

RESIDENTIAL APPRAISAL REPORT

(NOTE: all pages referenced in the upper right corner must remain attached for the value opinion set forth to be considered valid.)



Serving Western Montana

Property Location:	Nhn West Fork Hwy Darby, MT 59829 CS #772731-TR Lot 14
Borrower:	None/Not Applicable
Lender:	State of Montana DNRC 1424 9th Avenue Helena, MT 59620-1601
Opinion of Value:	69,000
Effective Date:	10/10/2023
Prepared By:	Scott Spear MAI, SRA Certified General Appraiser Bitterroot Appraisal, LLC spear.scott@gmail.com



Scott Spear MBA, MAI, SRA,
Bitterroot Appraisal, LLC

Owner	State of Montana	File No. 43PAINTED_ROCKS
Property Address	Nhn West Fork Hwy	
City	Darby	County Ravalli
Appraiser	Scott Spear MAI, SRA	State MT Zip Code 59829

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	Scott Spear MBA, MAI, SRA Certified General Appraiser # REA-RAG-LIC-521 Bitterroot Appraisal, LLC spear.scott@gmail.com BitterrootAppraisalMT.com
Bitterroot Appraisal LLC / 406 Valuation offers the following benefits:	
<ul style="list-style-type: none"> • Scott Spear holds a Certified General Appraiser license, the highest level of licensure possible. Certified General Appraisers may appraise both complex and non-complex properties. • Scott Spear is one of only 4 dual MAI/SRA designated appraisers in the State of Montana, and, one of only 26 MAI designated appraisers in the entire State of Montana. • MAI/SRA designated appraisers are uniquely qualified to appraise a wide variety of residential, commercial, industrial, and special use properties for lenders, attorneys, and government agencies. • Over 29-years of experience appraising all property types. • Fee discounts and rapid turn time for high volume clients. • Bitterroot Appraisal LLC will meet or beat competitor turn times and fees. • Currently serving Flathead, Lake, Mineral, Missoula, and Ravalli Counties. Silverbow and Gallatin coming soon. 	

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 Serial# F09EEAB5
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Bitterroot Appraisal, LLC
 PO Box 423
 Hamilton, MT 59840
 (406) 369-1969
 BitterrootAppraisalMT.com

11/16/2023

Mark McNearney
 State of Montana DNRC
 Dept Natural Resources and Conservation
 1424 9th Avenue
 Helena, MT 59620-1601

Re: Property: Nhn West Fork Hwy
 Darby, MT 59829
 Borrower: None/Not Applicable
 File No.: 43PAINTED_ROCKS

Opinion of Value: \$ 69,000
 Effective Date: 10/10/2023

In accordance with your request, I have appraised the above referenced property. The intended use of this appraisal is to provide DNRC with a credible value opinion of current fair market value of the appraised subject property for the potential sale of said subject property. The clients of this appraisal are the State of Montana DNRC. The intended users are the State of Montana DNRC and the Lessees listed under the contract information section of the attached appraisal contract. Any other party receiving a copy of this report for any reason is not an intended user; nor does receiving a copy of this report result in an appraiser-client relationship; use of this report by any other party(ies) is not intended by the appraiser; unauthorized users do so at their own risk.

The attached report details the scope of the appraisal, level of reporting, definition of value, valuation methodology, conclusions, and pertinent data researched and analyzed in the development of this appraisal and which were relied upon to determine the stated opinion of value. The value opinion presented is qualified by definitions, assumptions, limiting conditions, and certifications herein included. The effective date of the value opinion is the date the subject property was viewed, unless otherwise stated. The effective date of the report is the date the report was signed. The opinion of value reported is as of the stated effective date and is contingent upon the exposure time, certification, assumptions, and limiting conditions attached. This letter of transmittal and all pages referenced in the upper right corner must remain attached for the value opinion set forth to be considered valid. The appraisal performed is subject to all statements, assumptions, limiting conditions, and other conditions ("Appraisal Conditions") set forth in the appraisal report. The appraiser is not qualified to act in the capacity of a home inspector, structural engineer, or environmental inspector; the report should not be utilized as, or in lieu of, a home inspection report by a licensed home inspection service, or as an inspection report of any type. The appraisal does not guarantee the subject is free from defects or deficiencies; a noted deficiency or lack of such notation does not constitute an inspection for such items; such an inspection would be beyond the scope of the appraisal assignment. Use of or reliance on this appraisal or appraisal report, regardless of whether such use or reliance is known or authorized by the appraiser, constitutes acknowledgement and acceptance of these general assumptions and limiting conditions, any extraordinary assumptions or hypothetical conditions, and any other terms or conditions stated in this report. Unless the time period is shorter under applicable law, any legal action or claim relating to the appraisal or to this Agreement shall be filed in court within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate, or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages.

The purpose of this appraisal is as stated herein; this appraisal should not be utilized to make purchase price decisions; potential purchasers are not authorized to utilize this appraisal to make purchase price decisions of any form. Your attention is directed to the following data, analysis, discussion, and conclusions.

The allocated value opinion(s) reported herein are summarized as follows:

- 1) Total market value of the property, with hypothetical condition that land and improvements are in fee simple ownership with one owner: \$69,000;
- 2) Separate market value for the estate-owned cabin or home site (land) under the hypothetical condition of it being vacant raw land exclusive of real property improvements: \$45,000;
- 3) Allocation of a separate market value for the non-state-owned improvements, from the total market value derived in 1 above: \$24,000 .

See attached discussion and analysis.

Sincerely,  esign.alamode.com/verify Serial: F09EEAB5





Scott Spear MAI, SRA
 License or Certification #: REA-RAG-LIC-521
 State: MT Expires: 03/31/2024
 spear.scott@gmail.com
 BitterrootAppraisalMT.com

APPRAISAL REPORT

SUBJECT	Property Address: Nhn West Fork Hwy			City: Darby			State: MT Zip Code: 59829				
	County: Ravalli			Legal Description: CS #772731-TR Lot 14			Assessor's Parcel #: 0001516400				
	Tax Year: 2023 R.E. Taxes: \$ 227			Special Assessments: \$ 0			Borrower (if applicable): None/Not Applicable				
	Current Owner of Record: State of Montana			Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant			<input type="checkbox"/> Manufactured Housing				
	Property Type: <input checked="" type="checkbox"/> SFR <input type="checkbox"/> 2-4 Family <input type="checkbox"/>			# of Units: 1			Ownership Restriction: <input checked="" type="checkbox"/> None <input type="checkbox"/> PUD <input type="checkbox"/> Condo <input type="checkbox"/> Coop				
	Market Area Name: South Ravalli County			Map Reference: 13076603301054002			Census Tract: 0008.00			<input type="checkbox"/> Flood Hazard	
	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)										
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective										
	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input checked="" type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach <input type="checkbox"/> Other:										
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe) (See hypothetical conditions)										
Intended Use: Provide DNRC with a credible value opinion of current fair market value of the appraised subject property for the potential sale of said subject property.											
Under USPAP Standards Rule 2-2(b), this is a Restricted Appraisal Report, and is intended only for the use of the client and any other named intended user(s). Users of this report must clearly understand that the report may not contain supporting rationale for all of the opinions and conclusions set forth in the report.											
Client: State of Montana DNRC			Address: 1424 9th Avenue, Helena, MT 59620-1601								
Appraiser: Scott Spear MAI, SRA			Address: PO Box 423, Hamilton, MT 59840								
ASSIGNMENT	FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
	Address	Nhn West Fork Hwy Darby, MT 59829	145 E St Sula, MT 59871			111 Fourth of July Gulch Rd Darby, MT 59829			303 N 6th St Hamilton, MT 59840		
	Proximity to Subject		16.02 miles NE			3.58 miles S			35.92 miles N		
	Sale Price	\$ -		\$ 60,000		\$ 129,000			\$ 175,000		
	Sale Price/GLA	\$ - /sq.ft.	\$ 64.10 /sq.ft.		\$ 190.83 /sq.ft.		\$ 206.37 /sq.ft.				
	Data Source(s)	MRMLS #;DOM	MRMLS # 22214697 ; DOM 368			Leaseholder,Bill of Sale;DOM 0			MRMLS # 22211476;DOM 56		
	Verification Source(s)	Assessment Rcds/Deed/M	Assessment Rcds/Deed/MLS/Agent			Assessment Rcds/Deed/MLS/Agent			Assessment Rcds/Deed/MLS/Agent		
	VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.
	Sales or Financing	-	ArmLth			ArmLth			ArmLth		
	Concessions	-	Cash;0			Cash;0			Conv;0		
	Date of Sale/Time	-	s09/23;c08/23			0 s09/21;c09/21			+8,385	s09/22;c08/22	+1,750
	Rights Appraised	Fee Simple	Leased Site			0 Leased Site			0	Fee Simple	
	Location	N;Res;Recreational	N;Res;Recreational			N;Res;Recreational				N;Res;	
	Site	0.07 ac	0 sf		+1,400	0 sf			+1,400	0.10 ac	-600
	View	N;Mtn;Res	N;Mtn;Res			N;Mtn;Res				N;Mtn;Res	
	Design (Style)	DT1;Cabin	DT1;Cabin			0 DT1;Cabin			0	DT1;Ranch	0
	Quality of Construction	Fr	Fr			Fr				Avg/Superior	-17,500
	Age	58	51			0 55			0	103	0
	Condition	Fr/Shell Only	Fr/Shell Only			0 Fr/Semi-Fin			-12,900	Fr/Superior	-35,000
	Above Grade	Total Bdrms Baths	Total Bdrms	Baths		0 Total	Bdrms	Baths	-10,000	Total Bdrms	Baths
Room Count	1 0 0	1 0	0		0 3	2	1.0	-10,000	4 1	1.0	
Gross Living Area	342 sq.ft.	936 sq.ft.		-29,700	676 sq.ft.			-16,700	848 sq.ft.		-25,300
Basement & Finished	0sf	0sf			0sf				0sf		
Rooms Below Grade											
Functional Utility	Fr	Avg			Avg				Avg		
Heating/Cooling	Wdstv,None	Wdstv,None			0 Radiant,Wdstv			-5,000	Wall Htr,None,Wdstv	-5,000	
Energy Efficient Items	None Noted	None Noted			None Noted				None Noted		
Garage/Carport	Carport	None		+2,000	None			+2,000	None	+2,000	
Porch/Patio/Deck	Pr	Dk			0 Dk			0	Pr,Fnc	0	
Listing Price	0	75000			0 FSBO			0	199000	0	
GLA,Data Src (Appr,MLS,CAM)	Appr Measurement	MLS			0 Assessment Rcds			0	MLS	0	
(Office Use - Comp Entry Date)	11/15/2023 NON LNDER	11/15/2023 NON LNDER			11/15/2023 NON LNDER				11/15/2023 NON LNDER		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -26,300		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -42,815		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -94,650		
Adjusted Sale Price of Comparables			\$ 33,700			\$ 86,185			\$ 80,350		
Summary of Sales Comparison Approach			NOTE: subject is not currently addressed; owner states subject may be assigned address of 8803 West Fork Highway Darby MT 59829. Owner of record is the State of Montana; improvement owner of record is Susan M Senn & Diane M Worrest & Gary L Popiel.								
Improved sales search focused on unfinished shell, semi-finished shell, or rehab properties countywide in the prior 24-month time period, of which few are available. All sales require significant adjustment; more physically similar, more proximate, or sales which would require less adjustment do not exist. Use of sales with adjustment and proximity as indicated is required due to sale density limitations; adjustments and proximities are typical and due not impact marketability. See analysis discussion and pages attached herein.											
The reasonable range indicated is \$ 34,000 (R) to \$ 86,000 (R); avg adjusted sale price is \$ 69,000 (R); median adjusted sale price is \$ 78,000 (R); for the required point value estimate, most emphasis is given the mid range of indicated value provided by the sales presented due to market conditions. See addenda reconciliation analysis for derivation of final opined point value estimate. See addenda reconciliation analysis for derivation of final opined point value estimate of subject site and improvements.											
The intended use of this appraisal is to provide DNRC with a credible value opinion of current fair market value of the appraised subject property for the potential sale of said subject property. The clients of this appraisal are the State of Montana DNRC. The intended users are the State of Montana DNRC and the Lessees listed under the contract information section of the attached appraisal contract.											
Per client and LOE, copy attached, the appraisal is subject to the following hypothetical conditions:											
1) the cabin site (land) should be valued under the hypothetical condition that it is vacant raw land, without any site improvements, utilities, or buildings.											
2) the appraised value of the state-owned land added to the allocated market value of the non-state-owned improvements value will not be greater than the total market value of the property, with the hypothetical condition that the land and improvements are in fee simple ownership, with one owner.											
3) State of Montana lands are always to be appraised as if they are in private ownership and could be sold on the open market and are to be appraised in Fee Simple interest. For analysis purposes, properties that have leases or licenses on them are to be appraised with the Hypothetical Condition the leases/licenses do not exist.											
Improved sales search focused on unfinished shell, semi-finished shell, or rehab properties countywide in the prior 24-month time period, of which few are available. All sales require significantly adjustment; more physically similar, more proximate, or sales which would require less adjustment do not exist.											

APPRAISAL REPORT

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	Nhn West Fork Hwy Darby, MT 59829	149 W E St Sula, MT 59871								
Proximity to Subject		16.02 miles NE								
Sale Price	\$	\$ 180,000		\$	\$		\$	\$		\$
Sale Price/GLA	\$ - /sq.ft.	\$ 263.16 /sq.ft.		\$	\$ /sq.ft.		\$	\$ /sq.ft.		\$
Data Source(s)	MRMLS #;DOM	MRMLS # 30002222 ; DOM 119								
Verification Source(s)	Assessment Rcds/Deed/M	Assessment Rcds/Deed/MLS/Agent								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.	DESCRIPTION		+(-) \$ Adjust.
Sales or Financing	-	ArmLth								
Concessions	-	VA;0								
Date of Sale/Time	-	s07/23;c05/23		0						
Rights Appraised	Fee Simple	Leased Site		0						
Location	N;Res;Recreational	N;Res;Recreational								
Site	0.07 ac	0 sf		+1,400						
View	N;Mtn;Res	N;Mtn;Res								
Design (Style)	DT1;Cabin	DT2;Cabin		0						
Quality of Construction	Fr	Fr								
Age	58	43		0						
Condition	Fr/Shell Only	Fr/Superior		-36,000						
Above Grade	Total	Bdrms	Baths	Total	Bdrms	Baths	-10,000	Total	Bdrms	Baths
Room Count	1	0	0	3	2	1.0	-10,000			
Gross Living Area	342 sq.ft.	684 sq.ft.		-17,100	sq.ft.			sq.ft.		
Basement & Finished	0sf	0sf								
Rooms Below Grade										
Functional Utility	Fr	Avg								
Heating/Cooling	Wdstv, None	Radiant, Wdstv		-5,000						
Energy Efficient Items	None Noted	None Noted								
Garage/Carport	Carport	3 Car Garage		-28,000						
Porch/Patio/Deck	Pr	Dk,Shed		0						
Listing Price	0	200000		0						
GLA, Data Src (Appr, MLS, CAM)	Appr Measurement	MLS		0						
(Office Use - Comp Entry Date)	11/15/2023 NON LNDER	11/15/2023 NON LNDER								
Net Adjustment (Total)		<input type="checkbox"/>	+ <input checked="" type="checkbox"/>	- \$ 104,700	<input type="checkbox"/>	+ <input type="checkbox"/>	- \$	<input type="checkbox"/>	+ <input type="checkbox"/>	- \$
Adjusted Sale Price of Comparables				\$ 75,300				\$		

SALES COMPARISON APPROACH

See attached addenda.

APPRAISAL REPORT

TRANSFER HISTORY	My research <input type="checkbox"/> did <input checked="" type="checkbox"/> not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.				
	Data Source(s): MRMLS; MT Cadastral Rcds; Deed				
	1st Prior Subject Sale/Transfer		Analysis of sale/transfer history and/or any current agreement of sale/listing: <input type="checkbox"/> is not a public disclosure state.		
	Date:		No sale of subject within prior 3-year time period. MT		
	Price:				
	Source(s):				
	2nd Prior Subject Sale/Transfer				
	Date:				
	Price:				
	Source(s):				
MARKET	Subject Market Area and Marketability: Competing Market Area: South Bitterroot Valley - Darby, Sula, East Fork, West Fork suburban/rural areas bounded by Bitterroot Mountain Range (West); Sapphire Mountain Range (East); Lost Horse Rd (North); Idaho (South). See 'market area map' included herein. Subject mkt area typical home size is 1000 - 3000 +- sf; typical age is 10 - 40 +- years; typical lot size 1 - 10 +- acres. Subject area has typical proximity to employment, shopping, and school district; 'Other' land use denotes vacant parcels. Subject market area has non-defined boundaries of interspersed commercial, single unit residential, multi-unit residential, condominium, and townhouse properties, which does not impact subject marketability. Typical SP/LP ratio ~ 100 - 110%. Subject market area has 118 avg DOM; 73 median DOM; \$ 735,000 avg sale price; \$ 550,000 median sale price; ~ 49 +- sales in prior 12 months. Subject market area has high demand and limited supply as of date of assignment. Typical marketing and exposure time per MRMLS records is 0-180 days.				
SITE	Site Area: 0.07 ac		Site View: N;Mtn;Res		Topography: Hillside
	Zoning Classification: None Exists.		Drainage: Typical		
			Description: None Exists. Lack of zoning typical for area and does not detrimentally affect subject value est.		
			<input type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input checked="" type="checkbox"/> No zoning		
	Highest & Best Use: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)		Subject HBU is single unit residential use compliant with zoning and/or sanitary restrictions of municipality; alterna		
	Actual Use as of Effective Date: Recreational Cabin Site, Year Round Use		Use as appraised in this report: Recreational Cabin Site, Year Round Use		
	Opinion of Highest & Best Use: Recreational Cabin Site, Year Round Use.				
	FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		FEMA Flood Zone X		FEMA Map # 30081C1475D
					FEMA Map Date 01/16/2015
	Site Comments: It is assumed that the subject can be 100% rebuilt; title reports, rebuild letters, or Certificates of Occupancy have not been provided. Utilities are typical for subject market area; permitting is unknown and assumed permissible; operability of utility systems is assumed. Municipal water/sewer is not available to the subject property. See attached discussion and 'land sale analysis' for derivation of site value.				
IMPROVEMENTS	Improvements Comments: Subject is an unfinished wood frame cabin with elec. service and shared well access; a septic system is not present; subject lacks insulation and interior finish; see att. photos. Subject has porch area and 10'x16' carport of minimal contributory value due to lack of market support. Subject has shared well serving 3 lots, located on Lot 21. The subject cabin contains 342 sf of gross building area, wood siding, comp roofing with a small wooden entry porch area on rear. Foundation is post/pier, typical of the area.				
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 69,000				
	Indicated Value by: Cost Approach (if developed) \$ 74,000				
	Indicated Value by: Income Approach (if developed) \$				
	Final Reconciliation Based upon the quantity and quality of available data, it is the opinion of this appraiser that the Sales Comparison Approach is persuasive to the final value conclusion. Cost Approach is given supporting consideration. Income Approach is not applicable to assignment and not developed. Use of sales with adjustment and proximity as indicated is required due to sale density limitations; adjustments and proximities are typical and due not impact marketability. The majority of estimated subject value is site value in relation to improvement value due to the dated unfinished nature of the existing cabin. See addenda reconciliation analysis for derivation of final opined point value estimate. 1) Total market value of the property, with hypothetical condition that land and improvements are in fee simple ownership with one owner: \$69,000 ; 2) Separate market value for the state-owned cabin or home site (land) under the hypothetical condition of it being vacant raw land exclusive of real property improvements: \$45,000 ; 3) Allocation of a separate market value for the non-state-owned improvements, from the total market value derived in 1 above: \$24,000. See attached discussion and analysis.				
ATTACHMENTS	This appraisal is made <input type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input checked="" type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair: See attached itemization of hypothetical conditions under which the subject property is appraised, per client request.				
	<input checked="" type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.				
	Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 69,000 , as of: 10/10/2023 , which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.				
	A true and complete copy of this report contains 60 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.				
	Attached Exhibits:				
	<input checked="" type="checkbox"/> Scope of Work		<input checked="" type="checkbox"/> Limiting Cond./Certifications		<input checked="" type="checkbox"/> Narrative Addendum
	<input checked="" type="checkbox"/> Map Addenda		<input checked="" type="checkbox"/> Additional Sales		<input checked="" type="checkbox"/> Parcel/Aerial Maps
	<input checked="" type="checkbox"/> Hypothetical Conditions		<input checked="" type="checkbox"/> Extraordinary Assumptions		<input checked="" type="checkbox"/> Market Conditions Addendum
					<input checked="" type="checkbox"/> Photograph Addenda
				<input checked="" type="checkbox"/> Cost Approach Addendum	
				<input checked="" type="checkbox"/> Adjustments Addendum	
				<input checked="" type="checkbox"/> Sketch Addendum	
				<input checked="" type="checkbox"/> Sale Analysis Pages	
				<input checked="" type="checkbox"/> Engagement Letter	
Client Contact: Mark McNearney					
Client Name: State of Montana DNRC					
E-Mail: MMcNearney@mt.gov					
Address: 1424 9th Avenue, Helena, MT 59620-1601					
SIGNATURES	APPRAISER  esign.alamode.com/verify Serial:F09EEAB5				
	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)				
	Supervisory or Co-Appraiser Name: _____				
	Company: _____				
	Phone: _____ Fax: _____				
	E-Mail: _____				
	Date of Report (Signature): _____				
	License or Certification #: _____ State: _____				
	Designation: _____				
	Expiration Date of License or Certification: _____				
Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None					
Date of Inspection: 10/10/2023					

Assumptions, Limiting Conditions & Scope of Work

Property Address: Nhn West Fork Hwy	City: Darby	State: MT	Zip Code: 59829
Client: State of Montana DNRC	Address: 1424 9th Avenue, Helena, MT 59620-1601		
Appraiser: Scott Spear MAI, SRA	Address: PO Box 423, Hamilton, MT 59840		

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Under USPAP Standards Rule 2-2(b), this is a Restricted Appraisal Report, and is intended only for the use of the client and any other named intended user(s). The users of this report must clearly understand that the report may or may not contain supporting rationale for all of the opinions and conclusions set forth in the report.

In developing this appraisal, the appraiser has incorporated only the Sales Comparison Approach. The appraiser has excluded the Cost and Income Approaches to Value, due to being inapplicable to the assignment.

***** Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.) *****

Per client and appraisal contract, copy attached, the appraisal is subject to the following hypothetical conditions:

- 1) the cabin site (land) should be valued under the hypothetical condition that it is vacant raw land, without any site improvements, utilities, or buildings.
- 2) the appraised value of the state-owned land added to the allocated market value of the non-state-owned improvements value will not be greater than the total market value of the property, with the hypothetical condition that the land and improvements are in fee simple ownership, with one owner.
- 3) State of Montana lands are always to be appraised as if they are in private ownership and could be sold on the open market and are to be appraised in Fee Simple interest. For analysis purposes, properties that have leases or licenses on them are to be appraised with the Hypothetical Condition the leases/licenses do not exist.

Certifications

Property Address: Nhn West Fork Hwy	City: Darby	State: MT	Zip Code: 59829
Client: State of Montana DNRC	Address: 1424 9th Avenue, Helena, MT 59620-1601		
Appraiser: Scott Spear MAI, SRA	Address: PO Box 423, Hamilton, MT 59840		

APPRAISER'S 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 credibility of this report, for the stated use by the stated user(s), of 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 no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.

Additional Certifications:**DEFINITION OF MARKET VALUE *:**

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994. See attached appraisal contract.

Client Contact: Mark McNearney E-Mail: MMcNearney@mt.gov		Client Name: State of Montana DNRC Address: 1424 9th Avenue, Helena, MT 59620-1601	
APPRAISER  esign.alamode.com/verify Serial: F09EEAB5		SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)	
Appraiser Name: Scott Spear MAI, SRA Company: Bitterroot Appraisal, LLC Phone: 406-369-1969 Fax: - E-Mail: spear.scott@gmail.com Date Report Signed: 11/16/2023 License or Certification #: REA-RAG-LIC-521 State: MT Designation: MAI, SRA Expiration Date of License or Certification: 03/31/2024 Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: 10/10/2023		Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date Report Signed: _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____	

Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

• Intended Use/User/Scope of Work

The report was prepared specifically to address, and to meet, the needs of the stated client. The report should not be relied upon for any other purpose. The report was prepared solely for the specific use of the stated client; no other use of the appraisal is intended, contemplated, or authorized by the appraiser. The only intended user of this appraisal is the stated client; there is no other intended user. The intended use of this report is to assist the client when deciding whether or not the subject property would be sufficient security for a requested loan. Purchaser(s), seller(s), and borrower(s) are not intended users of this report. No party, other than the intended user, should rely upon this appraisal for any purpose, whatsoever. The fact that some party, other than the client, paid for the appraisal, either directly, or indirectly, does not make them an intended user. Any other party receiving a copy of this report for any reason is not an intended user; nor does receiving a copy of this report result in an appraiser-client relationship; use of this report by any other party(ies) is not intended by the appraiser; unauthorized users do so at their own risk.

The appraiser is not a professional home inspector, or environmental inspector, and this appraisal report is not a home or environmental inspection; it does not guarantee or imply that the subject property is free of defects. The appraiser can only view reasonably accessible areas of the property in order to observe the overall condition. The appraiser is not qualified to report on the quality of various systems present in the home. The Appraiser assumes no responsibility for determining the electrical service capacity. The Appraiser is not qualified in such matters. The Appraiser assumes no responsibility for the verification of the type, quantity, or quality of insulation, if any, used in the improvements. The Appraiser assumes no responsibility for the adequacy, capacity or operating status of mechanical equipment or systems including, but not limited to, electrical, heating, cooling, plumbing, sewers, septic systems, water supply, etc. The appraiser is not an environmental or hazardous waste expert or inspector. The Appraiser is not qualified to detect such substances. The appraisal was prepared based on the assumption that no such substances exist at the subject property. The Appraiser assumes no responsibility for determining whether or not flood insurance is required. The Appraiser attempted to review what was considered to be the most recent FEMA maps available. The appraiser assumes no responsibility for the accuracy of the FEMA maps. The Appraiser is not a surveyor, nor an expert in legal matters. The Appraiser assumes no responsibility for the legal description or the accuracy of any boundary issues, including easements and/or encroachments. The Appraiser is not an expert, and cannot be relied upon to determine building code and /or zoning code violations that might exist at the subject property. It is suggested that any borrower or purchaser secure a professional inspection of the subject property and take the necessary steps to insure acceptability prior to closing escrow. Note: The term "Inspected" within this appraisal report shall be deemed to mean "VIEWED".

• Subject - Overall Condition of the Property

Subject year built is per assessment records. Interior/exterior of buildings on subject site were viewed or observed only, unless locked; no portion of the subject site or any improvements thereon was inspected, tested, probed, or dismantled. Personal property upon the subject site has not been moved to enhance viewing or obtain access to any portion of the subject property.

Utilities are common and typical for the subject market area and: have no detrimental impact upon subject marketability, have market acceptance; utilities are typical of area and are not an adverse market condition; permitting is unknown and assumed permissible. Subject roadway is accessible and adequately maintained to market area expectations. Zoning is typical for subject market area; comparables presented have similar zoning, or lack thereof; a title report has not been provided. It is an extraordinary assumption of this report that all utilities are fully functional; if client is in doubt regarding utility status or operational capability, inspection by a qualified inspector is recommended. If an extraordinary assumption is found to be false, the estimated value may or may not be impacted. Placement of interior rooms has no significant bearing upon subject marketability and are a typical layout.

This appraisal is predicated upon the extraordinary assumption that all subject utilities are permissible with the local authority and require no remediation, retro-fitting, expansion, approvals, or permitting; and that all such systems are permissible 'as-is'. Verification thereof by client is recommended. If an extraordinary assumption is found to be false, the conclusions presented or the opined value may be impacted.

There are no known atypical deed restrictions; a title report has not been provided; the appraiser is not qualified to conduct a title search and the appraisal should not be utilized to disclose specific chain of title information inclusive of but not limited to: easements, encroachments, deed restrictions, zoning compliance, shared well agreements, shared septic agreements, shared drainfield agreements, road maintenance agreements, etc.; re-build status is an estimate only pending verification by zoning and/or public authorities; any 're-build letter' by zoning and/or public health authorities must be provided by client.

The Highest and Best Use of the subject property both as-vacant and as-improved is estimated as single-unit residential usage based upon adjacent and proximate use, land use patterns, zoning, if any, covenants or other restrictions, if any, and MLS reported sales data; such usage is compliant with zoning, if any, and provides the highest return to the subject property.

A 'viewing' or 'observation' of the subject has been conducted as described herein; an 'inspection' of the subject or any portion of the subject has not been made; an 'inspection' is beyond the scope of the appraisal assignment; the appraiser has only 'viewed' or 'observed' readily accessible areas of the subject property. 'Appraisals' are different from 'Inspections'; the appraiser is neither trained nor qualified to act in the capacity of a home inspector, engineer, or as an environmental inspector. The appraiser makes no representations, guarantees, or warranties regarding the subject property or components thereof including quality, condition, operability, or remaining economic life. Operation of mechanical systems, if any, on the date of appraisal including but not limited to plumbing, electrical, heating, air conditioning, etc. is NOT an inspection of those features and may be provided due to varying client requirements; there is no guarantee of operability or functionality of any systems. Viewing or observation of any portion of the subject property is NOT an inspection of any portion of the subject property. The appraiser is not qualified or trained as a home inspector or environmental inspector and is not qualified to detect physical deficiencies including but not limited to: physical defects, design defects, construction defects, structural engineering issues, mold, rot, ventilation issues, humidity staining, pest infestation, urea formaldehyde containing materials, asbestos containing materials, vermiculite containing materials, building or development permitting, environmental health permitting, zoning approval, zoning compliance, lead based paint, underground storage tanks, contaminant production, re-build status, mechanical system operability, appliance operability, grading, drainage, slope, flood zone status, groundwater, septic system location or condition, well location or operability, etc. It is assumed that un-viewed areas are of similar condition and quality to viewed areas.

• Sales Comparison Analysis - Summary of Sales Comparison Approach



Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

The sales provided are a sample of available sales; due to sale density in the subject market area, the appraiser's comparable search included all sales in the identified market area in the prior 12-months, as provided by the area MLS system, with emphasis given those sales occurring in the prior 90-days, as available. MT is not a public disclosure state; sales information is provided by area MLS systems; physical characteristics including gla, year built, lot size, etc. are provided by the applicable MLS listing, and/or assessment records, and/or prior appraisal records; GLA data source of the sales is referenced in the sales grid. Comparable Sale Data Source: note that the comparable sale data source is presented at the bottom of the sales comparison grid, and is referenced as either MLS, Assessment Records (CAMA), or Appraiser. When referenced as 'Appraiser' it means that the signatory appraiser has personally viewed the comparable property and that the data presented for the comparable in question obtained by said appraiser viewing supersedes data which may have been provided by MLS, other appraisers, or retained in the FNMA UAD dataset.

Adjustments presented are market derived and attempt to quantify market reactions to differing features, i.e. how much transfer prices are influenced by various factors. Various methods are utilized to measure market reaction to specific features. Incremental lot size typically has minimal impact in the subject market area with relatively minor adjustment typically made. Quality and Condition ratings are based upon physical features of a property such as flooring, cabinetry, countertops, remodeling, etc. These adjustments can be quantified and presented as either lump sum adjustment ranges for specific features or grades, or as percentile adjustments. Interior MLS photos are typically referenced for Quality and Condition ratings of sales in relation to the subject property and often show superior/inferior items such as solid surface countertops, wood/tile flooring, interior remodeling, etc., all of which impact the ratings assigned. Adjustment analysis and support is retained in appraisal working files.

Sales will bracket key subject features to the extent possible; often, not all features are able to be bracketed due to sale density limitations in the subject market area in the prior 12-months. The subject and comparables cross main roadways, which does not impair subject marketability. An effort was made to bracket key features of the subject property physical characteristics; if a property physical characteristic is not bracketed, bracketing was not possible due to sale constraints. Room layout does not impact marketability; adjustment for above grade BRs and Baths may be indicated based upon constraints of available market data.

Please Note: The only intended user of this appraisal is as stated herein. The fact that some party, other than the client, paid for the appraisal, either directly, or indirectly, does not make them an intended user. The appraiser has been retained to arrive at an opinion of value for the subject property and is not a Home Inspector. The 'inspection' performed by the appraiser is more of an observation and is not intended to reveal defects in the mechanical systems, plumbing, electrical systems, structural integrity, roofing, or other components of the home and the appraiser does not claim to be an expert in those areas. There could be defects hidden behind floors or wall coverings or inside cabinets or closets or behind furniture or under rugs. It is not the responsibility of the appraiser to perform the kind of inspection designed to find those kinds of problems nor would the appraiser have the expertise to detect or diagnose many of those issues even if something was discovered. The appraiser does not guarantee that the home is free of environmental problems. The appraiser can only observe areas that are visually accessible. Mold could be present in areas of the home the appraiser could not see. The appraiser is not inspecting the property to determine the current presence of wood destroying or other insects nor is the appraiser looking for evidence of any past infestation. The appraiser is not an expert in the identification of adverse environmental factors such as radon gas, lead based paint, mold, fungi, asbestos, formaldehyde, ground water contamination, underground storage tanks, etc. If the client has any concerns about or questions about such conditions an expert in this field should be called to do an inspection.

The global outbreak of a "novel corona virus" known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.

Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana	
Property Address	Nhn West Fork Hwy	
City	Darby	County Ravalli
Appraiser	Scott Spear MAI, SRA	

Site Value / Land Sales:

SALE #	MLS #	SALE DATE	CONT DATE	SALE \$\$\$	LOT SIZE (UNITS)	UN-ADJ \$\$\$/UNIT	TIME ADJ SALE \$\$\$	TIME ADJ \$\$\$/UNIT	ADJ SALE PRICE/SEPTIC ADJ	EXPOSURE TIME (DOM)	HBU
1	LEASE SITE 03	10/14/22	10/14/22	\$30,000	0.42	\$190,476	\$80,000	\$190,476	\$40,000	0	Cabin Site
2	LEASE SITE 12	12/05/22	12/05/22	\$84,000	0.33	\$240,000	\$84,000	\$240,000	\$42,000	0	Cabin Site
3	LEASE SITE 13	04/21/23	04/21/23	\$88,000	0.41	\$202,438	\$88,000	\$202,438	\$41,000	0	Cabin Site
4	LEASE SITE 13	10/14/22	10/14/22	\$99,000	0.11	\$900,000	\$99,000	\$900,000	\$49,500	0	Cabin Site
5	LEASE SITE 20	10/14/22	10/14/22	\$85,000	0.13	\$661,538	\$85,000	\$861,538	\$43,000	0	Cabin Site
6	22212073	04/05/23	03/16/23	\$120,000	0.27	\$444,444	\$120,000	\$444,444	\$60,000	236	Sel Unit Res
7	22212071	04/05/23	03/16/23	\$120,000	0.28	\$428,571	\$120,000	\$428,571	\$60,000	238	Sel Unit Res
8	30013045	08/11/23	08/29/23	\$160,000	0.43	\$388,664	\$160,000	\$388,664	\$80,000	1	Sel Unit Res
9	22106232	02/17/23	02/09/23	\$144,000	0.44	\$327,273	\$144,000	\$327,273	\$72,000	271	Sel Unit Res
					Avg	0.32		\$108,444			
					Median	0.35		\$88,000			
					Min	0.11		\$50,000			
					Max	0.44		\$160,000			
					Range	300%		100%			

Indicated Value via Regression:

Lot Size	Slope	Y Intercept	Regression
Lot 14	0.07	\$36,323	\$42,744
			\$45,000



Land Sale Analysis

The indicated subject site value is estimated at \$45,000 following adjustment for lack of septic potential. Sales lacking septic potential are scarce in the subject market area in the prior 10-year time period. Adjustment for lack of septic potential, based upon the scarce information available, is indicative of -50% adjustment, calculated as follows:

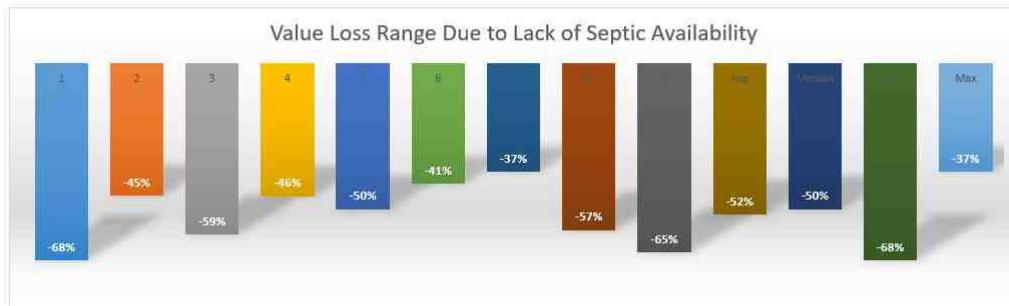
Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana	
Property Address	Nhn West Fork Hwy	
City	Darby	County Ravalli
Appraiser	Scott Spear MAI, SRA	

Adjustments:

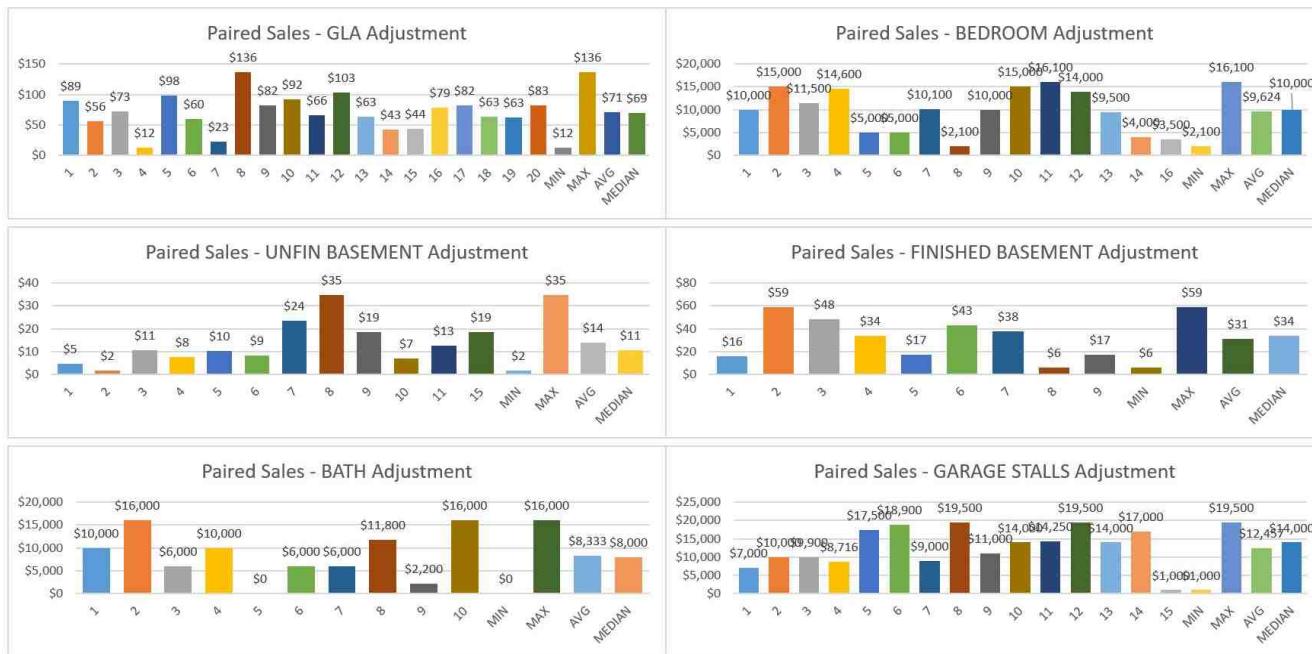
Sale #	Sale \$\$\$	Lot Size (Units)	Sale \$/Unit	Estimated Site Value If Fully Developable	Ratio	Comparative % Loss Due To Lack Of Septic	Notes
1	\$71,500	21.10	\$3,389	\$220,000	33%	-68%	Water, Floodplain, Recreational/Ag Use Only
2	\$30,000	0.77	\$38,961	\$55,000	56%	-45%	Water, Floodplain, Recreational/Ag Use Only
3	\$22,700	0.85	\$26,706	\$55,000	41%	-59%	Water, Floodplain, Recreational/Ag Use Only
4	\$49,000	5.08	\$9,646	\$90,000	54%	-46%	Water, Floodplain, Recreational/Ag Use Only
5	\$45,000	5.00	\$9,000	\$90,000	50%	-50%	Water, Floodplain, Recreational/Ag Use Only
6	\$50,000	4.13	\$12,107	\$85,000	59%	-41%	Water, Floodplain, Recreational/Ag Use Only
7	\$220,000	4.90	\$44,898	\$350,000	63%	-37%	Water, Floodplain, Recreational/Ag Use Only
8	\$150,000	4.67	\$32,120	\$350,000	43%	-57%	Water, Floodplain, Recreational/Ag Use Only
9	\$229,900	0.74	\$40,405	\$85,000	35%	-65%	Water, Floodplain, Recreational/Ag Use Only
Avg		5.25	\$24,137	\$153,333	48%	-52%	
Median		4.67	\$26,706	\$90,000	50%	-50%	
Min		0.74	\$3,389	\$55,000	33%	-68%	
Max		21.10	\$44,898	\$350,000	63%	-37%	



Land Sales Lacking Septic Potential; ~50% Adjustment Applied For Lack Of Septic Potential

Adjustments:			
Category	Lo	Hi	Comment
Market Conditions	3%	9%	Annually Thru Q3-2022, See Indexing Study
Lot Size, Acres	\$5,000	\$10,000	Per Acre, See Regression; Rural Dryland ~\$2,000/ac
Lot Size, PSF	\$0.11	\$0.23	Per SF, See Regression
Quality	2%	10%	Per Category Rating, See Regression
Age	\$0	\$1,000	Per Year Effective Age Unaccounted in Cond
Condition	1%	5%	Per Category Rating, See Regression
Bedrooms	\$5,000	\$10,000	Per Bedroom, Above Grade

Category	Lo	Hi	Comment
Baths	\$5,000	\$10,000	Per Full Bath, Above Grade
Half Baths	\$2,500	\$5,000	Per Half Bath, Above Grade
GLA	\$50	\$100	Typical \$50 - \$75 PSF, See Paired Sales & Regr
Basement	\$10	\$35	Unfinished Below Grade Area
Fin Basement	\$30	\$60	Inclusive of 'Bsmt'; \$20 - \$30 psf Incremental
HVAC	\$2,000	\$5,000	Cost to Cure Range
Garage Stalls	\$10,000	\$20,000	Range Per Stall, See Paired Sales & Regression



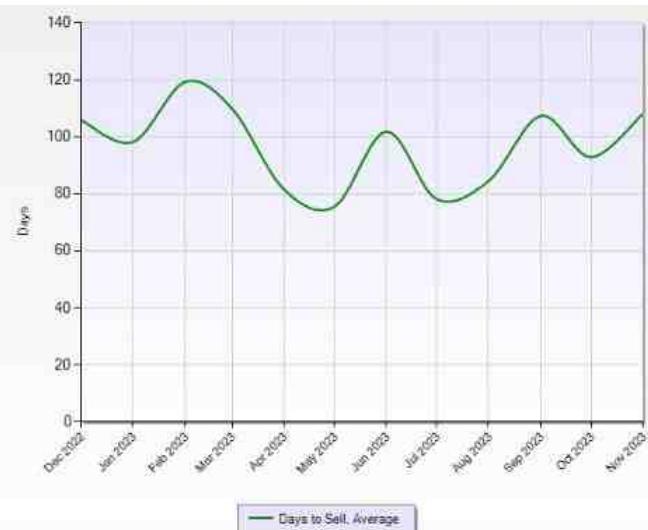
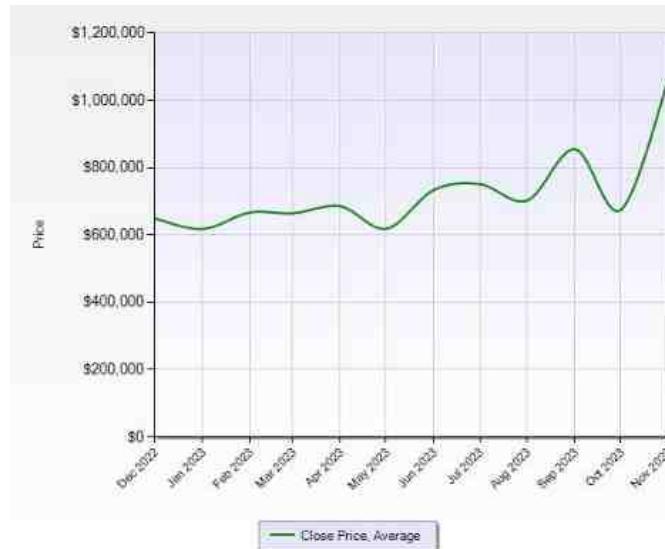
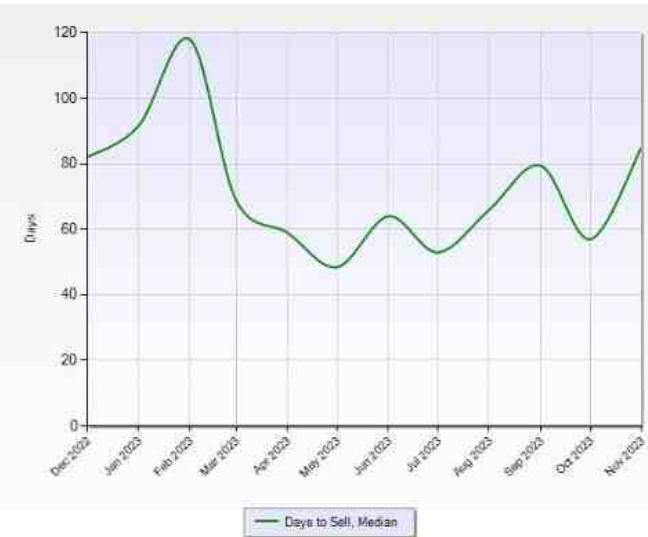
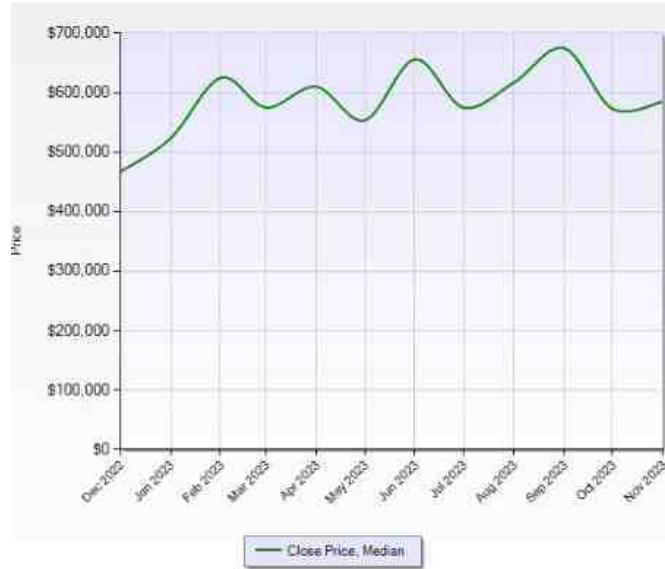
Improvement Adjustments

 Serial# F09EEAB5
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Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA

Market Conditions, Ravalli:

Market conditions in the subject competing market area are viewed as appreciation through Q3-2022, thence stabilized as of date of appraisal.

QSTAR

Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana	
Property Address	Nhn West Fork Hwy	
City	Darby	County Ravalli
Appraiser	Scott Spear MAI, SRA	State MT Zip Code 59829

Sales Comparison Approach Analysis:

Sale #	Area	Sale \$	\$/PSF	Time Adj Sale	Un-Adj Sale \$	Adj Sale \$	Adj \$/PSF	Exposure	Timestamp
1	936	\$80,000	\$264	\$25,704	\$63,000	\$33,700	\$368	388	Aug-23
2	576	\$129,000	\$191	\$137,988	\$103,883	\$86,183	\$127	0	Sep-21
3	848	\$175,000	\$206	\$155,123	\$105,530	\$80,350	\$92	16	Aug-22
4	584	\$180,000	\$263	\$184,254	\$92,400	\$73,300	\$110	118	May-23
MIN VALUE					\$33,700	\$368	0		
MAX VALUE					\$86,183	\$127	368		
Avg VALUE					\$68,884	\$92	136		
Median VALUE					\$77,823	\$102	88		
RECONCILED VALUE					\$69,000	\$102			
RANGE					155%				
INDICATED INCREMENTAL SIZE ADJUSTMENT (SLOPE)					-\$63.25	PSF			



Sale Analysis Grid; Reconciled Value Estimate

Supplemental Addendum

File No. 43PAINTED ROCKS

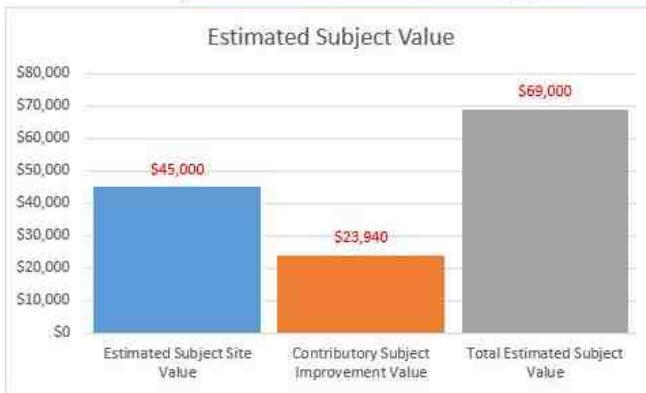
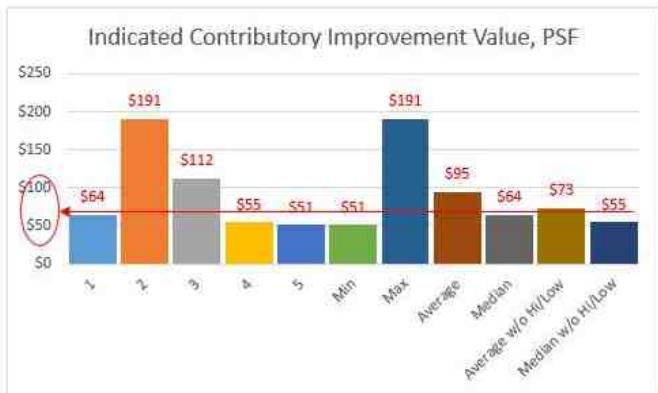
Owner	State of Montana				
Property Address	Nhn West Fork Hwy				
City	Darby	County	Ravalli	State	MT
Appraiser	Scott Spear MAI, SRA				

Sales Comparison Approach, Per Unit Method:

Sale	Sale Price	Estimated Site Value	Indicated Improvement Value	# Units	Indicated Improvement Value Per Unit	Location
1	\$60,000	\$0	\$60,000	936	\$64	145 E St
2	\$129,000	\$0	\$129,000	676	\$191	111 Fourth of July Gulch
3	\$175,000	\$80,000	\$95,000	848	\$112	303 N 6th St
4	\$215,000	\$120,000	\$95,000	1,728	\$55	5806 Old US Hwy 93
5	\$192,000	\$120,000	\$72,000	1,400	\$51	1762 Eastside Hwy

Min	\$51	
Max	\$191	Without High/Low Values
Average	\$95	Average - \$73 PSF
Median	\$64	Median - \$55 PSF

Subject Size	342
<u>x Reasoned Value PSF</u>	<u>\$70</u>
	\$23,940
<u>+ Estimated Site Value</u>	<u>\$45,000</u>
<u>= Indicated Subject Value</u>	<u>\$68,940</u>
As-Rounded	\$69,000



The subject value is has been expressed as both total inherent value via the sales grid, and, via the inherent contributory value of the subject improvements on a per square foot basis combined with estimated site value. Both methods produce a similar result. The subject value via the Sales Comparison Approach, as of the date of appraisal, is estimated as \$69,000.

Cost Approach:

The Cost Approach also attempts to calculate the inherent contributory value of the subject improvements on a per square foot basis, added to estimated site value; see attached cost calculation. The subject value via the Cost Approach, as of the date of appraisal, is estimated as \$74,000.

Final Reconciliation:

The reasonable range of overall indicated value is \$ 34,000 (R) to \$ 86,000 (R); average adjusted value is \$ 69,000 (R); median adjusted value is \$ 78,000 (R); for the required point value estimate, most emphasis is given the mid-range of indicated value provided by the Sales Comparison Approach, with supporting consideration given the Cost Approach. The opined subject value, subject to the hypothetical conditions outlined herein, as of the date of appraisal, is estimated to be \$69,000, of which \$45,000 (~65%) is estimated as inherent site value, with the remainder \$24,000 (~35%) estimated contributory improvement value.

Hypothetical Condition:

"That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2010-2011 ed.)" If a hypothetical condition is found to be false, the estimated value may or may not be impacted. This appraisal is subject to the following hypothetical conditions:

***** Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.) *****

The intended use of this appraisal is to provide DNRC with a credible value opinion of current fair market value of the appraised subject property for the potential sale of said subject property.

The client of this appraisal is the State of Montana DNRC. The intended users are the State of Montana DNRC and the Lessees listed under the contract information section of the attached appraisal contract.

***** Hypothetical Conditions, Per Client Request *****

Per client and appraisal contract, copy attached, the appraisal is subject to the following hypothetical conditions:

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

Supplemental Addendum

File No. 43PAINTED_ROCKS

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

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

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

***** Allocation of Values, Per Client Request *****

1) Total market value of the property, with hypothetical condition that land and improvements are in fee simple ownership with one owner: \$69,000 ;

2) Separate market value for the estate-owned cabin or home site (land) under the hypothetical condition of it being vacant raw land exclusive of real property improvements: \$45,000 ;

3) Allocation of a separate market value for the non-state-owned improvements, from the total market value derived in 1 above: \$24,000 .



Land Sale Analysis

SALE #	MLS #	SALE DATE	CONT DATE	SALE \$\$\$	LOT SIZE (UNITS)	UN-ADJ \$\$\$/UNIT	TIME ADJ SALE \$\$\$	TIME ADJ \$\$\$/UNIT	ADJ SALE PRICE/SEPTIC ADJ	EXPOSURE TIME (DOM)	HBU
1	LEASE SITE 05	10/14/22	10/14/22	\$80,000	0.42	\$190,476	\$80,000	\$190,476	\$40,000	0	Cabin Site
2	LEASE SITE 12	12/09/22	12/09/22	\$84,000	0.35	\$240,000	\$84,000	\$240,000	\$42,000	0	Cabin Site
3	LEASE SITE 13	04/21/23	04/21/23	\$83,000	0.41	\$202,439	\$83,000	\$202,439	\$41,500	0	Cabin Site
4	LEASE SITE 15	10/14/22	10/14/22	\$99,000	0.11	\$900,000	\$99,000	\$900,000	\$49,500	0	Cabin Site
5	LEASE SITE 20	10/14/22	10/14/22	\$86,000	0.13	\$661,538	\$86,000	\$661,538	\$43,000	0	Cabin Site
6	22212072	04/05/23	03/16/23	\$120,000	0.27	\$444,444	\$120,000	\$444,444	\$60,000	236	Sgl Unit Res
7	22212071	04/05/23	03/16/23	\$120,000	0.28	\$428,571	\$120,000	\$428,571	\$60,000	236	Sgl Unit Res
8	30013045	09/11/23	08/29/23	\$160,000	0.43	\$368,664	\$160,000	\$368,664	\$80,000	1	Sgl Unit Res
9	22206282	02/17/23	02/09/23	\$144,000	0.44	\$327,273	\$144,000	\$327,273	\$72,000	271	Sgl Unit Res

Avg 0.32
 Median 0.35
 Min 0.11
 Max 0.44
 Range 300%

Indicated Value Via Regression:

Lot Size	Slope	Y Intercept	Regression	Rounded
Lot 14	0.07	\$36,323	\$42,744	\$45,287



Improved Sale Analysis

Sale #	Area	Sale \$	\$/PSF	Time Adj Sale \$	Un-Adj Sale \$	Adj Sale \$	Adj \$ PSF	Exposure Contract Date
1	936	\$60,000	\$64	\$59,704	\$63,400	\$33,700	\$36	368 Aug-23
2	676	\$129,000	\$191	\$157,989	\$102,885	\$86,185	\$127	0 Sep-21
3	848	\$175,000	\$206	\$195,123	\$105,650	\$80,350	\$95	56 Aug-22
4	684	\$180,000	\$263	\$184,554	\$92,400	\$75,300	\$110	119 May-23
MIN VALUE					\$33,700	\$36	0	
MAX VALUE					\$86,185	\$127	368	
AVG VALUE					\$68,884	\$92	136	
MEDIAN VALUE					\$77,825	\$102	88	
RECONCILED VALUE					\$69,000	\$202		
RANGE					156%			
INDICATED INCREMENTAL SIZE ADJUSTMENT (SLOPE)					-\$95.85	PSF		





SQUARE FOOT APPRAISAL FORM

For subscribers using the *Residential Cost Handbook/Residential Estimator 7*

WE-BA-965

43PAINTED_ROCKS

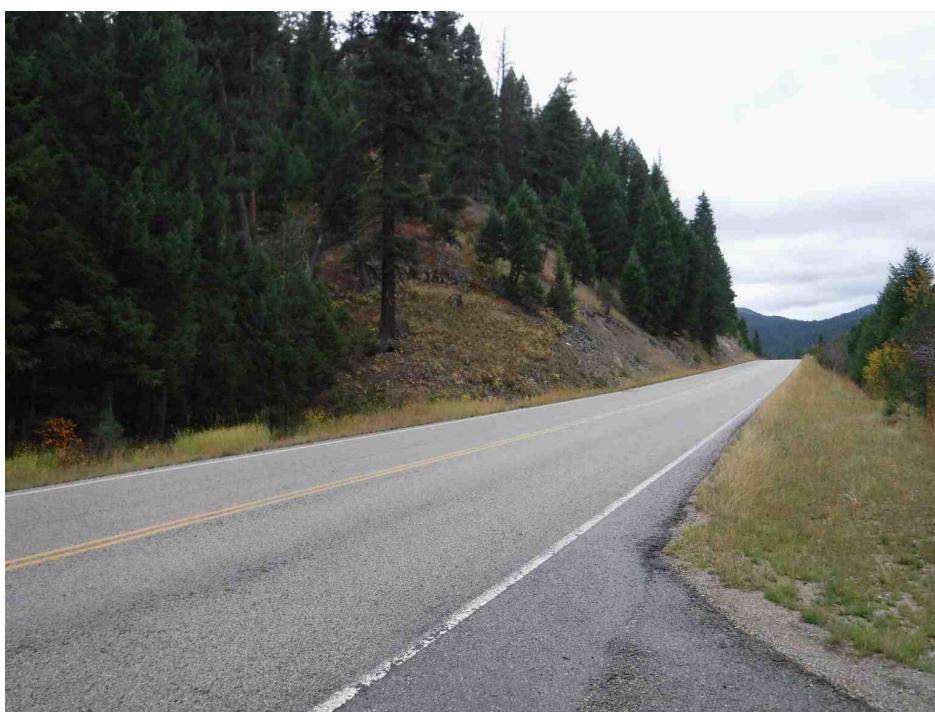
Property Owner		State of Montana		Date		10/10/2023				
Address		Nhn West Fork Hwy		Surveyed By		Scott Spear MAI, SRA				
City		Darby		Cost as of		2023				
State/Province		MT	Zip/Postal Code	Appraisal For		State of Montana DNRC				
Type	Frame	Quality	Fair	Total Floor Area		342				
Style	DT1;Cabin			Number of Units		1				
Exterior Walls	Wood			Interior Wall Height		8				
Age	58	Condition	Fair	Basement Depth		-				
				Region:		<input checked="" type="checkbox"/> Western	<input type="checkbox"/> Central	<input type="checkbox"/> Eastern		
1. COMPUTE RESIDENCE BASIC COST			Wall Height Factor	X	Floor Area X	Selected Sq. Ft. Cost	Factor	Quantity	Cost	Extended Cost
Square Foot and Lump Sum Adjustments								+	-	
2. Roofing Base										
3. Energy: <input type="checkbox"/> Mild <input checked="" type="checkbox"/> Moderate <input type="checkbox"/> Extreme <input type="checkbox"/> Superinsulated										
4. Foundation: <input type="checkbox"/> Mild <input checked="" type="checkbox"/> Moderate <input type="checkbox"/> Extreme Hillslope: <input type="checkbox"/> Flat <input checked="" type="checkbox"/> Moderate <input type="checkbox"/> Steep										
5. Seismic: <input checked="" type="checkbox"/> None <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 Wind: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes										
6. Subfloor Exposed Subfloor, In Base Cost Utilized										
7. Floor Insulation: <input type="checkbox"/> Mild <input type="checkbox"/> Moderate <input type="checkbox"/> Extreme None										
8. Floor Cover Exposed Subfloor, In Base Cost Utilized										
9. Plaster Interior Unfin. Interior; Shell Only										
10. Heating/Cooling Freestanding FP										
11. Plumbing Fixtures Total None Base										
12. Plumbing Rough-ins Total None Base										
13. Dormers None										
14. Fireplaces Freestanding FP								1	2,250.00	X 2,250.00
15. Built-in Appliances None										
16. SUBTOTAL: ADJUSTED RESIDENCE COST: Total of Lines 1 to 15.										\$ 21,744.00
17. Basement Post/Pier Foundation								1	342	-3.69 X -1,261.98
18. Porches, Decks, Breezeways, etc. Covered, Rear								72	8.00 X	576.00
19. Balconies None										
20. Exterior Stairways None										
21. SUBTOTAL: RESIDENCE COST: Total of Lines 16 to 20.										\$ 21,058.02
22. Garages/Carparks Carport								10	16	23.85 X 3,816.00
23. SUBTOTAL OF ALL BUILDING IMPROVEMENTS. Total of Lines 21 and 22.										\$ 24,874.02
24. Multipliers: Current Cost 1.22 x Local 0.97 x Other 1.00								=		1.18
25. Additional Components None										
26. TOTAL BUILDING COST NEW: Line 23 x Line 24 + Line 25.										\$ 29,351.34
27. Depreciation: Physical and Functional 44% Age-Life MVS Depr Table										12,915.00
28. External and / or Excessive Functional Obsolescence N/A										
29. Additional Depreciation N/A										
30. TOTAL DEPRECIATED COST: Line 26 - Lines 27 to 29.										\$ 16,436.34
31. Yard Improvements None										
32. Miscellaneous Shared Well, Power to Site										12,500.00
33. Land/Site Value See Attached										45,000.00
34. TOTAL INDICATED VALUE: Total of Lines 30 to 33.										\$ 73,936.34

FORM 1007

The logo for SASSTAR, featuring the word 'SASSTAR' in a stylized, italicized font with a registered trademark symbol.

Subject Photo Page

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829

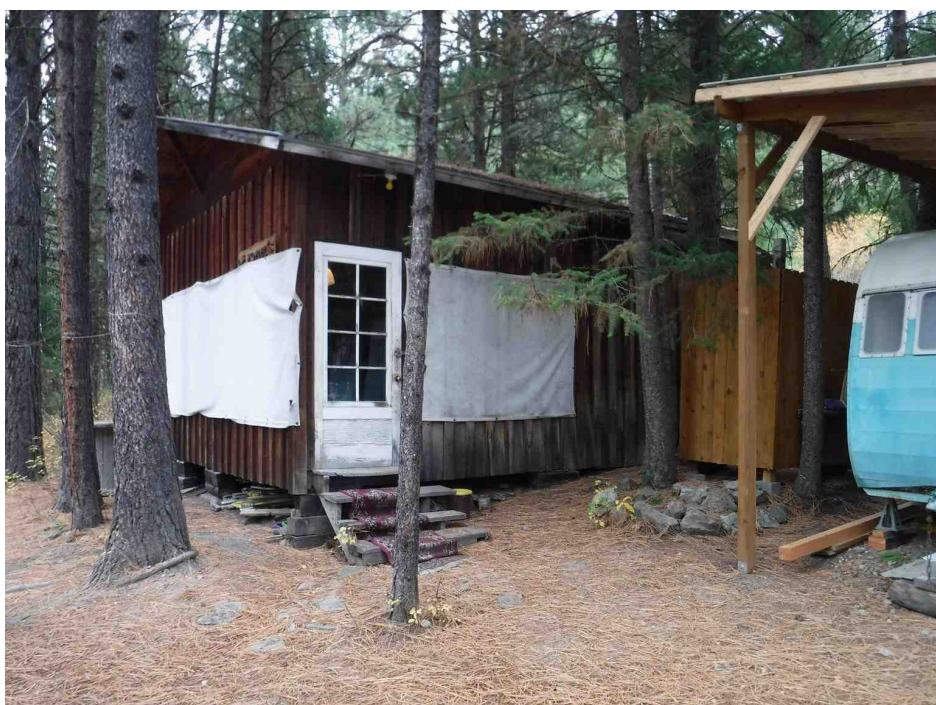
**Subject Front****Subject Rear****Subject Street**

Subject Interior Photo Page

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829

**Subject Side**

58

**Subject Side****Subject Carport**

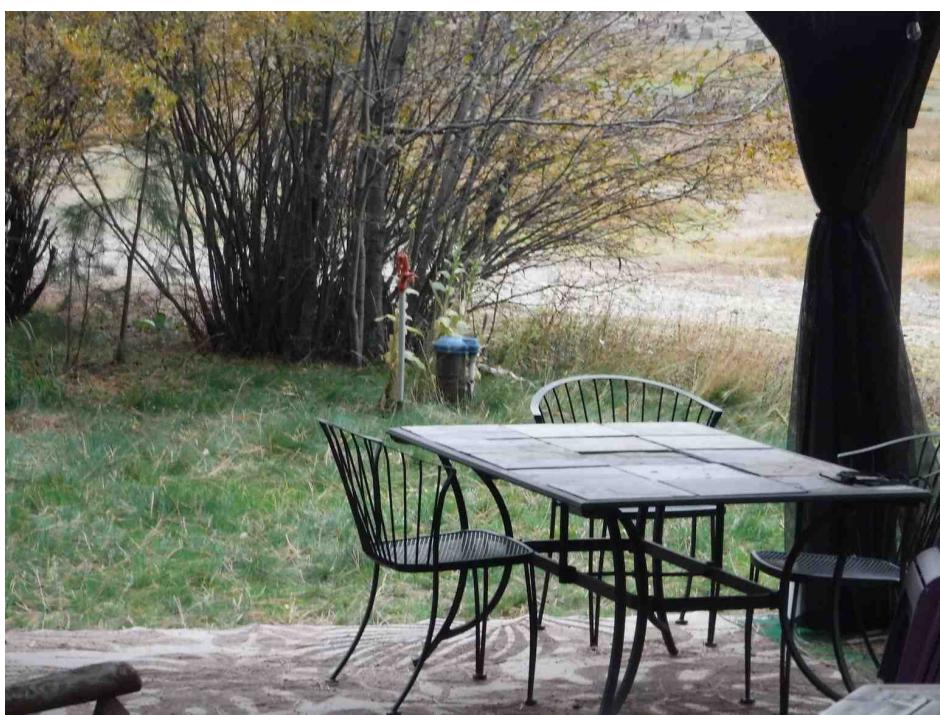
©2018

Subject Interior Photo Page

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

**Shared Driveway**

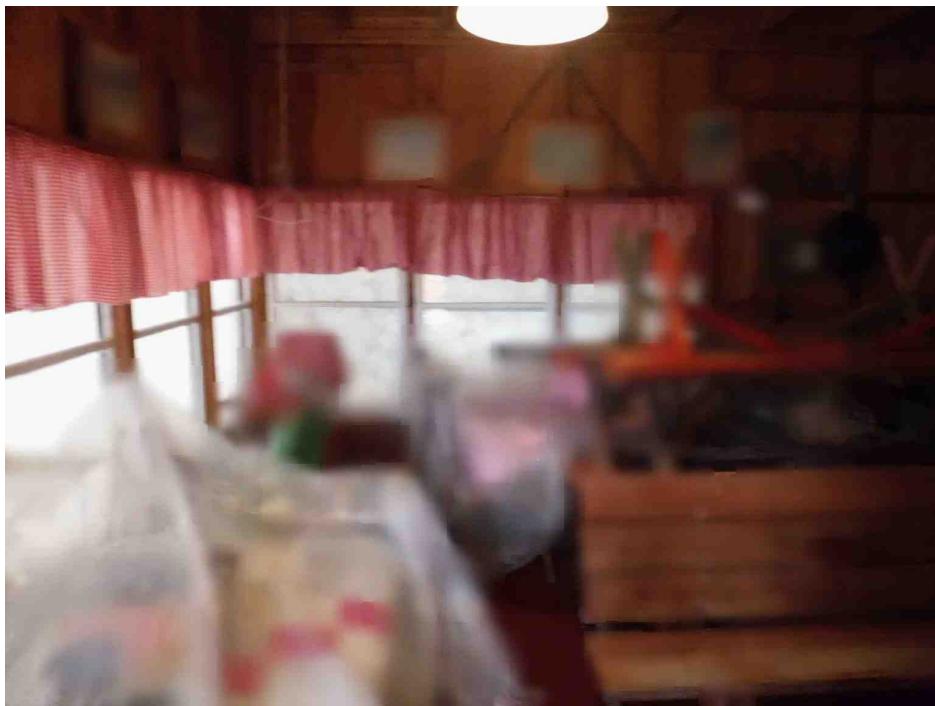
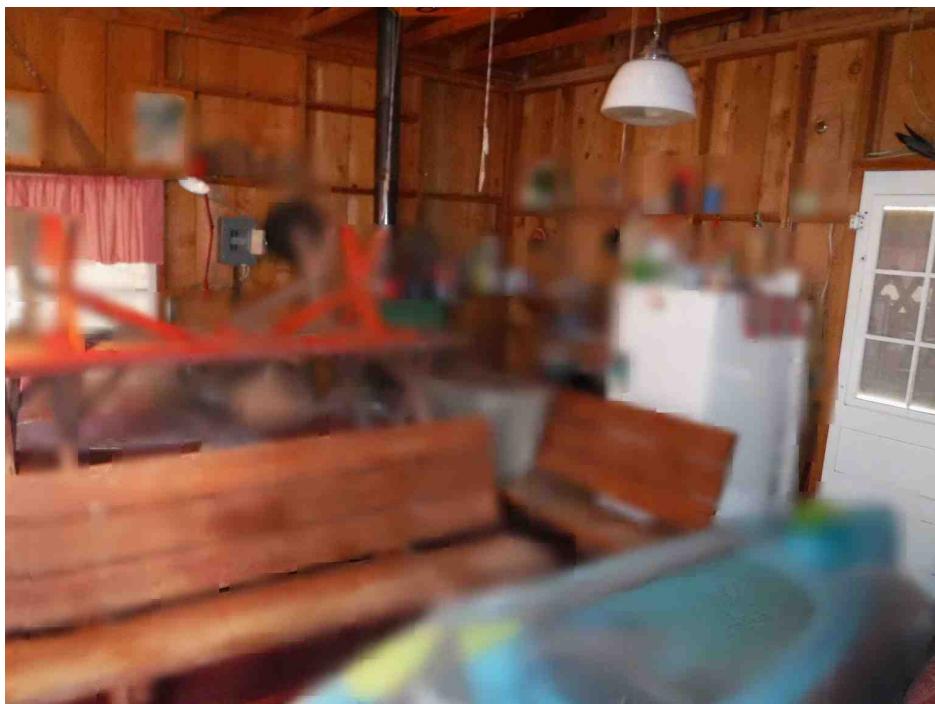
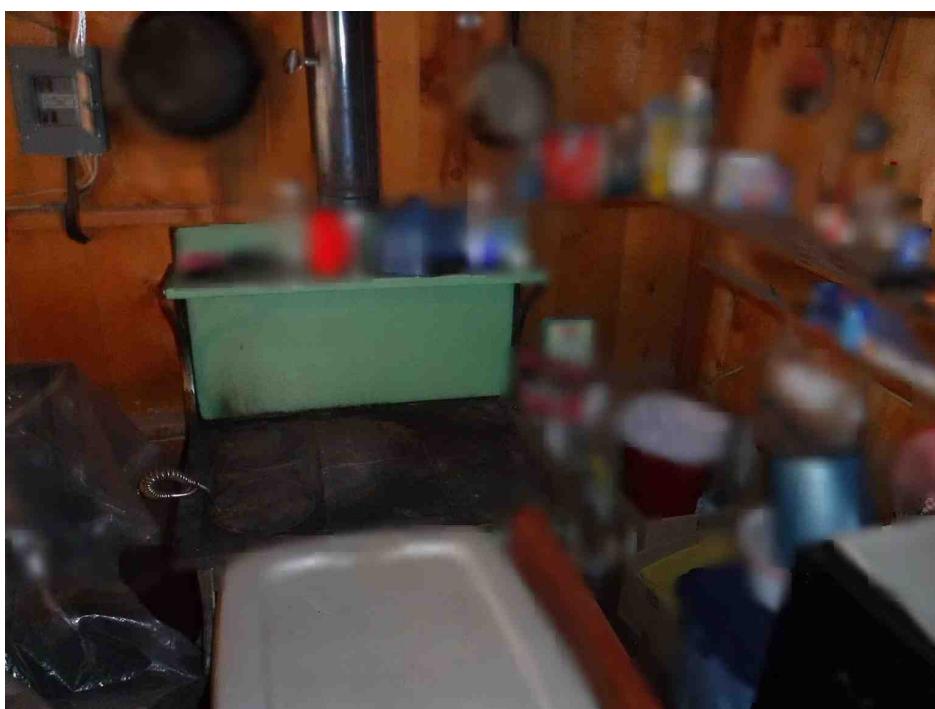
58

**Elec. Connection****Shared Well**

©2010

Subject Interior Photo Page (Interior Photos of Personal Property Blurred)

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

**Subject Interior****Subject Interior****Subject Interior**

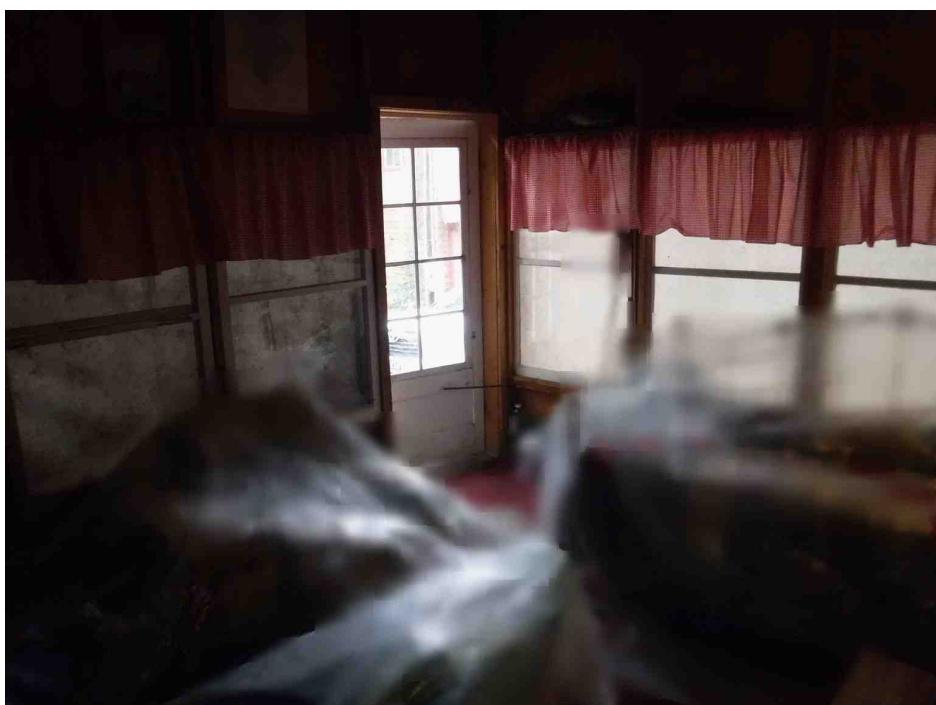
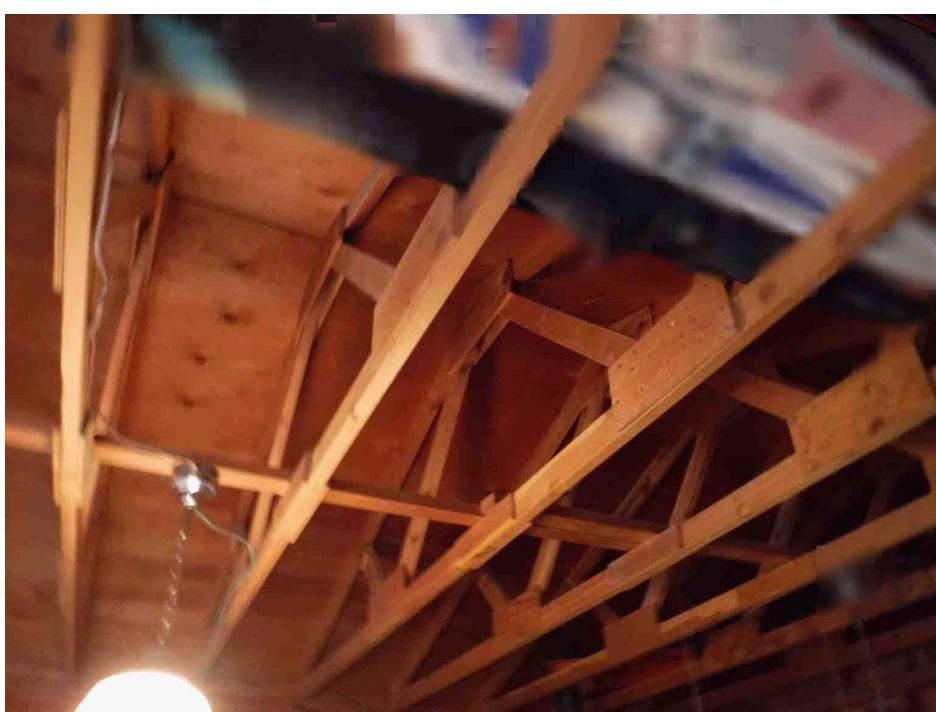
QSTAR

Subject Interior Photo Page (Interior Photos of Personal Property Blurred)

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

**Subject Interior**

58

**Subject Interior****Subject Interior**

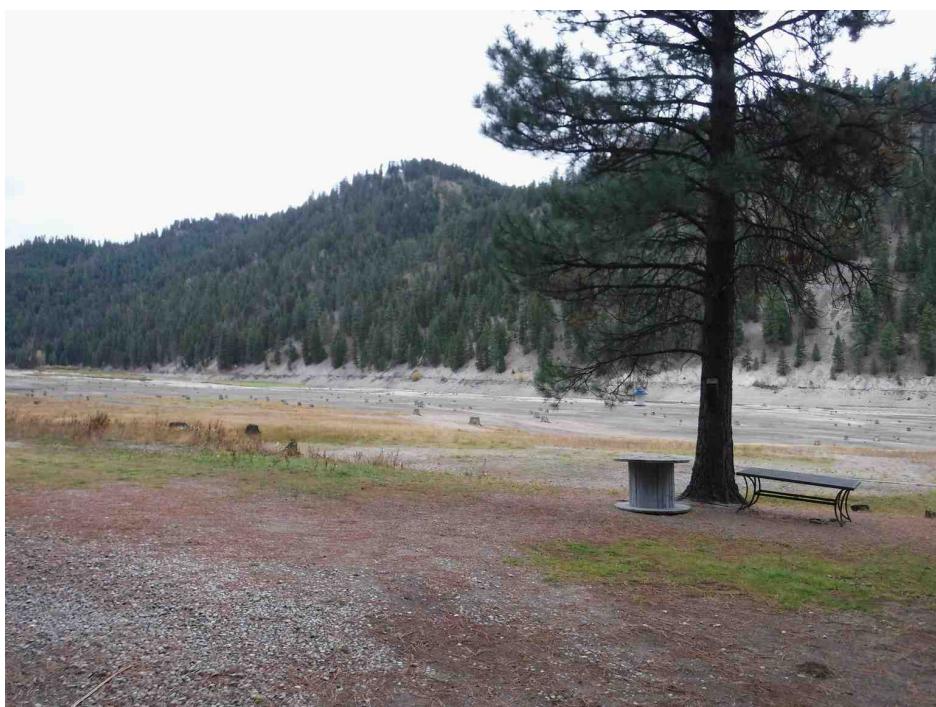
©STAR

Subject Interior Photo Page

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829

**Painted Rocks Reservoir**

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**Painted Rocks Reservoir****Survey Marker***©a la mode*

Comparable Photo Page

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829

**Comparable 1**

145 E St	
Prox. to Subject	16.02 miles NE
Sales Price	60,000
Gross Living Area	936
Total Rooms	1
Total Bedrooms	0
Total Bathrooms	0
Location	N;Res;Recreational
View	N;Mtn;Res
Site	0 sf
Quality	Fr
Age	51

**Comparable 2**

111 Fourth of July Gulch Rd	
Prox. to Subject	3.58 miles S
Sales Price	129,000
Gross Living Area	676
Total Rooms	3
Total Bedrooms	2
Total Bathrooms	1.0
Location	N;Res;Recreational
View	N;Mtn;Res
Site	0 sf
Quality	Fr
Age	55

**Comparable 3**

303 N 6th St	
Prox. to Subject	35.92 miles N
Sales Price	175,000
Gross Living Area	848
Total Rooms	4
Total Bedrooms	1
Total Bathrooms	1.0
Location	N;Res;
View	N;Mtn;Res
Site	0.10 ac
Quality	Avg/Superior
Age	103

Comparable Photo Page

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

**Comparable 4**

149 W E St
 Prox. to Subject 16.02 miles NE
 Sales Price 180,000
 Gross Living Area 684
 Total Rooms 3
 Total Bedrooms 2
 Total Bathrooms 1.0
 Location N;Res;Recreational
 View N;Mtn;Res
 Site 0 sf
 Quality Fr
 Age 43

Comparable 5

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

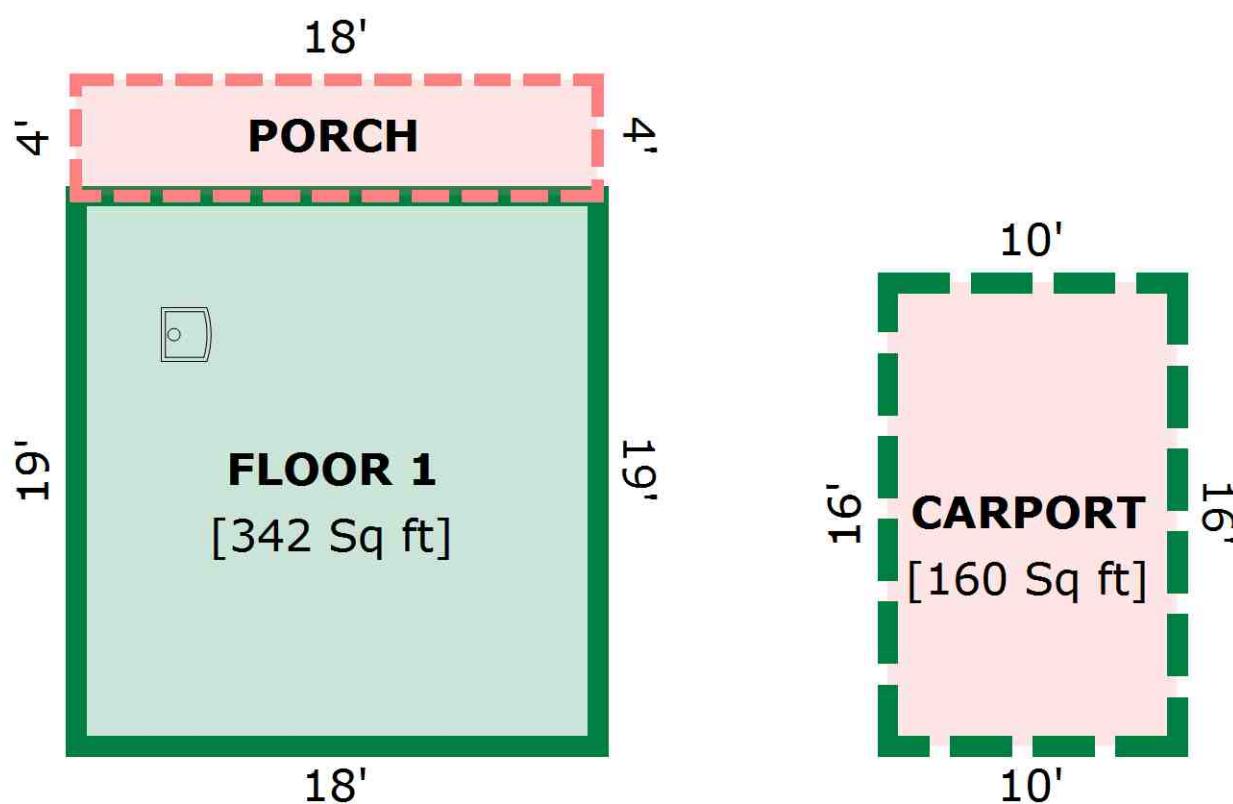
Comparable 6

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Building Sketch

Owner	State of Montana		
Property Address	Nhn West Fork Hwy		
City	Darby	County	Ravalli
Appraiser	Scott Spear MAI, SRA	State	MT
		Zip Code	59829

LAYOUT NOT TO SCALE AND PROVIDED FOR DEMONSTRATIVE PURPOSES ONLY



TOTAL Sketch by a la mode

Area Calculations Summary

Living Area	Calculation Details
FLOOR 1	$19 \times 18 = 342$
Total Living Area (Rounded):	342 Sq ft
Non-living Area	
CARPORT	$16 \times 10 = 160$
PORCH	$18 \times 4 = 72$

©2010

Comparable Sales Map

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA



Google

DNRC Site Map



EXHIBIT 1 OF 3

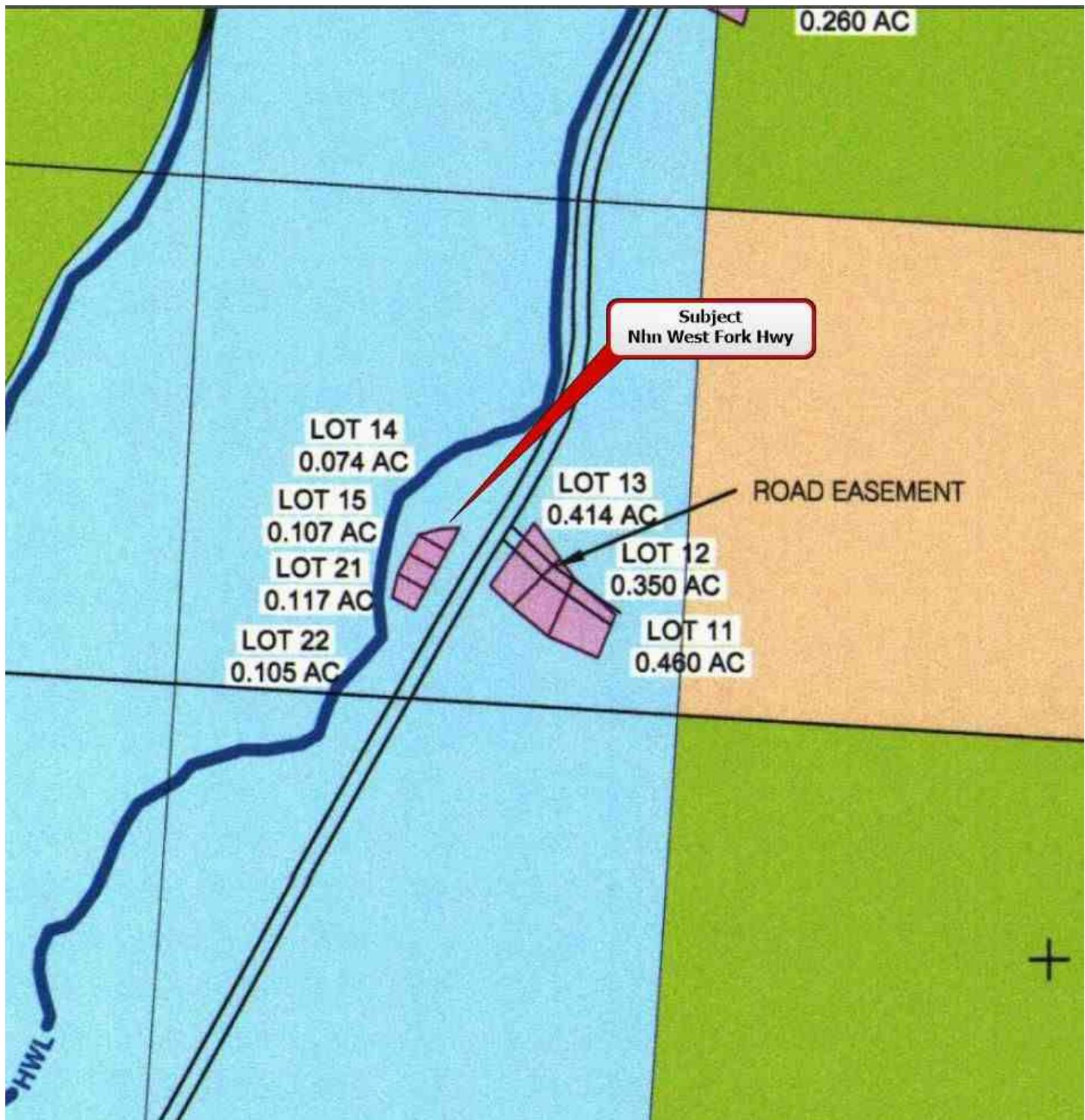
MONTANA DNRC
1424 9TH AVENUE, HELENA, MT 59601

PAINTED ROCKS RESERVOIR CABIN SITES			
REVISIONS	Date	By	
INITIAL	10/12/01	10/12/01	
FILE LOT	100	100	
Drawn By	STH	Checked By	STH
Date 10-12-01 Date 10-12-01 Page 1-600			

WWC ENGINEERING
1225 MAPLE STREET, SUITE F
HELENA, MT 59601
(406) 443-3962

DNRC Site Map - Lot 14

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA



QSTAR

Serial# F09EEAB5
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Aerial Map

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829



Aerial Image

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA
County	Ravalli
State	MT
Zip Code	59829



QSTAR

RE Taxes

Owner	State of Montana
Property Address	Nhn West Fork Hwy
City	Darby
Appraiser	Scott Spear MAI, SRA



RAVALLI COUNTY DETAIL										
Home	Date: 11/15/23	RAVALLI COUNTY TREASURER 215 S 4TH ST STE H			Tax ID: 1516400 Type: Real					
Search	Time: 08:50:40 am									
Payments										
		Name and Address								
SENN SUSAN M AND WORREST DIANE M AND POPIEL GARY L PO BOX 1308 HAMILTON MT 59840-1308		Property Tax Query TW Range SC Description								
		2S /22 /3 Geo 0766-03-3-01-05-4002 9-9 IMPROVEMENTS ON REAL ESTATE IN SE P #1023360 CS #470973-C (CABIN SITE CS #770773-LT#14 ON PAINTED ROCKS)								
YR	Int. Date	Tax Date	Tax Amt	Penalty	Interest	Total Amt				
Tax Due	23	11/15/23 11/30/23	113.53	0.00	0.00	227.02				
Tax Due	23	11/15/23 05/31/24	113.49	0.00	0.00					
Paid	22	11/17/22 11/30/22	109.96	0.00	0.00	219.89				
Paid	22	11/17/22 05/31/23	109.93	0.00	0.00					
Paid	21	11/16/21 11/30/21	106.85	0.00	0.00	213.66				
Paid	21	11/16/21 05/31/22	106.81	0.00	0.00					
Paid	20	11/12/20 12/04/20	106.45	0.00	0.00	212.87				
Paid	20	11/12/20 05/31/21	106.42	0.00	0.00					
Paid	19	11/15/19 12/02/19	105.41	0.00	0.00	210.81				
Paid	19	11/15/19 05/31/20	105.40	0.00	0.00					
Paid	18	11/09/18 11/30/18	98.02	0.00	0.00	196.02				
Paid	18	11/09/18 05/31/19	98.00	0.00	0.00					
Paid	17	11/13/17 11/30/17	100.77	0.00	0.00	201.52				
Paid	17	11/13/17 05/31/18	100.75	0.00	0.00					
Paid	16	11/18/16 12/09/16	90.95	0.00	0.00	181.87				
Paid	16	11/18/16 05/31/17	90.92	0.00	0.00					
Net			00.00	0.00	0.00	404.88				

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SSTAR

Owner	State of Montana	File No. 43PAINTED ROCKS
Property Address	Nhn West Fork Hwy	
City	Darby	County Ravalli
Appraiser	Scott Spear MAI, SRA	State MT Zip Code 59829

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use only by the specified client and any other named intended user(s).)

Comments on Standards Rule 2-3

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.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or 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 development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Reasonable Exposure Time

(USPAP defines Exposure Time as the estimated length of time that 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.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is:

0-180 days

Per MLS sales data.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:



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Serial:F09EEAB5

APPRAISER:



Signature:

Name: Scott Spear MAI, SRA

MAI, SRA

State Certification #: REA-RAG-LIC-521

or State License #:

State: MT Expiration Date of Certification or License: 03/31/2024

Date of Signature and Report: 11/16/2023

Effective Date of Appraisal: 10/10/2023

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): 10/10/2023

SUPERVISORY or CO-APPRAISER (if applicable):

Signature:

Name:

State Certification #:

or State License #:

State: Expiration Date of Certification or License:

Date of Signature:

Inspection of Subject: None Inter Exterior-Only

Date of Inspection (if applicable):

Serial# F09EEAB5

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Assessment Records - Page 1

Property Record Card

Summary

Primary Information

Property Category: RP Subcategory: Residential Property

Geocode: 13-0766-03-3-01-05-4002 Assessment Code: 0001516400

Primary Owner: PropertyAddress:

SENN SUSAN M AND

PO BOX 1308 COS Parcel:

HAMILTON, MT 59840-1308

NOTE: See the Owner tab for all owner information

Certificate of Survey:

Subdivision:

Legal Description:

S03, T02 S, R22 W, IMPROVEMENTS ON RE IN SE P #1023360 CS #470973-C (CABIN SITE CS #772731-TR LOT 14 ON PAINTED ROCKS RESERVOIR)

Last Modified: 9/27/2023 7:07:13 PM

General Property Information

Neighborhood: 213.829.0 Property Type: LEASE_R - On Leased Land - Rural

Living Units: 1 Levy District: 13-7739-9-9

Zoning: Ownership %: 100

Linked Property:

No linked properties exist for this property

Exemptions:

No exemptions exist for this property

Condo Ownership:

General: 0 Limited: 0

Property Factors

Topography: Fronting:

Utilities: Parking Type:

Access: Parking Quantity:

Location: Parking Proximity:

Land Summary

Land Type	Acres	Value
Grazing	0.000	00.00
Fallow	0.000	00.00
Irrigated	0.000	00.00
Continuous Crop	0.000	00.00
Wild Hay	0.000	00.00

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Farmsite	0.000	00.00
ROW	0.000	00.00
NonQual Land	0.000	00.00
Total Ag Land	0.000	00.00
Total Forest Land	0.000	00.00
Total Market Land	0.000	00.00

Deed Information:

Deed	Date	Book	Page	Recorded Date	Document Number	Document Type

Owners

Party #1

Default Information: SENN SUSAN M AND

PO BOX 1308

Ownership %: 100

Primary Owner: "Yes"

Interest Type: Fee Simple

Last Modified: 8/2/2012 4:11:58 PM

Other Names:

Other Addresses:

Name	Type	
WORREST DIANE M AND POPIEL L	Additional Legal	
GARY L	Owners	No other address

Appraisals

Appraisal History

Tax Year	Land Value	Building Value	Total Value	Method
2023	0	47520	47520	COST
2022	0	37860	37860	COST
2021	0	37860	37860	COST

Market Land

Market Land Info

No market land info exists for this parcel

Dwellings

Existing Dwellings

Dwelling Type	Style	Year Built
SFR	08 - Conventional	1965

Dwelling Information

Residential Type: SFR **Style:** 08 - Conventional

Year Built: 1965 **Roof Material:** 5 - Metal

Effective Year: 1980 **Roof Type:** 3 - Gable

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Story Height: 1.0 **Attic Type:** 0
Grade: 3 **Exterior Walls:** 1 - Frame
Class Code: 3301 **Exterior Wall Finish:** 6 - Wood Siding or Sheathing
Year Remodeled: 0 **Degree Remodeled:**

Mobile Home Details

Manufacturer: **Serial #:** **Width:** 0
Model: **Length:** 0

Basement Information

Foundation: 1 - Wooden or Masonry Piers/Posts **Finished Area:** 0 **Daylight:** N
Basement Type: 0 - None **Quality:**

Heating/Cooling Information

Type: None **System Type:** 0
Fuel Type: 0 - None **Heated Area:** 0

Living Accomodations

Bedrooms: 0 **Full Baths:** 0 **Addl Fixtures:** 0
Family Rooms: 0 **Half Baths:** 0

Additional Information

Fireplaces: **Stacks:** 0 **Stories:**
Garage Capacity: 0 **Openings:** 0 **Prefab/Stove:** 0
% Complete: 0 **Cost & Design:** 0 **Flat Add:** 0
Description: **Description:**

Dwelling Amenities

View: **Access:**

Area Used In Cost

Basement: 0 **Additional Floors:** 0 **Attic:** 0
First Floor: 342 **Half Story:** 0 **Unfinished Area:** 0
Second Floor: 0 **SFLA:** 342

Depreciation Information

CDU: **Physical Condition:** Average (7) **Utility:** Average (7)
Desirability: **Property:** Very Good (9)
Location: Excellent (10)

Depreciation Calculation

Age: 42 **Pct Good:** 0.73 **RCNLD:** 47520

Additions / Other Features

Additions

Lower	First	Second	Third	Area	Year	Cost
	80 - Carport, Frame, Unfinished			198	0	3843

There are no other features for this dwelling

Other Buildings/Improvements

Outbuilding/Yard Improvements

No other buildings or yard improvements exist for this parcel

Commercial

Existing Commercial Buildings

No commercial buildings exist for this parcel

Assessment Records - Page 4**Ag/Forest Land**

Ag/Forest Land

No ag/forest land exists for this parcel



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FOR DNRC USE ONLY			
Amount under this Agreement: <u>\$2,000.00</u>			
Source of Funds			
Fund Name Water Project Lands Lease Acct	Fund No. 02351	Approved No. WE-BA-965 Bureau Chief BH _____ Legal LC _____ Fin. Mgr MG _____ FSO/Procurement GU _____ Div. Admin N/A _____	
Subclass 545H1	Org. No. 4305	Project Code(s) 43PAINTED_ROCKS	Percent 100%
			

**Water Resource Division
Painted Rocks Project
Appraisals for DNRC Lease Site #14**

THIS CONTRACT is entered into by and between the State of Montana, Department of Natural Resources and Conservation, (hereinafter referred to as "the State"), whose address and phone number are 1424 9th Avenue, Helena, MT 59620-1601, 406-444-6646 and Bitterroot Appraisal, LLC (Contractor), whose address and phone number are PO Box 423, Hamilton, MT 59840 and 406-369-1969.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The contract's initial term is upon contract execution, through December 31, 2023, unless terminated earlier as provided in this contract. In no event is this contract binding on the State unless the State's authorized representative has executed it in Section 34.

1.2 Contract Renewal. N/A

2. COST ADJUSTMENTS

2.1 Cost Increase by Mutual Agreement. N/A

3. SERVICES AND/OR SUPPLIES

Contractor shall provide the State the following services as detailed in Exhibit A – Scope of Work and Exhibit B – Fee Proposal.

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4. WARRANTIES

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

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of services provided, the State shall pay Contractor a lump sum amount not to exceed two thousand and 00/100 dollars (\$2,000.00).

5.2 Withholding of Payment. In addition to its other remedies under this contract, at law, or in equity, the State may withhold payments to Contractor if Contractor has breached this contract. Such withholding may not be greater than, in the aggregate, 100% of the total value of the subject statement of work or applicable contract.

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

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

5.5 Fuel Surcharge N/A

6. PREVAILING WAGES REQUIREMENTS N/A

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records. Contractor shall provide the State, Legislative Auditor, or their authorized agents access to any records necessary to determine contract compliance. The State may terminate this contract under section 20, without incurring liability, for the Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

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

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this contract without the State's prior written consent. (18-4-141, MCA.) Contractor is responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No

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contractual relationships exist between any subcontractor and the State under this contract. Contractor is responsible to ensure that any assignee, transferee or subcontractor is subject to all of the terms and conditions of this Contract as fully set forth. Consent of the State to assign, transfer or subcontract any portion of this Contract does not relieve the Contractor in any manner of its responsibilities under this Contract.

9. HOLD HARMLESS/INDEMNIFICATION

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

9.2 To the fullest extent permitted by law, Contractor shall indemnify and hold harmless State, its elected and appointed officials, officers, agents, directors, and employees from and against all claims, damages, losses and expenses, including the cost of defense thereof, to the extent caused by or arising out of Contractor's negligent acts, errors, or omissions in work or services performed under this Contract, including but not limited to, the negligent acts, errors, or omissions of any Subcontractor or anyone directly or indirectly employed by any Subcontractor for whose acts Subcontractor may be liable.

10. CONTRACTOR REGISTRATION (for construction) N/A

11. CONTRACTOR WITHHOLDING (for construction) N/A

12. REQUIRED INSURANCE

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

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

12.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

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The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

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

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

13. COMPLIANCE WITH WORKERS' COMPENSATION ACT

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

14. COMPLIANCE WITH LAWS

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

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

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

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

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

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

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

15. DISABILITY ACCOMMODATIONS

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

16. REGISTRATION WITH THE SECRETARY OF STATE

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

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

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17. INTELLECTUAL PROPERTY/OWNERSHIP

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

18. PATENT AND COPYRIGHT PROTECTION

18.1 Third-Party Claim. If a third party makes a claim against the State that the products furnished under this contract infringe upon or violate any patent or copyright, the State shall promptly notify Contractor. Contractor shall defend such claim in the State's name or its own name, as appropriate, but at Contractor's expense. Contractor shall indemnify the State against all costs, damages, attorney fees, and all other costs and expenses of litigation that accrue as a result of such claim. If the State reasonably concludes that its interests are not being properly protected, or if principles of governmental or public law are involved, it may enter any action.

18.2 Product Subject of Claim. If any product furnished is likely to or does become the subject of a claim of infringement of a patent or copyright, then Contractor may, at its option, procure for the State the right to continue using the alleged infringing product, or modify the product so that it becomes non-infringing. If none of the above options can be accomplished, or if the use of such product by the State shall be prevented by injunction, the State will determine whether the contract has been breached.

19. CONTRACT PERFORMANCE ASSURANCE N/A

20. CONTRACT TERMINATION

20.1 Termination for Convenience. The State may, by written notice to Contractor, terminate this contract without cause and without incurring liability to Contractor. The State shall give notice of termination to Contractor at least 30 days before the effective date of termination. The State shall pay Contractor only that amount, or prorated portion thereof, owed to Contractor up to the date the State's termination takes effect. This is Contractor's sole remedy. The State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

20.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this contract for the State's failure to perform any of its duties under this contract after giving the State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

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

21. EVENT OF BREACH – REMEDIES

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

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

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

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

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

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

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

22. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a

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force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than 5 working days after the onset. If the notice is not provided within the 5 day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this contract, unless the parties mutually agree that the obligation is excused because of the condition.

23. WAIVER OF BREACH

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

24. CONFORMANCE WITH CONTRACT

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

25. LIAISONS AND SERVICE OF NOTICES

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

Mark McNearney, PE, is the State's liaison.
 DNRC State Water Projects Bureau
 1424 9th Avenue (P.O. Box 201601)
 Helena, MT 59620-1601
 Telephone: 406-444-6693
 E-mail: mmcnearney@mt.gov

Scott Spear, MAI, SRA, is the Contractor's liaison.
 Bitterroot Appraisal, LLC
 PO Box 423
 Hamilton, MT 59840
 Telephone: 406-369-1969
 E-mail: spear.scott@gmail.com

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

25.3 Identification/Substitution of Personnel. The personnel identified or described in Contractor's proposal shall perform the services provided for the State under this contract. Contractor agrees that any personnel substituted during the term of this contract must be able to conduct the

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required work to industry standards and be equally or better qualified than the personnel originally assigned. The State reserves the right to approve Contractor personnel assigned to work under this contract and any changes or substitutions to such personnel. The State's approval of a substitution will not be unreasonably withheld. This approval or disapproval shall not relieve Contractor to perform and be responsible for its obligations under this contract. The State reserves the right to require Contractor personnel replacement. If Contractor personnel become unavailable, Contractor shall provide an equally qualified replacement in time to avoid delays to the work plan.

26. MEETINGS

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

27. Transition Assistance

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

28. CHOICE OF LAW AND VENUE

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

29. TAX EXEMPTION

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

30. AUTHORITY

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Form SCNLGL - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

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

31. SEVERABILITY CLAUSE

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

32. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

32.1 Contract. This contract consists of ten numbered pages and Exhibit A – Scope of Work and Exhibit B – Fee Proposal. In the case of a dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

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

33. WAIVER

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

34. EXECUTION

The parties through their authorized agents have executed this contract on the dates set out below. A scanned copy or facsimile copy of the original has the same force and effect as the original document.

STATE OF MONTANA
Montana Department of Natural Resources and
Conservation
P.O. Box 201601 (1424 9th Avenue)
Helena, MT 59620-1601

Bitterroot Appraisal, LLC
PO Box 423
Hamilton, MT 59840

BY: BRIAN HOLLING Bureau Chief
(Name/Title)

DocuSigned by:

(Signature)

BY: SCOTT SPEAR Appraiser
(Name/Title)

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EXHIBIT A



MONTANA DEPARTMENT OF NATURAL RESOURCES & CONSERVATION

EXHIBIT A SCOPE OF WORK

Appraisal Services for

Potential Property Sales, DNRC Water Project Lands Ravalli County

September 2023

INTRODUCTION

The Montana Department of Natural Resources & Conservation (DNRC) is requesting a fee proposal to perform appraisal services for one (1) cabin/home lease site on State Water Projects Lands adjacent to Painted Rocks reservoir within Ravalli County. The State Water Projects Bureau (SWPB) of DNRC is the owner of Projects Lands surrounding Painted Rocks Reservoir.

The purpose of the appraisal is to provide DNRC with a credible opinion of current fair market value of the appraised subject properties and is intended for use for the potential sale of said subject properties. The consultant's work will consist of appraisal services work and deliverables as described in this Scope of Work in preparation for land and/or improvements sale transactions. **Refer to the Appraised Values Required section for specific evaluation criteria.**

The clients are the State of Montana DNRC. The intended users are the State of Montana DNRC and Lessees listed under the contact information section.

DEFINITIONS

Current fair market value. Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation

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of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

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

ASSIGNMENT CONDITIONS

The appraiser must be a Certified General Real Estate Appraiser pursuant to the provisions of Title 37, Chapter 54, Montana Code Annotated and has provided the Department with proof thereof. The appraisal is to conform to the latest edition of Uniform Standards of Professional Appraisal Practice (USPAP), and the opinion of value must be credible and be defendable in a court of law. The appraiser is to physically inspect the subject properties at a level that will allow the appraiser to render a credible opinion of value about the properties. The appraiser must have knowledge of the comparables through either personal inspection or with use of sources the appraiser deems reliable and must have at least viewed the comparables.

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

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

The appraisal will be an Appraisal Report as per USPAP, that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that support the analyses, opinions and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraiser will provide one appraisal report that includes analysis and appraised values identified at the end of this document.

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

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

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

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

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

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS

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

PROPERTY RIGHTS APPRIASED

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

EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION

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

APPRAISED VALUES REQUIRED:

The appraisal for each cabin and home site must:

1. Include a total market value of the property, with the hypothetical condition that land and improvements are in fee simple ownership, with one owner.

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

DELIVERABLE

Appraisal Report

- The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel(s). If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing the specific market data as a stand-alone document, which must be reviewed and accepted along with the appraisal, and may be returned to the appraiser for retention in his/her files upon request. The appraiser must submit an electronic copy as well as a printed copy of the appraisal report.
- The definition of market value is that as defined in 12 C.F.R. § 34.42 (h).
- The DNRC will provide state parcel information, as maintained by the State Water Projects Bureau, including but not limited to aerial photos, land improvements, current lease data, any known property issues, and surveys.

PROJECT SCHEDULE

Complete and submit all deliverables by October 31, 2023. Prior to performing the work, coordinate with Owner to determine schedule of work, site access, and area restrictions.

SUBJECT PROPERTIES (Located in Ravalli County):

Site #	Acres ±	Legal Description	Site Address (if known)
14	0.07	Lot 14 of COS 772731, Section 3, T2S, R22W	Next to Lot 15 whose physical address is 8805 West Fork Hwy, Darby MT 59829

CONTACT INFORMATION

Montana DNRC			
Mark McNearney, P.E.	State Water Projects Bureau, Water Resources Division 1424 9 th Avenue PO Box 201601 Helena, MT 59620	406-444-6693	mmcnearney@mt.gov

Lessee(s)			
Site 14 Diane Worrest	925 Dixon Avenue Missoula MT 59801	406-544-5123	worrestfamily@gmail.com

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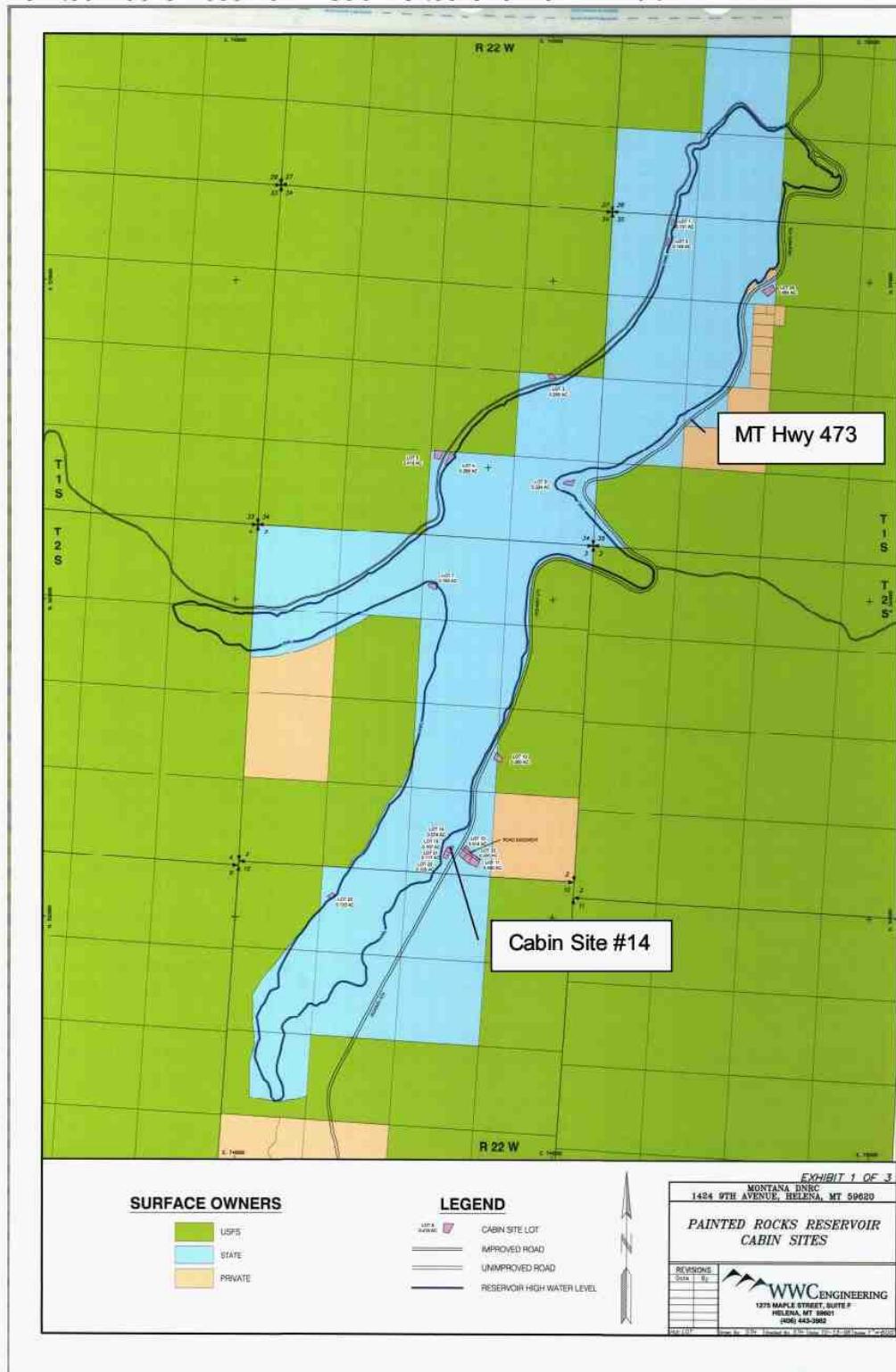
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Painted Rocks Reservoir – Cabin Sites Overview Exhibit



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EXHIBIT B

Bitterroot Appraisal, LLC

Scott Spear MAI, SRA
Certified General Appraiser
spear.scott@gmail.com
BitterrootAppraisalMT.com

09/14/2023

Mark McNearney, P.E.
Project Management Section Supervisor
Montana DNRC - State Water Projects Bureau

RE: Painted Rock Reservoir Lease Site #14 Quote

Fee for Lease Site #14 is \$2,000; delivery date projection is 30 days subsequent to the date of assignment.

Sincerely,



Scott Spear MAI, SRA

PO BOX 423 HAMILTON, MT 59840

T (406) 369-1969

spear.scott@gmail.comSerial# F09EEAB5
esign.alamode.com/verify

CGA Certification / License



State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-521

Status: **Active**
Expires: **03/31/2024**

SCOTT SPEAR
PO BOX 423
HAMILTON, MT 59840

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER



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

Renew online at <https://ebiz.mt.gov/pol> by signing in with your username and password.

The renewal cycle for your board opens 60 days prior to the expiration date on your current license.

Renew your license prior to your expiration date to avoid being charged a late fee(s).

Remember to maintain your online account information with a password, security question and a valid email address. You can update your account information by accessing the 'Account Management' link when logged in.

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SRA Designation



The Best of the Best SRA Designated Members of the Appraisal Institute

The SRA membership designation is held by professionals who provide a wide range of services for residential properties related to, providing opinions of value, evaluations, reviews, consulting and advice regarding investment decisions, among other things. Those who hold the SRA designation demonstrate the highest standards of education and ethics. In its continuing mission to elevate the real estate valuation profession, Appraisal Institute specifies rigorous requirements for SRA Designated membership regarding experience, education and moral character. Brokers, bankers, lenders, buyers and sellers working with valuers who are Appraisal Institute SRA Designated Members may know that these members have demonstrated knowledge, experience, and commitment to the profession, and agree to adhere to the organization's strict Code of Professional Ethics and Standards of Professional Practice.

SRA Designated Members of the Appraisal Institute instill confidence.

These individuals have the necessary residential property valuation experience and knowledge to produce a valuation that ensures confidence.

SRA Designated Members of the Appraisal Institute inspire trust.

SRA Designated members agree to adhere the Appraisal Institute Code of Professional Ethics and Standards of Professional Practice, underscoring a commitment to sound and ethical professional practice.

SRA Designated Members of the Appraisal Institute provide insight.

The completion of continuing education requirements assures that SRA Designated Members remain informed on trends and changes pertaining to real property valuation, enabling them to provide valuations that reflect the latest in professional practice.

SRA Designated Members of the Appraisal Institute are recognized for their excellence.

The SRA designation has long been recognized by courts of law, government agencies, financial institutions and investors as a mark of excellence in the field of real estate valuation and analysis.

Requirements for the SRA designation far exceed those for state certification.

To become a SRA Member of the Appraisal Institute, an individual must:

- Have good moral character;
- Be a Certified Residential or Certified General Real Property Appraiser (or meet equivalency);
- Hold a bachelor's degree or higher (or be a Certified Residential or Certified General Real Property Appraiser);
- Meet standards and ethics requirements;
- Pass rigorous education requirements;
- Pass a final comprehensive examination;
- Receive credit for residential experience that meets strict criteria; and
- Receive credit for the demonstration of knowledge requirement.

Learn about Appraisal Institute designations at <https://www.appraisalinstitute.org/our-designations/>

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MAI Designation



The Best of the Best MAI Designated Members of the Appraisal Institute

The MAI membership designation is held by professionals who provide a wide range of services on all types of real property related to providing, opinions of value, evaluations, review, consulting and advice on investment decisions, among other things. Property types may include commercial, industrial, agricultural, residential, and vacant land. Those who hold the MAI designation demonstrate the highest standards of education and ethics. In its continuing mission to elevate the real estate valuation profession, Appraisal Institute specifies rigorous requirements for MAI Designated membership regarding experience, education and moral character. Brokers, bankers, lenders, buyers and sellers working with valuers who are Appraisal Institute MAI Designated Members may know that these members have demonstrated knowledge, experience, and commitment to the profession, and agree to adhere to the organization's strict Code of Professional Ethics and Standards of Professional Appraisal Practice

MAI Designated Members of the Appraisal Institute instill confidence.

These individuals have the necessary commercial property valuation experience and knowledge to produce a valuation that ensures confidence.

MAI Designated Members of the Appraisal Institute inspire trust.

MAI Designated Members agree to adhere to the Appraisal Institute Code of Professional Ethics and Standards of Professional Practice, underscoring a commitment to sound and ethical professional practice.

MAI Designated Members of the Appraisal Institute provide insight.

The completion of continuing education requirements assures that MAI Designated Members remain informed on trends and changes pertaining to real property valuation, enabling them to provide valuations that reflect the latest in professional practice.

MAI Designated Members of the Appraisal Institute are recognized for their excellence.

The MAI designation has long been recognized by courts of law, government agencies, financial institutions, and investors as a mark of excellence in the field of real estate valuation and analysis.

Requirements for the MAI designation far exceeds those for state certification.

To become a MAI Member of the Appraisal Institute, an individual must:

- Have good moral character;
- Be a Certified General Real Property Appraiser (or meet equivalency);
- Hold a bachelor's degree or higher (or be a Certified General Real Property Appraiser);
- Meet standards and ethics requirements;
- Pass rigorous education requirements;
- Pass a final comprehensive examination;
- Receive credit for specialized experience that meets strict criteria; and
- Receive credit for the demonstration of knowledge requirement.

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