwise noted, the property has been appraised as though free and clear of all encumbrances.

- All maps, areas, and other data furnished to me have been assumed to be correct. I have made no survey of the property.

- Neither the employment to make this appraisal nor the compensation is contingent upon the amount of valuation reported.

- I have made a personal inspection of the property that is the subject matter of this report.

- To the best of my knowledge and belief, the statements of fact contained in this appraisal report upon which the analysis, opinions, and conclusions expressed herein are based are true and correct. Furthermore, no important facts have knowingly been withheld or overlooked.

- There shall be no obligation to give testimony or attendance in court by reason of this appraisal with reference to the property in question unless arrangements have been made previously.

- This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

- Disclosure of the contents of this appraisal report is governed by the bylaws and regulations of the Appraisal Institute.

- The liability of the appraisal firm of Kembel, Kosena & Company, Inc. and its employees is limited to the client and to the fee collected. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. I assume no responsibility for any cost incurred to discover or correct any deficiencies of any type present in the property: physically, financially, or legally.

- I have inspected as far as possible, by observation, the land. However, it was not possible to personally observe conditions beneath the soil. The appraisal is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil, or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.

- It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management: neither inefficient nor super efficient.

- Unless otherwise stated in this report, I have no knowledge concerning the presence or absence of toxic materials on the subject's site. If such are present the value of the property may be adversely affected and re-appraisal at additional cost maybe necessary to estimate the effects of such.

- The appraisal is based on the premise that, there is full compliance with all applicable federal, state, and local environmental regulations, and laws unless otherwise stated in the report. Further, that all applicable zoning, building, building codes, use regulations, and restrictions of all types have been complied-with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal, and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

Neither all nor any part of the contents of this report (especially the conclusion as to the value, my identity, or the firm with which I am associated) or any reference to the MAI designation and/or the Appraisal Institute shall be disseminated to the public through advertising media, sales media, news media, public relations media, or any other public means of communication without my prior written consent and approval.

Privacy Notice

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic information. As professionals, we understand that you privacy is very important to you and are pleased to provide you with this information.

Types of Nonpublic Personal Information I Collect: In the course of performing appraisals, I may collect what is known as "nonpublic personal information." This information is used to facilitate the services that I provide and may include the information provided to me.

Parties to Whom I Disclose Information: I do not disclose any nonpublic personal information obtained in the course of my engagement with my clients to non-affiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to my employees, and in certain situations, to unrelated third party consultants who need to know that information to assist me in providing appraisal services. All of my employees and any third party consultants I employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by me that is ordered by a court of competent jurisdiction with regard to a legal action.

Confidentiality and Security: I will retain records relating to professional services that I have provided for a reasonable time so that I am better able to assist you. In order to protect nonpublic personal information from unauthorized access by third parties, I maintain physical, electronic, and procedural safeguards that comply with my professional standards to insure the security and integrity of information.

Please feel free to call me at any time if you have any questions about the confidentiality of the information that you provide.

DESCRIPTION, ANALYSIS, and CONCLUSION

Record Owner and Brief Property History

According to the Missoula County Clerk and Recorder's Office, the subject property is owned by The Nature Conservancy.

The property is part of The Montana Legacy Project, a cooperative project of The Nature Conservancy (TNC), The Trust for Public Land (TPL) and many state, federal, and private partners. The primary goal of the project was to acquire and conserve forestland recently owned by Plum Creek Timber Company (PC).

Per my confirmation, The Montana Legacy Project Partners, TNC and TPL reached an agreement with PC to purchase ± 310,000 acres of timberland for $490,000,000, an average per acre price of ± $1,581. This three-phase project had scheduled closings in December 2008, February 2009, with completion in December 2010.

To the best of my knowledge, the property has always served as managed timberlands and public recreational land.

As of the date of inspection, the property was being used as open space/public recreational land. However, per the aforementioned Fiber Supply Agreement, Plum Creek Timber Company retains the right to harvest merchantable timber from the property for 10 years.

Location of the Property

The subject property is located approximately seven miles east of Missoula between Montana Highway No. 200 to the north and U.S. I-90 to the south. The property is wholly in Missoula County, Montana.

The location of the subject property is illustrated by a Subject Property General Area Map and a Subject Property Neighborhood Map in the Addenda of this report.

Legal Description

Based on the information provided for the purposes of this assignment, the subject property involves ± 34,226.87 acres located in six townships just northeast of Missoula

in Missoula County, Montana.

The exact legal description as provided by the client (Attachment B to Contract No. 107310) is included as an exhibit item in the Addenda of this report.

A Subject Property Site Map depicting the subject property is also included in the Addenda of this report.

Definition of an Appraisal

As recognized by the 13th Edition of the Appraisal Institute's The Appraisal of Real Estate, the following definition of an appraisal is hereby presented to aid the reader in understanding exactly what is meant by the term:

appraisal: the act or process of developing an opinion of value.

Intended User of the Appraisal Report

Per Attachment A of Contract No. 107310, the intended users of this product are the State of Montana, the Montana Board of Land Commissioners, and the Department of Natural Resources and Conservation.

Intended Use of the Appraisal Report

Per Attachment A of Contract No. 107310, the intended use of this appraisal report is to provide the clients with a credible opinion of current fair market value of the appraised subject property and is indented for use in the decision making process concerning the potential acquisition of said subject property.

Scope of the Appraisal

General Information: The client(s) in this assignment are the State of Montana, the Montana Board of Land Commissioners, and the Department of Natural Resources and Conservation. Regardless of who pays for this appraisal, the intended user is the client(s) only. This appraisal may not be appropriate for other users. Therefore, this appraisal may not be used for relied on by anyone other than the stated intended

user(s), regardless of the means of possession of this report, without the express written consent of the appraiser. I, the appraisal firm of Kembel, Kosena & Company, Inc., and related parties assume no obligation, liability, or accountability to any third party without such written consent.

The intended use of this appraisal report is to provide the client(s) with a credible opinion of current fair market value of the appraised subject property for use in the decision making process regarding setting the minimum bid price for the potential sale of said subject property at auction. This appraisal and report may be inappropriate for other uses. This appraisal may not be used or relied upon on for any use except the herein stated intended use without the express written consent of the appraiser. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability to any third party without such written consent.

I have diagnosed the intended user(s) problem and has generated the following primary appraiser information as a means of assisting in its solution: an opinion of market value, the related exposure time, and the highest and best use.

The property was identified by the client providing the name of the property owner and the general location of the site. This information was used to access the State of Montana Department of Revenue property record card (PRC).

The opinion of market value is as of the most recent date of inspection, February 28th, 2010.

The property rights appraised are the unencumbered fee simple estate.

This appraisal is intended to conform to the supplemental standards associated with an "appraisal" as defined by the Federal Banking Regulatory Agencies.

In general, I have performed a high level of intensity of the scope of work associated with the development of the primary appraiser generated information.

Because the subject property is unimproved land, a Cost Approach analysis was not developed in this assignment.

Because the value of the subject property is completely land value, only the Sales Comparison Approach was considered most applicable. An overall dollars per acre ($/acre) technique was used in the Sales Comparison Approach.

Based on the previous comments, the Income Capitalization Approach was not developed in this assignment.

Thomas A. Faulkner, Montana Certified General Real Estate Appraiser No. 866, contributed in all aspects of this appraisal under my supervision. This includes the property inspection, all planning, data gathering, and analysis that were required to form our opinions and conclusions.

I am competent in terms of training and experience in the type of property and market area that is the subject of this appraisal, the analytical methods used, and the use(s) of the appraisal.

Much of the scope of work is discussed throughout the report (limiting conditions, general assumptions, final reconciliation, etc.).

This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and local State laws.

No extraordinary assumptions were utilized in this appraisal.

Similarly, no hypothetical conditions were utilized in this appraisal.

Subject Property Data Gathering: The subject property's data was obtained from research, interviews, an on-site property inspection, an aerial inspection, and from plans and specifications (when available).

The State of Montana Department of Revenue PRC was obtained directly from the State of Montana.

The most recent aerial inspection was conducted on February 28th, 2010.

In conjunction with this appraisal, we did drive through the neighborhood noting types of properties, their ages and conditions.

The second hand information was verified depending on the perceived credibility of the initial source. In most cases, the initial source was considered to be credible and reliable.

Market Data Gathering: The data was located through a search of the local MLS and a network of professional associates including real estate agents and brokers and other real estate appraisers. Generally speaking, the data researched is current within the past five years. This data is developed on individual data sheets and summarized in tabulations in the report.

The sales prices, dates of sale, and days on market information were found either on the MLS sheet or through the interview process. Recording documents show buyer and seller information as well as date of sale. As a non-disclosure state, actual sales price information is not available through either the State of Montana or local counties. PRC's, the local MLS system, and office files were checked for the previous sales of the comparable sale properties.

The physical characteristics were gathered from the local MLS system, the PRC, as well as from a visual inspection (to the extent possible) of each comparable used in conjunction with this appraisal. In some cases, office files are referenced if this firm has previously appraised on the properties being considered as a comparable in this report.

Most all of the second hand data was collaborated from at least two sources. Transfer documents, PRC's, and the local MLS were used to check completeness and consistency.

Analysis: The valuation approach which was considered herein was just the sales comparison approach.

Within the context of the Sales Comparison Approach, I employed an overall dollars per acre ($/acre) analysis to value to the land. Other units of measure that are sometimes considered in the site valuation are the dollars per square foot ($/sf), the dollars per front foot ($/ff), etc. The $/sf unit of measure is more common with smaller parcels and

the $/ff technique is typically associated with lakefront property.

In comparison, primary adjustments were considered for date of sale, size, utility, utilities available, topography, location, etc. The product of this research was four closed land sales and one sale fail and ranging in size from just under 1,300 acres to approximately 20,000 acres. With respect to date of sale, the most recent sale included in the data set is dated December of 2009 and the oldest sale is dated May of 2008.

Numerous other sales were considered in the analysis but culled from direct consideration for various reasons.

In the end, the indication of market value by this approach was felt to be reasonable and reasonably well supported by the data available.

Purpose of the Appraisal and Definition of Market Value

The purpose of this appraisal is to estimate the current fair market value of the subject property. Current fair market value, as defined by the State of Montana and used in this report, is:

> **current fair market value:** the price that would be agreed to by a willing and informed seller and buyer, taking into consideration, but not limited to, the following factors:
>
> 1. The highest and best reasonably available use and its value for such use, provided current use may not be presumed to be the highest and best use;
>
> 2. the machinery, equipment, and fixtures forming part of the real estate taken; and
>
> 3. any other relevant factors as to which evidence is offered.
>
> Source: Montana Code Annotated 70-30-313.

Date of Valuation

All values are related in time to the last date of inspection of the property, February 28th, 2010.

Exposure Period

Exposure time is always presumed to precede the effective date of the appraisal. Exposure time is defined as follows in the 4th Edition of The Dictionary of Real Estate Appraisal as published by the Appraisal Institute:

> **exposure time:** the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions.

The typical method of estimating exposure periods is to investigate exposure periods of comparable sales. The logic being that if the sales are current and comparable, the exposure period expectation for the subject property should be within the range indicated by the comparable sales, if the subject property was made available for sale and priced reasonably and competitively.

In this case, based on my sales research, which included not only those sales detailed in the Sales Comparison Approach but also numerous broker and agent interviews, recognizing the perceived demand for recreational land holdings in the Missoula area, I have concluded that a reasonable exposure period for the subject property would be approximately three years assuming that the property would be actively marketed at a reasonable and competitive price.

Marketing Period

Unlike exposure period, the marketing period estimate is prospective in nature. Marketing period is defined as:

> **marketing time:** an opinion of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of an appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions.

This definition is also per the 4th Edition of The Dictionary of Real Estate Appraisal as published by the Appraisal Institute.

As I have no evidence to the contrary, my estimate of marketing time closely resembles the estimated exposure period, or approximately three years.

Property Rights Appraised

The property rights being appraised are the fee simple estate. According to the 13th Edition of the Appraisal Institute's The Appraisal of Real Estate:

> **fee simple estate:** absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Per Attachment A of Contract No. 107310, the estate to be appraised consists of the surface rights subject to any known easements, rights-of-way, and encumbrances, and also subject to the Fiber Supply Agreement.

No responsibility for the marketability of the title of the subject property in this report is assumed.

Regional, City, and Neighborhood Data and Analysis

The purpose of this section of the report is to identify the pertinent social, economic, governmental, and environmental factors that impact property value and to analyze their affect on the appraised property's current market value. This analysis begins with regional information, moves to relevant information about the city and, ultimately, the subject's neighborhood. The Appraisal Institute, through the 13th Edition of The Appraisal of Real Estate, recognizes the following definition of a neighborhood:

> **neighborhood:** a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.

From an appraisal viewpoint, this is the area where the subject property competes with other properties and where the most comparable market data is obtained.

The other two definitions from this same source which deserve mention here are the market area and the district.

> **market area:** the geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and users.

> **district:** a type of market area characterized by homogeneous land use, e.g., apartment, commercial, industrial, agricultural.

Regional Overview: The subject property is located in Missoula County, a part of the western Montana region. Scenic and mountainous, the region is known for its outdoor recreation opportunities, proximity to Glacier National Park, and vast federal land ownership.

Missoula County contains ± 2,598.22 square miles of land, ± 20.18 square miles of water, and is bordered to the south by Ravalli County, the fastest growing county in the state.

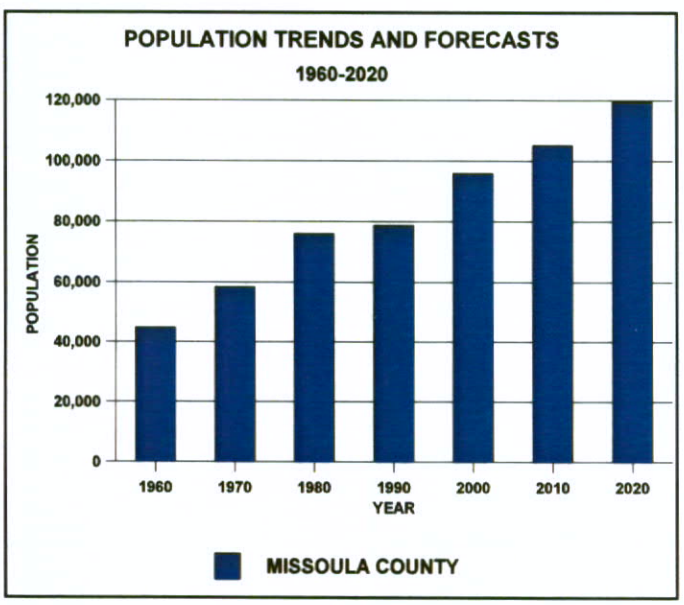
Although primarily rural, the region has gained popularity and population has seen significant growth in urban and rural subdivision development, particularly since the early 1990s. Increasing demand for property in the area has led to increases in value for nearly all types of real estate.

U.S. I-90, county, and state roads provide access throughout the region while commercial air, truck, and rail transportation (commercial service only) are adequate. The Missoula County International Airport (Johnson Bell Field) is one of the busiest airports in the state and provides adequate service to the region.

The subject property is located just east of the City of Missoula. Missoula is the county seat of Missoula County, the largest city in the region, and one of the fastest growing cities in the state.

Social Factors: Much of Montana's population increase has occurred in the state's western region, with Missoula and Missoula County among the leaders in growth.

Over the past ten years, Missoula County has shown exceptional growth (± 21.8% for the period from 1990 to 2000). The following graph depicts this growth.



Source: Montana Department of Commerce; Census and Economic Information Center
Population Projections are based on average indications provided by NPA Data Services and Woods and Poole Economics.

Economic Factors: The county has a very diversified payroll structure and is not dependent upon any single source of income for economic stability. The economic base of the area is supported primarily by the forest products industry, consisting of many concerns and companies, government employment, general light manufacturing and distribution, agricultural pursuits, strong regional medical facilities, typical metropolitan trade and retail, and the tourist and recreational businesses. This diversification has been a strong influence producing steady growth, which should continue into the foreseeable future.

The University of Montana (UM) is also a large employer in the area, employing about 2,300 people. Attendance at the university continues to rise with an enrollment now in excess of 13,000 students.

Missoula is considered to be the medical center of western Montana; the basis of this statement is the quality of the medical professionals, the facilities, and the equipment.

The economy is strengthened considerably by the tourist industry throughout the state, which likewise, is a major source of income for the Missoula economy. Glacier Park is located about 150 miles north of Missoula and Yellowstone National Park is about 275 miles to the southeast. This location between the parks is a strong reason that tourists are likely to stop. Also the large numbers of scenic attractions in western Montana enhance the tourist trade. Any discussion of tourism elicits the fact that a tourist dollar is a "new dollar" earned elsewhere and spent in our economy.

As of November 2009, per the Research and Analysis Bureau of the State of Montana, the unemployment rate for the State of Montana was ± 6.4% while that of Missoula County was slightly lower at ± 6.1%, both of which are considerable lower than the national indicator of ± 10.0%.

The Missoula area is also a retail and wholesale center for the greater western Montana and northern Idaho regions, serving an estimated population of over ± 340,000.

As a result of the national economy, the relatively recent Presidential election which seems to be being viewed with mixed emotions, at best, coupled with the recent announcement by Smurfit Stone Container Corporation that they are closing their Missoula mill operation, there seems to be some buyer hesitation in the local market

place and most local real estate professionals report softening demand for most types of real estate. The early and mid 1990s saw a dramatic increase in residential development and appreciating values for this segment of the market. Subsequently, in the latter 1990s through c. 2007, commercial development and values increased as well. Relatively speaking, although varying between neighborhoods, the commercial real estate market in Missoula is considered to be healthy.

Rental rates for office, manufacturing, and retail space have increased and are at levels that generally support new construction. Desirable development sites are in low supply, particularly within the City Limits, due in part to stringent zoning/planning and building code regulations. Sites along or with access and visibility to the major traffic routes in the city are the most desirable and typically see the most development activity. As the market absorbs existing sites, new developments have emerged, typically on the outskirts of the city.

Governmental Factors: Missoula has a Charter form of local government with an elected mayor and 12 aldermen, coming from six districts. City police protection is provided by 82 full-time officers and fire protection is handled by 64 full-time fire fighters.

The City of Missoula administers the zoning code within the City Limits and the county does so for those properties beyond the City Limits. In general, planning and zoning regulations in the area are considered stringent. The Missoula County Comprehensive Plan encourages development near existing cities and discourages developments in more remote locations.

The State of Montana assesses an ad valorem property tax to operate public schools and other government agencies. There is also a state-levied income tax in Montana.

Environmental Factors: The City of Missoula is situated at ± 3,205' above sea level. The average annual precipitation for the area is ± 13.7" with an average snowfall of ± 45.6". The climate of the county varies according to elevation, but is generally characterized by relatively cold winters and warm summers with an average annual growing season of ± 137 days. The county's agricultural commodities include livestock, dairy products, small grains, and hay.

Property Description

The following description of the subject property is based on my research of the records of the State of Montana and Missoula County as well as a series of thorough property inspections and a thorough review of several maps of the subject property.

Site: Per the legal description provided by the client for the purposes of this report, the subject property gross land area is ± 34,226.87 and is scattered across 64 sections between Montana Highway 200 to the north and U.S. I-90 to the south.

For the purposes of this report, I have assumed legal access to the subject property. A complete copy of the 14-page County Road Report which indicates legal access by Bear Creek Road, Wallace Creek Road/Morrison Lane, Potomac Road/Swanson Lane, and Cramer Creek Road/Old Bonita Trail is included in the Addenda of this report as an exhibit item.

Adjacent ownerships are a combination of private and public.

As rural property, it is unzoned.

Topographically, the property is classified as mountainous being the upper portions of the Garnet Range. Based on my review of the maps provided, the highest point on the subject property appears to be Olson Peak at nearly 6,200' above mean sea level along the western portion of the property. Conversely, the lowest portion of the property is along the northern boundary near Camas Creek in the Potomac Valley at ± 4,150'.

Regarding surface water amenities, the main amenity to mention is that of the now famous Blackfoot River along the northern boundary at and around Rainbow Bend. The Blackfoot River, while always known locally as a scenic waterway drew national attention with the release of "A River Runs Through It" in 1992. Because the subject property involves the upper portion of the Garnet Range, numerous smaller creeks originate on or near the subject property and flow out either to the south to the Clark Fork River or to the north to the Blackfoot River.

The creeks that originate on or near the subject property and flow to the Clark Fork River include (from east to west) Donovan, Dirty Ike, Wallace, Cramer, and Ryan Creeks.

The creeks that originate on or near the subject property and flow to the Blackfoot River include (from east to west) Bear, Norman, Game, Blixit, Arkansas, Ashby, Smith, Camas, and Union Creeks.

Ground cover is mainly native weeds and grasses with some moderate timber cover. Based on my most recent aerial inspection, I would submit that most of the merchantable timber in the lower elevations has been harvested. However, along the ridge line there does still appear to be significant merchantable timber on the property. For the purposes of this report I was not provided with any specifics with regard to quantity, quality, etc.

Due to the rural location, only minimal utilities are available to the property. Speaking of utilities, it should be noted that a large (by relative comparison) overhead electrical transmission line does bisect the eastern portion of the property.

For the purposes of this report, the soils have not been independently studied nor do I make any representation as to their suitability. However, based on existing developments in the area, it appears that the soils in the area offer adequate load-bearing qualities for most types of development. There do not appear to be any drainage problems associated with the site.

On the issue of soil degradation, an Environmental Site Assessment Report has not been performed. **It is assumed there are no environmental concerns related to the subject. I am not qualified to detect hazardous materials or toxic waste.** Any environmental risk discovered at a later date may or may not require a revised estimate of value, which may or may not simply be a reduction of the value by the estimated cost-to-cure of the environmental condition. Properties known to have environmental risk may carry a stigma in the marketplace, which may or may not affect the value. For more specific environmental site information, it is recommended that, at a minimum, a phase one audit be completed by a qualified soils engineer.

Site Improvements: The term site improvements generally refers to such things as landscaping, asphalt paved parking areas, fencing, etc.

In the subject's case, there are no site improvements to mention.

Structural Improvements: None.

Again, included in the Addenda of this report are numerous color photographs of the property as of February 28th, 2010 to give the reader a representation of the previous discussions.

Taxes and Assessments

Because the subject property is currently owned by The Nature Conservancy, a non-profit corporation of the District of Columbia, it is exempt from property taxes.

Highest and Best Use

The following definition of highest and best use is taken from the 13th Edition of the Appraisal Institute's The Appraisal of Real Estate:

> **highest and best use:** the reasonably probable and legal use of vacant land or an unimproved property that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.

Implied in this definition is the recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners.

Also implied is that the determination of highest and best use results from the appraiser's judgement and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most "probable use." In the context of investment value, an alternative term would be most "profitable use."

Highest and Best Use of the Land as Though Vacant: In considering the highest and best use of the subject property, as though vacant and available to be developed to its highest and best use, I gave consideration to any and all uses to which the property is capable of being adapted, or developed, if vacant and unimproved.

The five categories of use recognized are residential, commercial, industrial, agricultural, and special-purpose.

The residential classification typically includes single family residences, duplexes, and four-plexes.

Commercial developments generally include such things as office buildings, retail centers, restaurants, hotels, motels, and multi-family housing developments.

The industrial classification includes such uses as manufacturing parks, warehouses, etc.

Agricultural land uses include cropland, pastureland, timberland, and orchards.

The special-purpose use refers to properties with unique design, or construction, which restricts their utility to the intended use for which they were built and generally includes such things as schools, churches, parks, museums, airports, etc.

Consideration must be given to these uses, recognizing the limitations imposed by the four generally-accepted criteria for highest and best use. These are physically possible, legally permissible, financially feasible, and maximally productive.

To elaborate on these, physically possible recognizes such factors as size, shape, area, terrain, and utilities available.

Legally permissible involves restrictions such as homeowners associations, zoning regulations, building codes, historic district controls, and environmental regulations.

Financially feasible relates to all uses that are expected to produce a positive return.

Maximally productive relates to those uses which satisfy the other three criteria and produce the highest price or value consistent with the return expected by investors in the area.

Usually, or at least when dealing with properties in a more urban setting where formal zoning exists, it makes the most sense to analyze the legally permissible criteria first as it will tend to narrow the field of potential uses very quickly. In this case as there is no formal Missoula County zoning to govern the development/use of the site, I would submit that the order does not matter as much.

Legally Permissible: This criteria relates to zoning designations or other governmental restrictions for the site, but also recognizes any declaration of covenants, conditions, or restrictions. Conservation easements would be included here as legally limiting the potential development of a property.

To the best of my knowledge, the only legal consideration that would limit the potential of the site is the aforementioned conservation easement. There are no other zoning, covenants, deed restrictions, etc.

Physically Possible: The physical features of a site which may affect the potential use(s) include, but are not limited to, location, frontage, size, shape, access, availability of utilities, easements, soils and subsoils, topography, and designated flood hazard considerations.

The subject property involves a land area of ± 34,226.87 acres. The property is located in the eastern portion of Missoula County and actually abuts Granite County at the extreme eastern point. The property is located in the central portion of the scenic and desirable western Montana.

Overall, the property is felt to have good physical attributes for many, but not all, types of development.

Financially Feasible and Maximally Productive: Financial feasibility relates to the investment in the land producing a positive return to the investor, or developer. A positive return to the investment suggests a financially feasible use of the property. This may be a cash return or a return as measured by the utility of the land to the

owner.

The highest, or maximum, return on the investment indicates the maximum productivity of the property. This factor is more difficult to measure, as different investors may have differing return requirements. In the case of vacant land, this may be measured by the highest price the land will bring when exposed to the open market.

I think applying some common sense will further narrow the potential uses for the property. At this time, given adjacent land uses and land values themselves, there does not seem to be any significant demand for commercial and/or industrial property in the immediate area of the subject property. Having said this, I think we can safely eliminate most commercial and industrial developments from further consideration. Given the property's rural location and sloping to steep topography (for an agricultural use), I think we can also eliminate most agricultural uses from the highest and best use analysis. Obviously, the one agricultural use which warrants consideration is that of timberland as that has been the "use" of the property for most, if not all, of the past century.

Conclusion: Recognizing the subject's size at just over 32,000 acres; the location in the Missoula area of western Montana; the moderate topography and ground cover; the excellent recreational amenities offered on the property; the lack of formal zoning; the current local and national economy, and especially the demand for property in the area, it is my opinion that the highest and best use of the property as if vacant would be for a continued combination of managed timber harvest and/or rural residential with acreage/public recreation.

Highest and Best Use of the Property as Improved: The highest and best use of property, as improved, is defined in the Dictionary of Real Estate, 4th Edition, as:

> **highest and best use, as improved:** the use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

This subsection of highest and best use is not considered applicable.

Property Valuation

The appraisal process is a systematic process in which the problem is defined, the work necessary to solve the problem is planned, and the data involved is acquired, classified, analyzed, and interpreted into an estimate of value.

There are three traditional, or generally-accepted, techniques used in estimating the market value of real property. These are generally referred to as the Cost Approach, the Income Capitalization Approach, and the Sales Comparison Approach.

The Cost Approach is an estimation of the value of the land, as if vacant and available to be developed to its highest and best use, by market comparisons to which the depreciated, or contributory, value of the improvements is added.

The Sales Comparison Approach is a technique that produces an indication of value by a direct comparison of similar property types, that have recently sold, to the subject property; appropriate adjustments for differences are made when and where necessary.

The Income Capitalization Approach produces a value indication by capitalizing the net income, or earning power, of the property by a rate reflected by market transactions or behaviors.

The three approaches to value do not necessarily apply to all types of property. A decision must be made whether a particular approach is applicable in each instance. The key to this decision is whether or not the approach is practical as a yardstick of market performance, or merely a theoretical application. These observations are particularly pertinent in the appraisal of properties in transition to a higher and better use, as well as special use properties where value-in-use is more applicable than market value.

In this case, recognizing the type of property under consideration in this appraisal assignment, I (and my client) have concluded that the Sales Comparison Approach is most pertinent to the process and will result in the most reliable indication of current market value.

Sales Comparison Approach

According to the 13th Edition of the Appraisal Institute's The Appraisal of Real Estate,

> **Sales Comparison Approach:** the process of deriving a value indication for the subject property by comparing similar properties that have been recently sold with the property being appraised, identifying appropriate units of comparison, and making adjustments to the sales prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The Sales Comparison Approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.

Inherent to the Sales Comparison Approach is the Principle of Substitution. According to the 13th Edition of the Appraisal Institute's The Appraisal of Real Estate,

> **principle of substitution:** the appraisal principle that states that when several similar or commensurate commodities, goods, or services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the Cost and Sales Comparison Approaches are based.

Before getting into the actual valuation analysis, I first want to point out that it is my experience that, in our small market, a bracketing technique works well. Contemporary appraisal texts have just recently begun to recognize bracketing as a valuation technique. Overall, I am of the opinion that the bracketing technique recognizes the imperfect data found in the marketplace. The 13th Edition of the Appraisal Institute's The Appraisal of Real Estate defines bracketing as:

> **bracketing:** a process in which an appraiser determines a probable range of values for a property by applying qualitative techniques of comparative analysis to a group of comparable sales. The array of comparables may be divided into three groups - those superior to the subject, those similar to the subject, and those inferior to the subject. The adjusted sale prices reflected by the sales requiring downward adjustment and those requiring upward adjustment refine the probable range of values for the subject and identify a value bracket in which

the final value opinion will fall.

Because of the many variables involved in comparing sale properties to the subject property, the importance of the appraiser's judgement and opinion becomes obvious. In other words, the sales themselves do not alone directly indicate a value for the subject property, but these sales, once totally analyzed and correlated with experience and judgement, do help me in my final value estimate.

For the purposes of this analysis, according to the 4th Edition of the Appraisal Institute's The Dictionary of Real Estate Appraisal, an arm's-length transaction is defined as follows:

> **arm's-length transaction:** a transaction between unrelated parties under no duress.

Last Sale of the Subject Property: Before getting into the actual valuation analysis based on the market data available, I typically first address the last sale of the subject property itself. In this case, as was discussed earlier, the subject property is part of the three-phase acquisition being labeled The Montana Legacy Project whereby a total of ± 310,000 acres are being acquired from Plum Creek Timber Company over a period of three years for $490,000,000.

Site Value Estimate ($/acre): Moving on to the sales data being considered herein. As was mentioned previously in this report, the unit of comparison that I will be using in this analysis is again the overall dollars per acre ($/acre).

The $/acre indication is calculated by dividing the reported sales price by the gross size of the sale property, in acres:

$$\frac{\text{sales price}}{\text{size in acres}} = \text{dollars per acre indication (\$/acre)}$$

Regarding the sales themselves and the adjustment process, it has been my experience that all sales differ somewhat from each other. To the extent possible, the differences should be recognized and adjusted for based on the data available. However, in the market it is often difficult, and sometimes impossible, to accurately

isolate a given factor. In short, one very seldom finds sale properties which are identical in all respects but one, and thus is able to prove conclusively the value, or lack of, for any one factor due to a difference in sale price. Often, there are positive and negative factors which offset each other. Nevertheless, the differences in values are real, and an attempt, based on as much fact as can be found, will be made to determine the value of these factors. Then, the appraiser may call upon his/her experience to make more subjective judgements. The following generalities are cited to acquaint the reader with a background for my reasoning and judgement to follow:

1. value increases per unit of comparison as the size of the parcel decreases;

2. value tends to decrease as distance from an urban center increases (an exception to this generalization might be certain recreational properties);

3. value tends to decrease as the topography becomes steeper, more rocky, more barren, more arid, etc.;

4. value tends to decrease as access becomes more difficult;

5. value tends to increase with amenities such as creek or lake frontage, or a good view; and

6. value tends to increase when zoning allows greater density and/or a more optimum use of the land.

Obviously, the opposite may be said of each of these illustrations.

On the following tabulation are five large recreational land property sales (four actual closed sales and one sale that failed prior to closing) and for each sale I have calculated the $/acre sale indication. The sales are arranged chronologically on the tabulation with the most recent sale being Land Sale No. 1.

It is important to note that, Land Sale No. 2 (*italics text*) is a sale fail and not a closed transaction.

TABLE NO. 1 - TABULATION OF LAND SALES							
SALE NO.	LOCATION	GRANTOR GRANTEE	SALE DATE	RECORDING DATA	SALE PRICE	LAND AREA	SALE INDICATION
LS 1.	Ovando area Powell County	The Nature Conservancy USA	12/09	164530 WD	$4,500,000	4,142	$1,086
LS 2.	*Frenchtown area Missoula County*	*Plum Creek Timberlands Patton*	*9/09*	*NA*	*$16,500,000*	*20,000*	*$825*
LS 3.	Bearmouth area Granite County	Stimson Lumber Co. Tanglewood Investors	7/09	58098 SWD	$5,000,000	8,168	$612
LS 4.	Frenchtown area Missoula County	Plum Creek Timberlands Dixie, Brigadoon,GEM Peak	6/09	200914735 GD 200918891 GD 200918887 GD	$3,270,282	3,369	$971
LS 5.	Lolo Creek area Missola County	Plum Creek Timberlands Steinhatchee & Leibenguth	5/08	200810966 GD	$1,999,326	1,297	$1,542
LOW INDICATOR					**$1,999,326**	**1,297**	**$612**
HIGH INDICATOR					**$16,500,000**	**20,000**	**$1,542**
MATHEMATICAL MEAN					**$6,253,922**	**7,395**	**$1,007**
MATHEMATICAL MEDIAN					**$4,500,000**	**4,142**	**$825**

A Land Sales Location Map showing the locations of the five sale properties relative to the subject property is included in the Addenda of this report. I have also included color photographs of each of the land sales being considered herein as well as maps depicting the general location and approximate layout of the property.

Once the most comparable sales have effectively been identified, the elements of comparison are considered. The 13th Edition of The Appraisal of Real Estate defines elements of comparison as:

> **elements of comparison:** the characteristics or attributes of properties and transactions that help explain the variance of prices paid for real estate; including real property rights conveyed, financing terms, conditions of sale, market conditions, expenditures made immediately after purchase, location, physical characteristics, and other characteristics such as economic characteristics, use, and non-realty components of value.

Following are my general comments for the elements of comparison and the adjustments being considered in this analysis.

Real Property Rights Conveyed: As was previously noted, the ownership interest for the subject property is the unencumbered fee simple estate. Based on our sale confirmations, it is my understanding that all of the land sales being presented herein also involved unencumbered fee simple title. As such, no adjustments are required for real property rights conveyed.

Financing Terms/Conditions of Sale: For the subject property, the market value opinion is based on cash to the seller or terms equivalent to cash. Again, based on our sale confirmations, all of the sales being considered also involved cash to the seller(s) or terms considered equivalent to cash. Therefore, no adjustments are required for financing terms/conditions of sale.

Market Conditions: This element of comparison is usually referred to as the "time adjustment." The best measure of a market conditions adjustment is a sale/resale of the same property. In the absence of sale/resale indicators, one can consider a paired sales analysis. If data cannot be found to support a paired sales analysis, a third and admittedly less reliable indicator that I will use relates to anecdotal information gathered during the research process, i.e., agent, broker, and market participant interviews.

The date of value for the subject property is February 2010. The five sales presented in the primary data set range from December 2009 (Land Sale No. 1) back to May of 2008 (Land Sale No. 5). I would submit that a review of the data set does not, in and of itself, provide a clear indication of a market conditions adjustment. However, it does appear that there is a general downward upward trend when the sales are viewed from oldest to newest, however, other factors such as size, topography, creek frontage, etc., could also influence the sale indications. Based mainly on anecdotal data coupled with my general knowledge of real property values for this type of property in western Montana, I have determined that a market conditions adjustment of -10% per year is reasonable and attempts to recognize the general trend that property values in western Montana are decreasing.

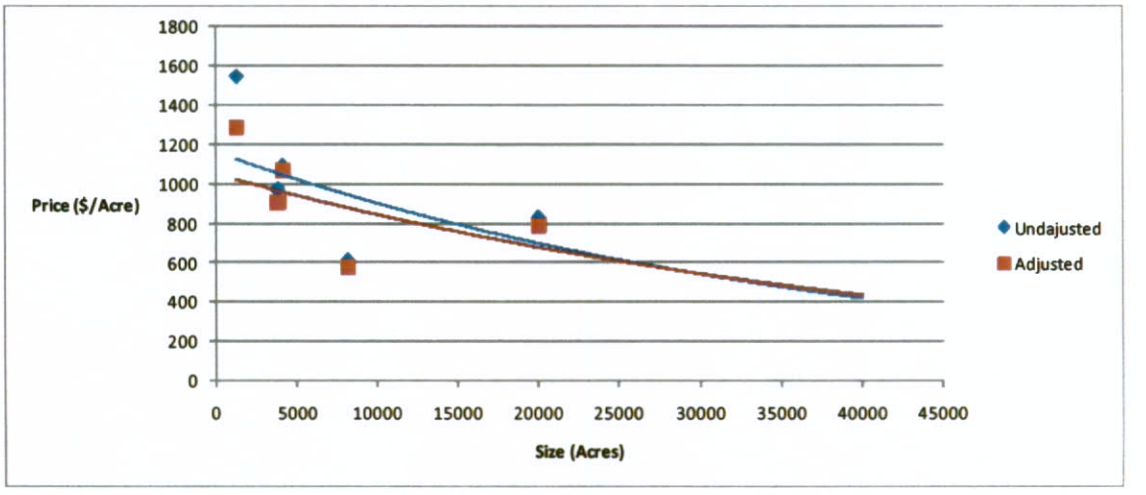
Expenditures Made Immediately After Purchase: This element of comparison relates more to improved properties and items of deferred maintenance. Because four of the five land sales involved unimproved land, Land Sale No. 4 was improved with a residence and outbuildings which were estimated to contribute $200,000 to the sale, no adjustments were considered necessary for this element of comparison.

Location: Again, the subject property is located approximately 10 miles east of the City of Missoula in the eastern portion of Missoula County. In general, I would submit while there are three counties represented on the Tabulation of Land Sales (Powell, Granite, and Missoula), all of the sale properties are located in the same general market area. While there may be nuances, comparing the individual sales in the data set does not suggest a measurable difference due to location. Therefore, I have not recognized a specific location adjustment when comparing the sale properties to the subject property.

Physical Characteristics: For property of this type, the primary physical characteristics which are included in this analysis are size, access, topography/ground cover, surface water amenity, and utilities.

With regard to the size difference first, the subject property is large by relative comparison involving just over 32,000 acres. The five sales presented in the data set range from a low of ± 1,297 acres (Land Sale No. 5) up to ± 20,000 acres (Land Sale No. 2). Generally speaking, it is believed that, all else being equal, size will have a downward influence on the unit pricing. However, I have seen exceptions to this where a larger parcel sold for a per unit value similar to a smaller parcel due to the perceived flexibility offered by the larger parcel.

Graphing the five sales in the data set (both the unadjusted sale indications as well as the sale indications after adjustment for market conditions at -10% per year does demonstrate the correlation of size and price.



As illustrated by extending the trend lines to the right, the subject property at nearly 35,000 acres would indicate just over ± $500/acre.

The second physical characteristic I am considering relates to access. In cases where access is known to be difficult, such as during the winter months, often the sales price is influenced downward. In this case, the access to the subject property and each of the land sales being considered was considered to be about average for the property type. Generally speaking, all of the properties are located on graveled county roads several miles from the nearest pavement and/or state highway. With this in mind, I have not made any specific adjustments for the access issue.

The third physical characteristic which deserves consideration relates to the topography. After inspecting each of the five land sales being considered, I would submit that topography and ground cover are nearly identical for all six properties. Therefore, I will not be making any specific adjustment(s) for topography.

The fourth physical characteristic to consider relates to surface water amenity, i.e., river frontage, creek frontage, pond, etc. In this case, the subject property offers direct frontage on the Blackfoot River along the northern portion of the property. Further, the headwaters of numerous smaller creeks are on the subject property. If a significant water amenity exists on a property being considered as a comparable, it is noted and a general qualitative adjustment is noted.

The last physical characteristic to consider relates to utilities. It appears that both rural electric and telephone service are in reasonable close proximity to the subject property. For the land sales, the exact location of these basic services is unknown unless it was specifically mentioned in the confirmation process, i.e., "this property is located off of the electrical grid," etc. Therefore, it is believed that all of the sale properties had similar access to the basic services for development and I have not made any specific adjustments.

The five sales presented suggest an unadjusted value range from a low of ± $612/acre up to ± $1,542/acre, with a mathematical mean (average) of ± $1,007/acre and a median indication of ± $825/acre.

The following are summary comments of the five land sales presented in the data set.

Land Sale No. 1: This December 2009 sale involved ± 4,141.93 acres of unimproved timberland property located in the general Ovando area, approximately five miles south of Highway 200 and approximately eight miles west of Browns Lake. This property is located in Powell County.

The property sold for $4,500,000, or ± $1,086/acre. Adjusting this sale downward at a rate of 10% per year from the date of sale to the date of subject property value (February 28th, 2010), the revised sale indication is ± $1,068/acre.

This property does not involve any river frontage. Regarding a water amenity, Chamberlain Creek and Pearson Creek both flow through this property from south to north and eventually drain into the Blackfoot River.

Included in the Addenda is a complete sales sheet with a color aerial photograph of the property, a color topographical map of the property, and the transferring deed.

Land Sale No. 2: This September 2009 sale fail involved ± 20,000 acres of unimproved timberland property located in the general Missoula area, approximately three miles south of Frenchtown along the Clark Fork River. This property is located in Missoula County.

Per our confirmation with the agent involved, the buyer originally offered $1,100/acre for the property and later reduced the offer by 25% to $825/acre due to a perceived "cloud" on the title. It is my understanding that the buyer was ready, willing, and able to consummate the sale and that the seller "did not seem to take the buyer seriously." Adjusting this sale downward at a rate of 10% per year from the date of sale to the date of subject property value (February 28th, 2010), the revised sale indication is ± $784/acre.

This property does involve direct river frontage on the Clark Fork River to the east. Like the subject property, there are several smaller creeks on the property as well including,

but not limited to, Albert Creek, Rock Creek, and Deep Creek to name a few.

Included in the Addenda is a complete sales sheet with a color aerial photograph of the property and a color topographical map. Because the sale never closed, I an unable to provide a transferring deed.

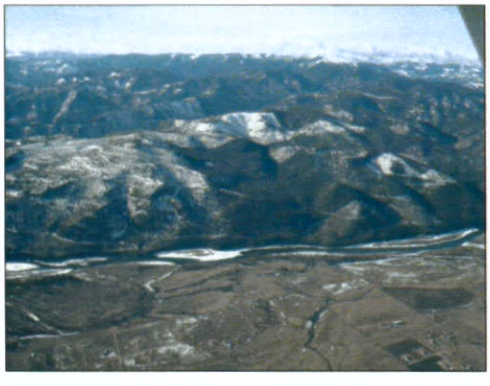
Land Sale No. 3: This July 2009 sale involved ± 8,168 acres of unimproved timberland property located in the general Bearmouth area east of Missoula. This property is located in Granite County.

The property sold for $5,000,000, or ± $612/acre. Adjusting this sale downward at a rate of 10% per year from the date of sale to the date of subject property value (February 28th, 2010), the revised sale indication is ± $576/acre.

This property involves very minimal frontage on the Clark Fork River. The most significant water amenity associated with this property is frontage on Bear Creek along the eastern boundary of the property.

The northwestern corner of this property is one mile south of the southeastern corner of the subject property.

Included in the Addenda is a complete sales sheet with a color aerial photograph of the property, a color topographical map of the property, and the transferring deed.



Land Sale No. 4: This June 2009 sale involved ± 3,369 acres of cut-over timberland property located in the general Missoula area, again, just south of Frenchtown. This property is located in Missoula County and is adjacent to Land Sale No. 2 to the north.

The property sold for $3,270,282, or ± $971/acre. Adjusting this sale downward at a rate of 10% per

year from the date of sale to the date of subject property value (February 28th, 2010), the revised sale indication is ± $906/acre.

This property involves very minimal frontage on the Clark Fork River and there are no other creek amenities.

Included in the Addenda is a complete sales sheet with a color aerial photograph of the property, a color topographical map of the property, and the transferring deed.

Land Sale No. 5: This May 2008 sale involved ± 1,297 acres of unimproved timberland property located in the general Lolo Creek drainage near Graves Creek. This property is located in Missoula County.

The property sold for $1,999,326, or ± $1,542/acre. Adjusting this sale downward at a rate of 10% per year from the date of sale to the date of subject property value (February 28th, 2010), the revised sale indication is ± $1,284/acre.

This property involves no significant surface water amenity.

Included in the Addenda is a complete sales sheet with a color aerial photograph of the property, a color topographical map of the property, and the transferring deed.

Correlation and Conclusion of Site Valuation: Having identified and analyzed what I feel are the best sales in the local market for the purposes of this analysis, we must now reconcile the data into an indication of value for the subject property.

The following tabulation/adjustment grid attempts to recognize and quantify those specific adjustments that are felt to pertain when we compare each of the sale properties to the subject property.

TABLE NO. 2 - LAND SALES ADJUSTMENT GRID					
ELEMENT	**LS No. 1**	**LS No. 2**	**LS No. 3**	**LS No. 4**	**LS No. 5**
SALE PRICE	$4,500,000	$16,500,000	$5,000,000	$3,270,282	$1,999,326
SIZE (ACRES)	4,142.0	20,000.0	8,168.0	3,369.0	1,297.0
IMPVT. CONTRIBUTORY VALUE	$0	$0	$0	$0	$0
UNADJUSTED $/ACRE	$1,086	$825	$612	$971	$1,542
REAL PROPERTY RIGHTS CONVEYED					
FINANCING TERMS					
CONDITIONS OF SALE					
MARKET CONDITIONS	($18)	($41)	($36)	($65)	($258)
EXPENDITURES AFTER PURCHASE					
LOCATION	Similar	Similar	Similar	Similar	Similar
PHYSICAL CHARACTERISTICS					
SIZE	Smaller (-)	Smaller (-)	Smaller (-)	Smaller (-)	Smaller (-)
SURFACE WATER	Inferior (+)	Similar	Inferior (+)	Inferior (+)	Inferior (+)
ECONOMIC CHARACTERISTICS					
USE/ZONING	Similar	Similar	Similar	Similar	Similar
NON-REALTY COMPONENTS OF VALUE					
NET ADJUSTMENT	**($18.00)**	**($41.00)**	**($36)**	**($65)**	**($258)**
ADJUSTED SALE INDICATION ($/ACRE)	**< $1,000**	**< $800**	**< $600**	**< $900**	**< $1,250**

After analyzing each of these land sales as they relate and compare to the subject property, taking into account such things as date of sale, location, size, utility, merchantable timber, river and creek frontage amenities, etc., I have concluded that the information is very supportive of a value conclusion of $650/acre for the subject property site. This $/acre conclusion, when applied to the subject property land area, results in an indication of land value of:

± 34,226.87 acres at $650/acre = $22,247,466, rounded to **$22,250,000**.

Certification

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

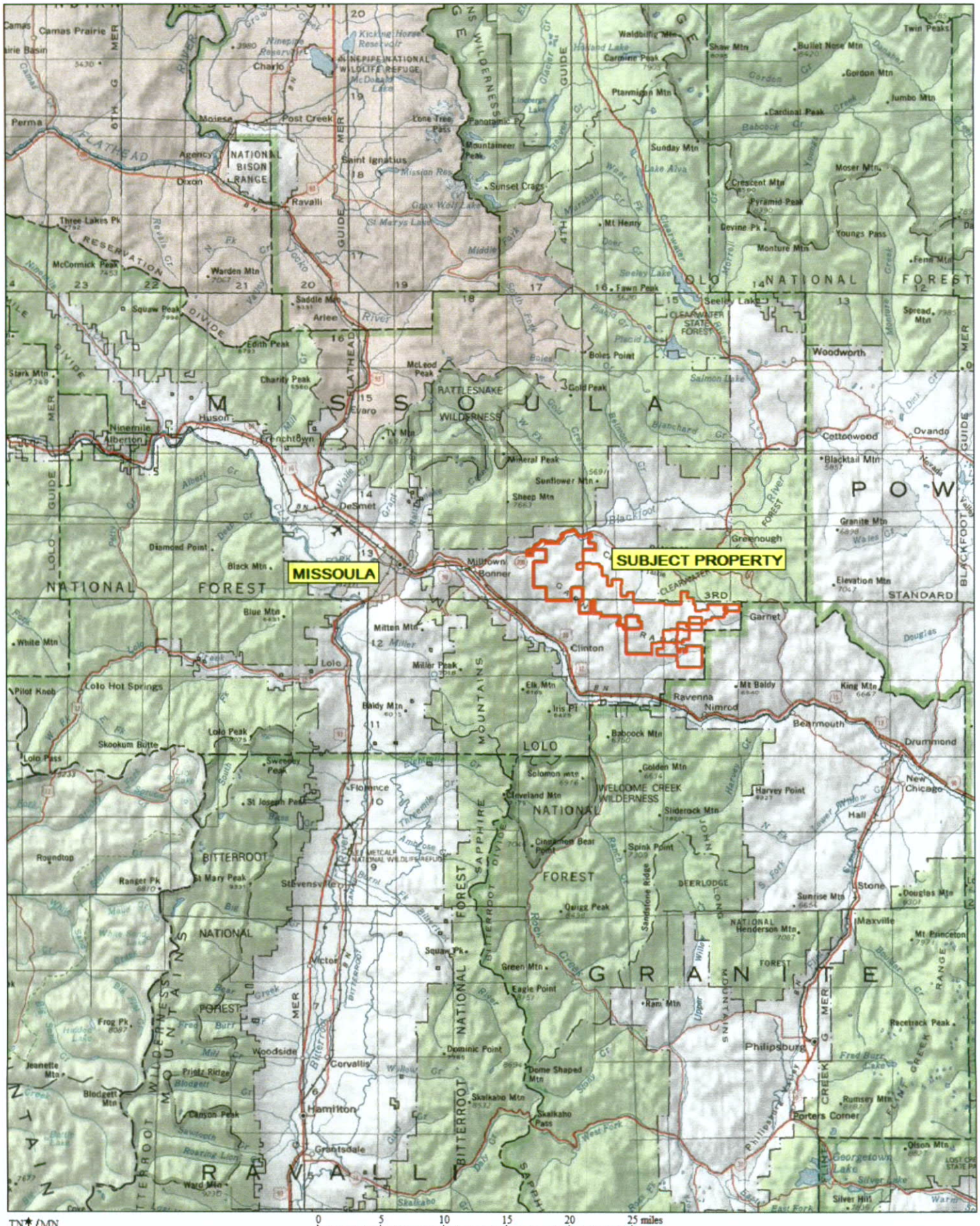
- the statements of fact contained in this report are true and correct;
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions;
- I have no present or prospective interest in the property that is the subject of this report and have no personal interest or bias with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- my engagement in this assignment was not contingent upon developing or reporting predetermined results;
- my compensation for completing this assignment is not contingent upon the developing 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 the appraisal;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
- I have made a personal inspection of the property that is the subject of this report; and
- Thomas A. Faulkner, Montana Certified General Real Estate Appraiser No. 866, provided significant real property appraisal assistance, mainly in the form of market research, to the person signing this certification.

By reason of my investigations, studies, and analyses, an opinion has been formed that the market value of the subject property, as of February 28th, 2010, assuming a reasonable marketing period of approximately three years, is as follows:

Twenty Two Million Two Hundred Fifty Thousand Dollars
($22,250,000)

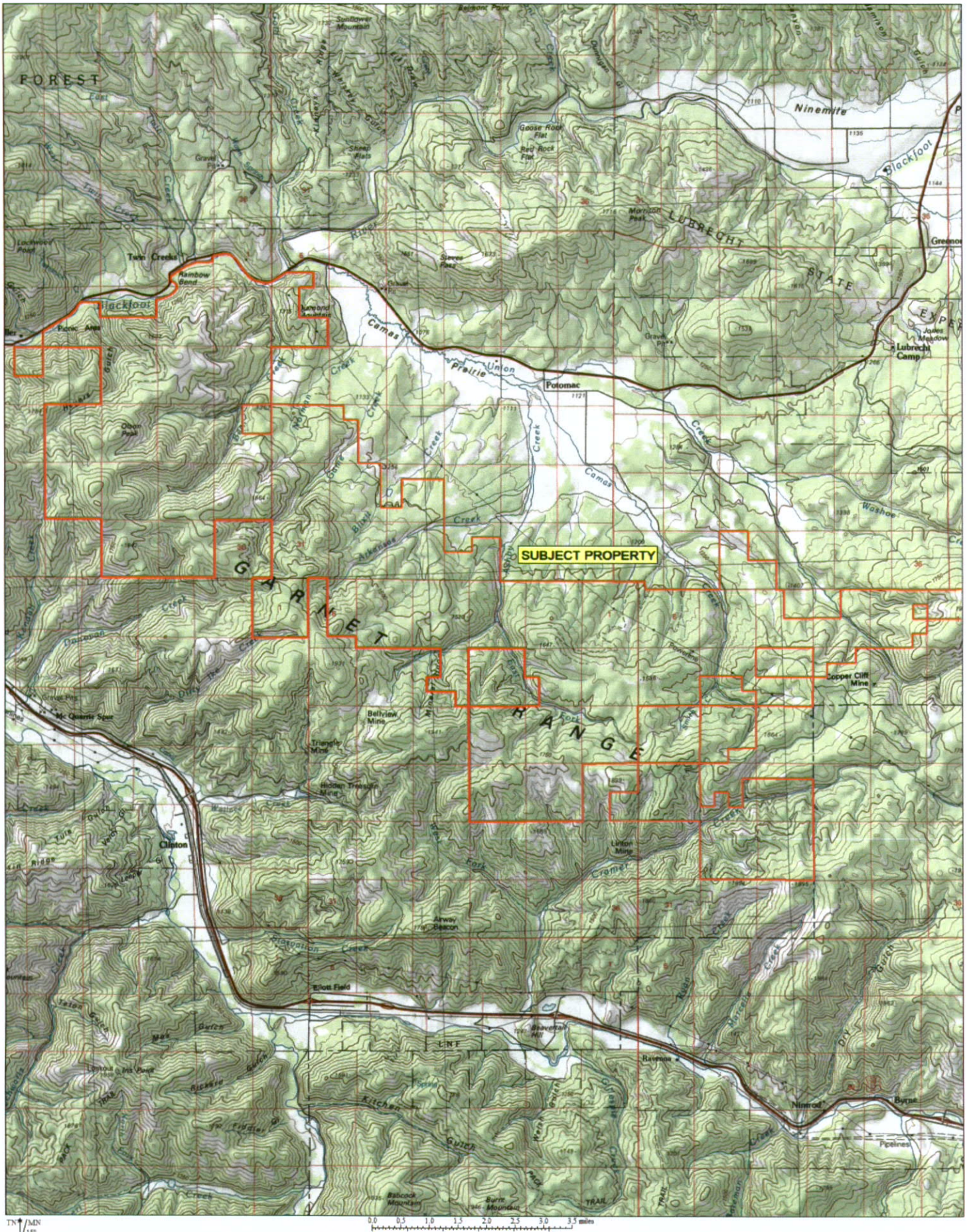
Kraig P. Kosena, MAI, Project Appraiser
Montana Certified General Real Estate Appraiser No. 225
Idaho Certified General Real Estate Appraiser No. 995

ADDENDA



Map created with TOPO!® ©2002 National Geographic (www.nationalgeographic.com/topo)

KEMBEL, KOSENA & COMPANY, INC.



KEMBEL, KOSENA & COMPANY, INC.

Subject Property Photographs

Photo 1

Description:
View facing easterly over the northern portion.

Date Taken:
2/28/10

Photo 2

Description:
View facing easterly over the southern portion (Wallace Creek in foreground).

Date Taken:
2/28/10

Subject Property Photographs

Photo 3

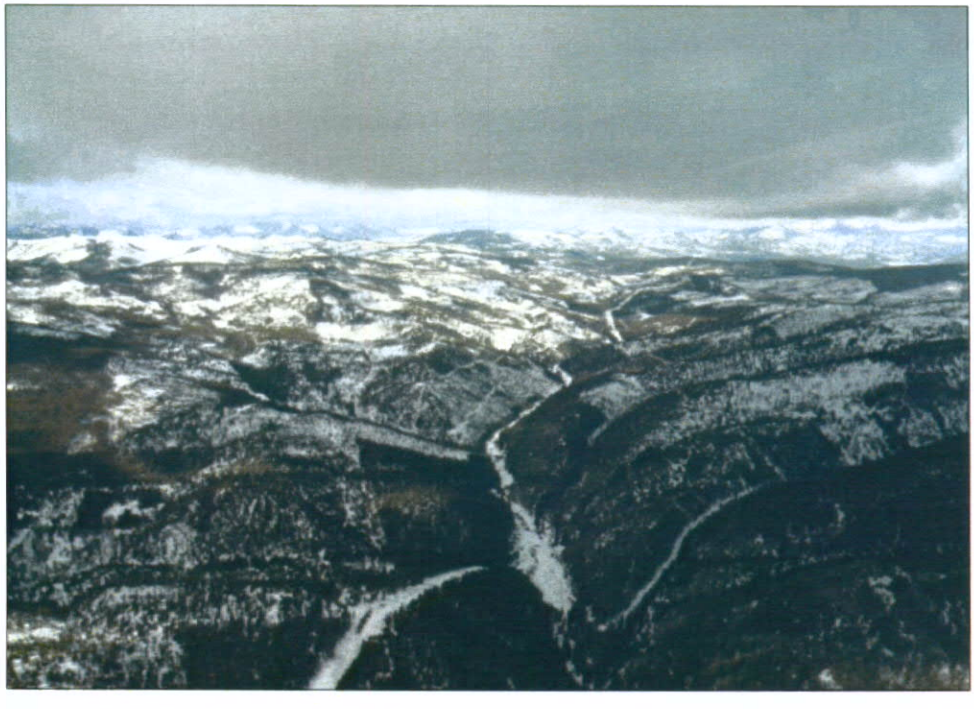
Description:
View facing northerly over the southern portion (Cramer Creek in foreground).

Date Taken:
2/28/10

Photo 4

Description:
View facing westerly over the southeast portion.

Date Taken:
2/28/10



Subject Property Photographs

Photo 5

Description:
View facing westerly over the southern portion.

Date Taken:
2/28/10

Photo 6

Description:
View facing westerly over the northern portion.

Date Taken:
2/28/10

Subject Property Photographs

Photo 7

Description:
View facing southerly over the central portion (Potomac Valley in foreground).

Date Taken:
2/28/10

Photo 8

Description:
View facing southerly over the western portion.

Date Taken:
2/28/10

Subject Property Photographs

Photo 9

Description:
View of Blackfoot River frontage at Rainbow Bend.

Date Taken:
2/28/10

Photo 10

Description:
View of Blackfoot River frontage at Rainbow Bend.

Date Taken:
2/28/10

PROPOSED POTOMAC ACQUISITION

COUNTY ROAD REPORT

30 September 2009

Cameron Crenshaw – DNRC Right-of-Way, Helena

The various county roads accessing the proposed Potomac acquisition from The Nature Conservancy have a long history of public use pre-dating Montana's acceptance to the Union as a state. Over the course of the last 120+ years, efforts have been made to legalize portions of, or entire stretches of, these roads. Some of the various roads present on the original surveys conducted by the U.S. Department of Interior's General Land Office (GLO) exist to this date; however, an effort has been made to exclude those roads that could not be verified through Missoula County action or other legal means. Although these GLO roads may be determined, on the basis of legal opinion, to be publicly accessible, an emphasis is placed here on utilizing the most legally acceptable means of accessing the acquisition.

There are two presently acknowledged county roads that pass through the Potomac acquisition, one that leads for a short distance into the acquisition, and another that leads up to its boundary. These roads have been known by different names throughout the years. For the purpose of this report, they will be referenced using the present name of the roadway or a combination of the presently named roads that make up the corridor as follow:

- Bear Creek Road
- Wallace Creek Road – Morrison Lane
- Potomac Road – Swanson Lane
- Cramer Creek Road – Old Bonita Trail

BEAR CREEK ROAD

Bear Creek Road presently begins at a public approach on Montana State Route 200 in Section 6 of Township 13 North, Range 16 West, P.M.M. and ends at the southern boundary of Section 13 in Township 13 North, Range 17 West.

Originally, a portion of this roadway was petitioned by the citizens of Camas Prairie and declared by the Missoula County Commissioners as a public highway in 1884. At the time, this road connected the town of Wallace (now Clinton, Montana) to the Camas Prairie and just beyond the Big Blackfoot River into Section 2 of Township 13 North, Range 17 West. Portions of this original road now exist as incorporated into other roadways in the area, including Montana State Route 200 (formerly Route 20), which has undergone two significant historical changes in alignment.

The particular section of the original 60 foot right-of-way corridor that is now Bear Creek Road, while remaining isolated from the original route of the 1884 road by the construction of the state highway, continued to serve the public living in the area. In 1958, Missoula County designated this road as County Route 57 and defined it from its point of beginning in Section 1 of Township 13 North, Range 17 West, P.M.M. to its termination at the southern boundary of Section 13 in Township 13 North, Range 16 West, P.M.M.

It was discovered in the 1990s that the alignment of the original road shown on U.S. General Land Office surveys was not truly as it lay and that what was shown on those surveys did not correspond to the route that County Route 57 took through the area. This created some question as to its location and legality, which led to a petition from the citizens of the area to correct this defect. In response to this petition, Missoula County passed Resolution No. 96-042 in 1996 in an effort to "assure legal access,...cure defects in the title of properties,(and)...avoid conflicts between the GLO right-of-way and current uses of the land." This action officially relocated the road to its present location and gave it its name. Two private surveys, Certificate of Survey (C.O.S.) 170 and C.O.S. 3898, were conducted to describe a number of tracts within subdivisions located in Section 6 and Section 18. These surveys show portions of the alignment along their respective segments in greater detail. Right-of-Way plans for Federal Aid Project F 24-1(23)9, sheet number 8, show the presently constructed public approach.

WALLACE CREEK ROAD – MORRISON LANE (A.K.A. CLINTON – POTOMAC ROAD)

The county road made up of Wallace Creek Road and Morrison Lane is the most established and well travelled route into and through the proposed Potomac acquisition area, connecting Montana State Route 200, north of the area, with Interstate 90 in the south.

Originally declared a public highway on 1 December 1884, this 60 foot wide, petitioned county road was "laid out ...as follows to wit: commencing at the town of Wallace (now Clinton) running thence by the most practical route to Camas Prairie beyond the Wallace mining District a distance of about 12 miles" (Commissioner's Journal Book C, Pages 191 & 192). The route taken by this road presently is much the same as shown on the earliest of surveys available (Harry Wheeler survey conducted April of 1886) with little change over the years. Slight differences in alignment between recent surveys, the most recent of which was conducted by Missoula County on 5 July 1995, and the surveys of the late 19th century can be accounted for by the accuracy of the different survey methods employed and slight variations of the points of beginning associated with county road improvements.

The Morrison lane portion of this road begins along the section line between Section 14 and Section 15 of Township 13 North, Range 16 West, P.M.M., where it intersects Montana State Route 200, and ends in the southeast corner of Section 34 of the same, where it becomes Wallace Creek Road. Originally part of the Camas Prairie Road, Morrison Lane was later altered along a more practical route under petition and declared a public highway in July of 1895. Slight variations of this road's access point along what is now MT 200, have altered the length of Morrison Lane somewhat, yet it has remained straddling the section line between Section 14 and Section 15 over the years. Missoula County has designated Morrison Lane as County Route 58.

Wallace Creek Road, which makes up the remainder of this route, begins at what is now U.S. Highway 10 just northeast of Interstate 90 and approximately 1,000 ft. south of Exit 120. This location is where the Wallace Station once stood, as seen on the survey by John D. McIntyre of November 1883, and is generally where the road met with the Helena – Missoula portion of the Mullan Road, identified as a "military road" in the same survey. The end of this road is where it meets with Morrison Lane at the southern boundary of Section 34 in Township 13 North, Range 16 West, P.M.M. The portion of this road between U.S. Highway 10 and the eastern boundary of Township 12 North, Range 17 West has been designated by Missoula County as County Route 48.

Direct access to the proposed Potomac acquisition by county road can be had where physically practicable west of the county right-of-way in the SE¼ of Section 34, Township 13 North, Range 16 West, P.M.M. and anywhere along the county right-of-way between the northern boundary of Section 3 and the western boundary of the NE¼ of Section 9 in Township 12 North, Range 16 West, P.M.M.

POTOMAC ROAD – SWANSON LANE

The Potomac Road – Swanson Lane road is, like the previously discussed roads, made up of segments of former roads and now separately named roads. This route, which accesses the proposed acquisition area from the south, was once connected to the Cramer Creek Road – Old Bonita Trail road, discussed later in this report. These two segments joined each other in Section 15 of Township 12 North, Range 15 West, P.M.M., connecting the town of Bonita to Camas Prairie by means of a wagon trail. This original route is identifiable on the early surveys filed with the General Land Office in 1902.

While the Bonita to Camas Prairie route ran through the proposed Potomac acquisition, no records of petitions to Missoula County could be located for its entirety; however, use by the local citizenry of the Camas Prairie and Camas Creek areas led to the Swanson Lane portion being considered separate from the southern portion that led into the Copper Cliff mining district from the town of Bonita.

Potomac Road, which makes up the northern end of this route and provides two public access points leading in from Montana State Route 200, is an approximately 2.5 mile long county road that accesses the town of Potomac, Swanson Lane, and Hole in the Wall Road. It was originally petitioned in 1890 by 23 members of the community and declared a public road by Missoula County in June of 1891 Commissioner's Journal E, Page 481). The intent of this petition was to provide a public road from the present site of the town of Potomac to the eastern boundary of Missoula County, following the route that the presently existing roadway takes until it intersects with MT 200 and then roughly along the route occupied by the newer state highway.

An acquisition of a 0.75 acre right-of-way was acquired by deed in 1906 (Bk. 39, Pg 169) to connect this petitioned county road to a northerly route that now exists only as a trail north of MT 200. The southern segment of this deeded road exists now as the portion of Potomac Road running from the town of Potomac to MT 200. It has been incorporated into the petitioned portion of roadway running to the east, where it meets MT 200 in Section 17 of Township 13 North, Range 15 West, P.M.M.

Swanson Lane branches off from Potomac Road along the north and south half section line of Section 13, Township 13 North, Range 16 West, P.M.M. This roadway was designated as County Route 60 and continues, by the route shown on page 73 of Missoula County Road Plat Book 1, to the east section line of Section 32 in Township 13 North, Range 15 West, P.M.M.

This portion of the Potomac Road – Swanson Lane route into the proposed acquisition did not have a petition that could be located in Missoula County; however, disputes about the location of the road that took place in the area in the 1980s resulted in the Missoula County Attorney's Office delivering an opinion as to its legality, alignment, and width:

> *Swanson Lane was built under the presumption that there was a 60-foot right-of-way which has been fenced to that extent. The prescriptive use appears to have been established at the time that the road was constructed...Thus, the county built the road and asserted a 60-foot right-of-way, which has been established by historical use and maintenance. –J. Newman, 09.21.87*

Much of the documentation that Missoula County relies on to identify Swanson Lane as a county road is its historic use and the Resolution by the Missoula County Board of County Commissioners on 27 February 1958 designating it as a county road (Route 60). Various private surveys, along with the road plat books in the Missoula County Clerk and Recorder's Office show this roadway's alignment in detail.

The history of Swanson Lane and the claims to it made by Missoula County provide a great degree of certainty that this is a public way but do not necessarily mean that this route is a county road. No records of any judicial ruling recognizing this as a county road, as per MCA 7-14-2622, was found. Therefore, the use of Swanson Lane to access the proposed Potomac acquisition is somewhat questionable. Missoula County, so as to legalize this right-of-way, would need to acquire a judgment, in a competent court of law, asserting the prescriptive right that has been claimed. A legal opinion and/or an assessment of risk is recommended before this route is considered by the DNRC for public access.

CRAMER CREEK ROAD – OLD BONITA TRAIL

Accessing the eastern portion of the proposed acquisition, the Cramer Creek Road – Old Bonita Trail route begins at Cook Lane, near I-90 Exit 130, in the NW¼ of Section 10, Township 11 North, Range 16 West, P.M.M. and ends at the site of the Copper Cliff Mine in Section 11, Township 12 North, Range 15 West, P.M.M.

This route passes through two of the sections within the proposed Potomac acquisition and three sections already owned by the State of Montana. Originally, this road was part of the previously mentioned wagon road that ran northward into the Potomac area and is also visible on those early surveys. The earliest survey that shows this road was completed in 1902. This route was later included in Missoula County road plat books and the southern portion was identified as County Route 48.

Unlike the Swanson Lane segment, this portion of the road and a small segment running out from the old wagon road to the Copper Cliff mining district was petitioned, viewed, and declared a public highway on the 6th of September, 1900. This, incidentally, pre-dates the state's acquisition of any

properties through which this right of way passes.

A comparison of the old GLO surveys of the area, the Missoula County road plats, and the most recent survey of this route, conducted by Missoula County in 2007, reveals that the alignment of the road has remained much the same over the past 109 years. The most recent survey of this road's route is deemed reliable; however, slight deviations between the old and new surveys do exist. These deviations are encountered on many of the other routes as well and are more than likely due to the different methods of data collection employed. The data collected by the Missoula County Surveyor's Office in 2007, for instance, was gathered using a GPS unit accurate to 2 centimeters. The surveys of the 19th and early 20th centuries did not have this technology available to them and had to rely on less accurate means. Nonetheless, this route into the proposed acquisition area does appear to be consistent, as it exists today, with the road in existence at the time of the petition.

CONCLUSION

Several facts relating generally to these roads were brought to light as a result of the research done on each:

- Four roads have been claimed by Missoula County as public county roads leading into the proposed Potomac acquisition, one of which is claimed by prescription.
- The county has maintained and continues to maintain portions of all of these roads.
- All of these roads, along with some of the private roads in existence in the area, are used by the State of Montana to allocate Missoula County's allocation of fuel tax revenue.
- Landowners in the Camas Prairie, Potomac, Clinton, and Bonita areas have relied on this network of roadways for over a century to access their properties.
- Private surveyors have established boundary lines along these existing roads in numerous surveys recorded with the Clerk and Recorder of Missoula County.
- There are numerous private access easements that rely on these county roads as points of entry, many of which are to be conveyed with the proposed Potomac acquisition.
- Alignments, as described in the petitions and viewer's reports, are somewhat vague on portions or entire lengths of these roadways.
- Accurate exhibits and/or centerline descriptions of these right-of-ways do not exist for the entirety of any of these roads beyond the Federal Highway System.

Based on all of this, it is safe to say that these routes are considered by the public, the county, and by agents of the State of Montana to be publicly travelled ways. The evidence compiled in this report and on file in Missoula County weighs heavily on the side of all of these routes, except for the

prescribed claim on Swanson Lane, being public county roads; however, there is a slight risk that exact roadway locations throughout the area could be disputed.

The age of these roads and the inability to describe them precisely at the time they were petitioned makes it necessary to make a decision of whether there exists too significant a risk that access to any portion of the proposed Potomac acquisition would be cut off. While the risk appears to be small, it is advisable that the advice of qualified legal counsel be sought to assess this risk before a commitment is made to purchase this real property.

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Bear Creek Road
Location:	Township 13 North, Range 16 West, P.M.M. Section 6 Section 7 Section 8
Point of Beginning:	Intersection with Montana State Highway 200
End:	At the southern boundary of Section 8, Township 13 North, Range 16 West
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition and Resolution
Records:	Book 475, Pages 280 & 281
	Commissioner's Journal Book C, Pages 191-192
	Commissioner's Journal Book D, Pages 411 & 439
	Commissioner's Journal Book E, Pages 214-215 & 481
	Missoula County Road File X-8
	Missoula County Road File X-9

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Wallace Creek Road
Location:	Township 12 North, Range 16 West, P.M.M. Section 3 Section 4 Section 8 Section 9 Section 17 Section 18 Section 19 Township 12 North, Range 17 West, P.M.M. Section 22 Section 23 Section 24 Township 13 North, Range 16 West, P.M.M. Section 14 Section 15 Section 23 Section 26 Section 34 Section 35
Point of Beginning:	Intersection with U.S. Highway 10
End:	At the NE corner of Section 34, Township 13 North, Range 16 West where it meets Morrison Lane
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition
Records:	Commissioner's Journal Book C, Pages 191-192 Commissioner's Journal Book D, Pages 411 & 439 Commissioner's Journal Book E, Pages 214-215 & 481 Missoula County Road File X-8 Missoula County Road File X-9

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Morrison Lane
Location:	Township 13 North, Range 16 West, P.M.M. Sections 14 Section 15
Point of Beginning:	Southern right-of-way line of Montana 200, where it intersects with the section line between sections 14 and 15 in Township 13 North, Range 16 West
End:	At the NE corner of Section 34, Township 13 North, Range 16 West
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition
Records:	Commissioner's Journal Book C, Pages 191-192
	Commissioner's Journal Book D, Pages 411 & 439
	Commissioner's Journal Book E, Pages 214-215 & 481
	Commissioner's Journal Book G, Page 269
	Missoula County Road File X-8
	Missoula County Road File X-9

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Potomac Road
Location:	Township 13 North, Range 16 West, P.M.M. Sections 13 Section 14 Township 13 North, Range 16 West, P.M.M. Sections 17 Section 18
Point of Beginning:	Southern right-of-way line of Montana 200 in the NE¼ of Section 17 in Township 13 North, Range 16 West
End:	At the southern right-of-way line of Montana 200 in Section 34, Township 13 North, Range 15 West
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition and Deed
Records:	Book 39 of Deeds, Page 169 Commissioner's Journal Book E, Pages 214 & 481 Commissioner's Journal Book Z, Pages 176 & 177

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Swanson Lane
Location:	Township 13 North, Range 16 West, P.M.M. Section 13 Section 24 Section 25 Township 13 North, Range 15 West, P.M.M. Section 19 Section 30 Section 31 Section 32
Point of Beginning:	Intersection with Potomac Road in Sec. 13, Twp. 13 N., Rge. 16 W.
End:	At the eastern boundary of Section 32, Township 13 North, Range 15 West
Right-of-Way Width:	60 feet
Method of County Acquisition:	Prescription & Resolution
Records:	Commissioner's Journal Book Z, Pages 176 &177 Missoula County Road Plat Book 1, Pages 73 & 82

MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

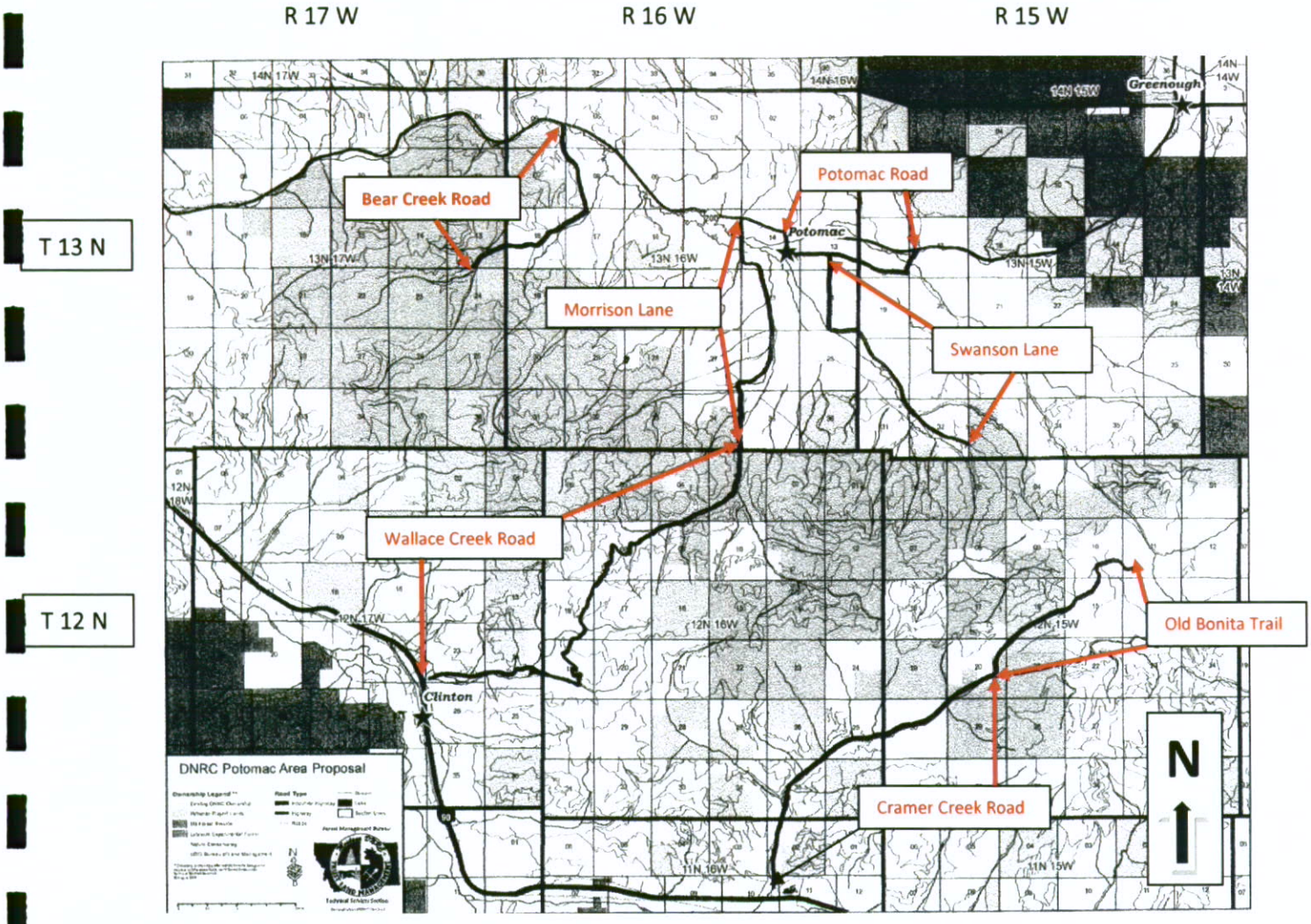
Road Name:	Cramer Creek Road
Location:	Township 11 North, Range 16 West, P.M.M. Section 2 Section 10 Township 12 North, Range 15 West, P.M.M. Section 20 Section 29 Section 30 Township 12 North, Range 16 West, P.M.M. Section 25 Section 26 Section 35
Point of Beginning:	Intersection with Cook Lane in Twp. 11 N., Rge. 16 W., Sec. 10
End:	Intersection of Old Bonita Trail in the NE¼SE¼ of Sec. 20, Twp. 12 N., Rge. 15 W.
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition
Records:	Commissioner's Journal Book H, Page 143

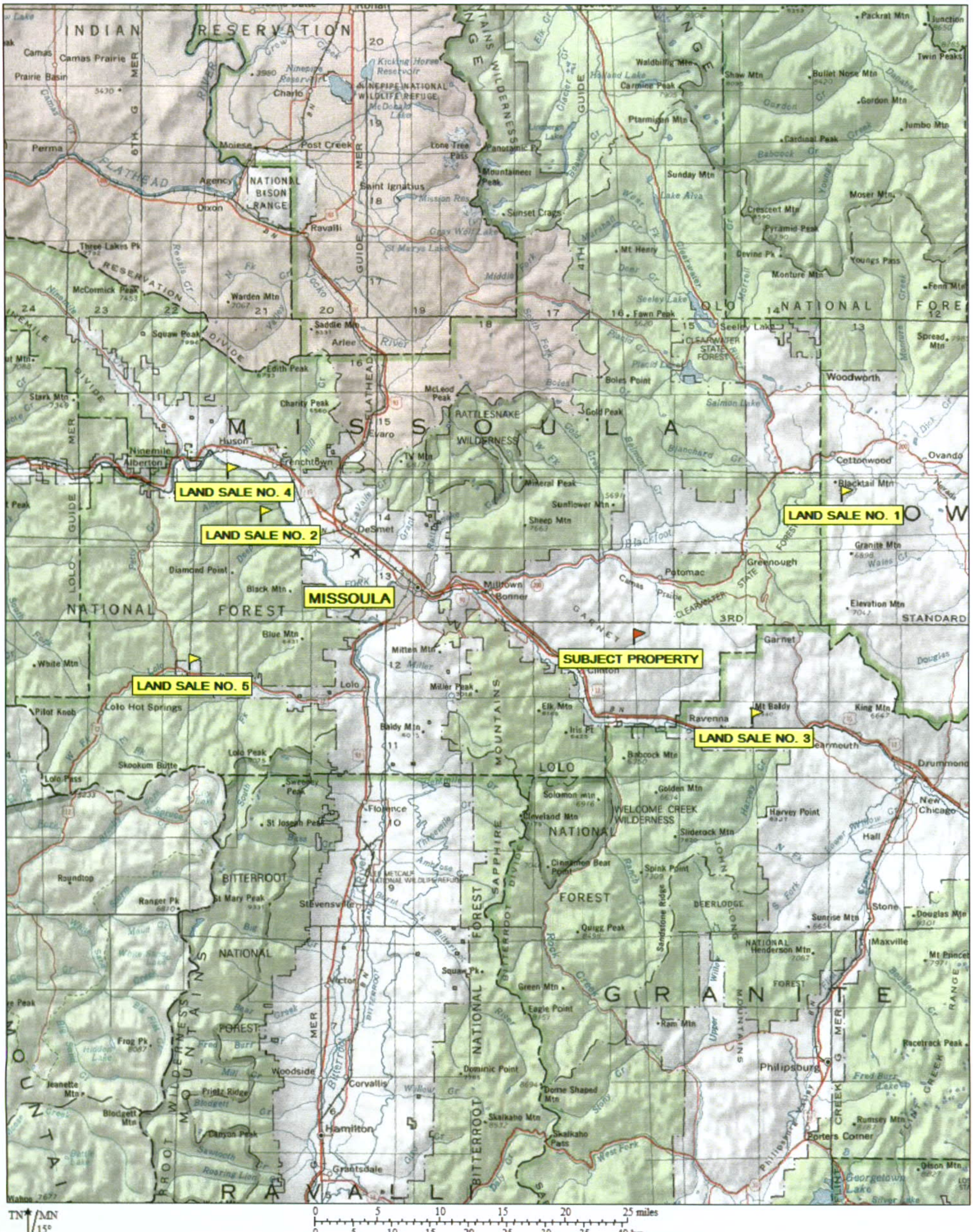
MISSOULA COUNTY ROAD INFORMATION
DNRC POTOMAC / LEGACY ACQUISITION

Road Name:	Old Bonita Trail
Location:	Township 12 North, Range 15 West, P.M.M. Section 10 Section 11 Section 15 Section 16 Section 20 Section 21
Point of Beginning:	Intersection with Cramer Creek Road in the NE¼SE¼ of Sec. 20, Twp. 12 N., Rge. 15 W.
End:	The old Copper Cliff Mine in Sec. 11, Twp. 12 N., Rge. 15 W.
Right-of-Way Width:	60 feet
Method of County Acquisition:	Petition
Records:	Commissioner's Journal Book H, Page 143

MAP

The following map shows the general locations of the various county roads previously discussed.





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