McGinnis Real Estate Appraisal Group, LLC

Appraisal Report
905 & 911 South Reserve Street
Missoula, Montana 59801

Jennifer L. McGinnis, MAI

Two contiguous vacant B2-2 zoned city lots in the Design Excellence Overlay Typology #4 corridor. The lots are divided by the Missoula Irrigation ditch, with 466.88' of South Reserve Street frontage:

Parcel A 82,764 SF
Parcel B 39,640 SF
Total 122,404 SF

Date of Valuation

April 12, 2025

FOR

State of Montana
Montana Board of Land Commissioners
Department of Natural Resources & Conservation
PO Box 201601
Helena, Montana 59620-1601

Contract No.255145
Fund No. 02938

Our File No. 2527

2010 Dearborn #13, Missoula, MT 59801 Jennifer@mreag.com (406)546-1906

May 4, 2025

Sierra Farmer
Southwestern Land Office Trust lands Manager
Department of Natural Resources & Conservation
Trust Land Management Division
PO Box 201601
1539 11th Avenue
Helena, Montana 59620-1601

RE: 905 & 911 South Reserve Street
Missoula, MT 59801

File No. 2527
Contract No. 255145
Fund No. 02938

Dear Sierra Farmer,

In accordance with the appraisal contract dated April 8, 2025, for an Appraisal report setting forth market value of the parcels legally described on page 22 of this report, I hereby submit the following appraisal report containing 75 pages and Addenda.

The subject property consists of two contiguous vacant city lots zoned B2-2 Community Business, located within the Design Excellence Overlay Typology #4 corridor. The parcels are divided by the Missoula Irrigation Ditch and share undeveloped access with frontage along South Reserve Street.

Parcel A spans 1.90 acres (82,764 square feet) with 261.91 feet of frontage on South Reserve Street and an additional 262.31 feet of frontage at the corner of South 7th Street West, providing added access. Parcel B encompasses 0.91 acres (39,640 square feet) and features 204.96 feet of South Reserve Street frontage. Together, the two parcels total 2.81 acres (122,404 square feet) with a combined 466.88 feet of South Reserve Street frontage.

City sewer runs along the east boundary at South Reserve Street, while the city water line is positioned near the north boundary on South 7th Street West. However, per the KLJ Engineering report, upgrading to a 10-inch water line would be necessary for commercial use. Public power is accessible along the west boundary.

Parcel A's topography is primarily level, with a slight downward slope at the northwest corner toward South 7th Street West. Parcel B remains level, with vegetation consisting of scattered trees and brush along the irrigation ditch.

I have appraised the property in fee simple subject to the easements and restrictions of record. I assume no responsibility for the marketability of the title to the property.

A Phase I Environmental Site Assessment was not provided to me; however, a visual inspection of the property revealed no on-site contamination nor did it reveal any materials stored on site which would constitute hazardous waste. Your appraiser is not an expert in this field and if some questions exist a qualified professional should be contacted. This appraisal is made with the ***Extraordinary Assumption and Limiting Condition*** that there are no hidden or unapparent conditions that would affect the buildability of the site. The use of an Extraordinary Assumption and Limiting Condition may affect assignment results.

I have complied with the Competency Provision as required in the Uniform Standards of Professional Appraisal Practice, based on my education and experience in appraising similar properties throughout western Montana. This appraisal is completed in conformity with, and subject to, the requirements of regulated institutions under FIRREA and USPAP as provided by the Appraisal Foundation, the Interagency Appraisal and Evaluation Guidelines ("IA & EG"), and in compliance with the appraisal engagement letter.

As a result of my investigations, studies and analyses, I have formed the opinion that the market value indications of the subject parcels, with consideration to a cash sale, and the extraordinary assumption and limiting conditions herein, as of April 12, 2025, are as follows:

Market Value Indications			
	Parcel A	Parcel B	Parcels A & B
Address	905 S. Reserve St.	911 S. Reserve St.	
Parcel Size/SF	82,764	39,640	122,404
Reserve Street Frontage	261.92	204.96	466.88
Parcel Depth	262.31	262.36	
Market Value $/SF	$24.00	$24.00	$24.00
Total Market Value Indication	$1,986,336	$951,360	$2,937,696
Market Value (Rounded)	**$1,985,000**	**$950,000**	**$2,935,000**

I direct your attention to the data, discussions and conclusions which follow. Thank you for the opportunity to be of service.

Respectfully submitted,

Jennifer L. McGinnis, MAI
MT Certified General Appraiser
REA-RAG-LIC-714

Table of Contents

Certification Statement

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the 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.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- I have provided services as an appraiser of the subject property within the three years prior to this assignment. I previously appraised the property in 2019, 2021 and 2023.

- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

- As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Members.

Jennifer L. McGinnis, MAI
MT Certified General Appraiser
REA-RAG-LIC-714

General Assumptions and Limiting Conditions

This is to certify that the appraiser, in submitting this statement and opinion of the value of subject property, acted in accordance with and was bound by the following principles, limiting conditions and assumptions.

1. No responsibility is assumed for matters that are legal in nature nor is any opinion rendered on title of property appraised which is assumed to be marketable. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.

2. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

3. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.

4. Unless expressly specified in this Agreement, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of McGinnis Real Estate Appraisal Group, LLC, is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.

5. Where the values of the land and the improvements are shown separately, the value of each is segregated only as an aid to better estimate the value which it lends to the whole parcel, rather than value of that particular item if it were by itself.

6. The dates of value to which the opinions expressed in this report apply are set forth in this report. I assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

7. All maps, areas, plans, specifications, and other data furnished your appraiser are assumed to be correct. No survey of the property was made by this firm. Furthermore, all numerical references to linear measurements, area, volume or

angular measurements should be assumed to be "more or less" (±), and are accurate to a degree consistent with their use for valuation purposes.

8. Neither the employment to make the appraisal nor the compensation for it is contingent upon the amount of valuation reported.

9. The information, estimates and opinions which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

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

11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraiser is connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.

12. This appraisal was prepared for the sole and exclusive use of the client. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of McGinnis Real Estate Appraisal Group, LLC and Client. The appraiser assumes no liability for unauthorized use of the appraisal report by a third party.

13. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

14. The value opinion provided herein is subject to any and all predications set forth in this report.

15. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, I have not completed nor have I contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, she makes no guarantees, express or implied, regarding this determination.

16. If the appraisal is for mortgage loan purposes 1) I assume satisfactory condition of improvements if construction is not complete, 2) no consideration has been

given rent loss during rent-up unless otherwise noted in the body of this report, and 3) occupancy at levels consistent with my “Income and Expense Projection” are anticipated.

17. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

18. My inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. I inspected the buildings involved and reported damage (if any) as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

19. The appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or nation governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

20. When possible, I have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or “as-built” plans provided to me, I have relied upon my own measurements of the subject improvements. I follow typical appraisal industry methods; however, I recognize that some factors may limit my ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple-story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

21. I have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and /or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonable accurate and reliable, I cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). I reserve the right to

use an alternative source of building size and amend the analysis, narrative or concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.

22. In the absence of being provided with a detailed land survey, I have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, I reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.

23. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and I reserve the right to amend this appraisal if substantial differences are discovered.

24. The appraiser is not qualified to detect hazardous wastes and/or toxic materials. Any comment by the appraiser that might suggest the possibility of presence of such substances should not be taken as confirmation of the presence of hazardous wastes and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, petroleum products or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover such conditions. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

25. I have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the Americans with Disabilities Act (ADA) which became effective January 26, 1992. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

26. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment or subsurface rights (minerals, gas and oil) were not considered in this appraisal unless specifically stated to the contrary.

27. If any claim is filed against any of McGinnis Real Estate Appraisal, LLC affiliates, partners or employees, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

28. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

29. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

30. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from my estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, I strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determining insurance coverage and I make no warranties regarding the accuracy of this estimate.

31. It is your responsibility to read the report and to inform the appraiser of any errors or omissions of which you are aware, prior to utilizing the report.

32. All disputes shall be settled by binding arbitration in accordance with then then-existing commercial arbitration rules of the American Arbitration Association (the "AAA").

33. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Summary of Conclusions

Current Owners	Natural Resources & Conservation Department of Montana
Intended User	Natural Resources & Conservation Department of Montana
Intended Use	Opinion of fair market value for determination of compensation paid for a lease on said properties.
Location of Property	905 & 911 South Reserve Street Missoula, Montana 59801
Property Rights Appraised	Fee simple
Present Use	Vacant land
Highest and Best Use	Commercial development
Extraordinary Assumptions	No conditions that would affect the buildability of the site
Hypothetical Conditions	None
Date of Valuation	April 12, 2025

Market Value Indications			
	Parcel A	**Parcel B**	**Parcels A & B**
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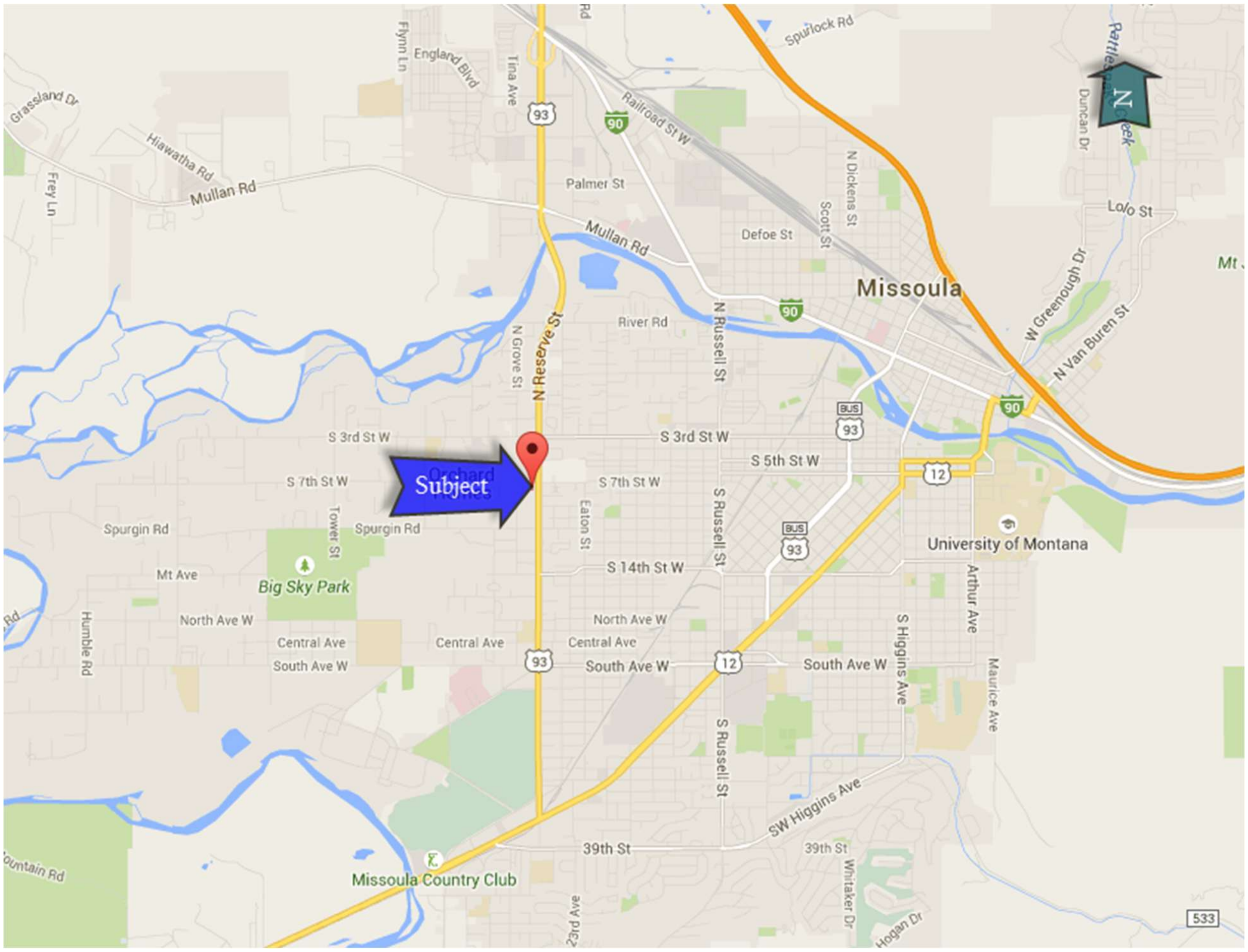
Subject Property Photographs

Location Map



<u>**Aerial view**</u>

Potential Site Plan by KLJ Engineers

This site plan may need modifications to meet the new Design Excellence Overlay Standards, depending on development.

SUBJECT PROPERTY PHOTOGRAPHS

Subject Parcel B facing north on S. Reserve Street-undeveloped access point

Subject NE corner Parcel A, intersection with S. 7th Street W.

SUBJECT PROPERTY PHOTOGRAPHS

Subject Parcel A NW corner facing east, access from S. 7th Street W.
Sloped topography

Subject Parcel A facing SW

SUBJECT PROPERTY PHOTOGRAPHS

Subject east boundary of Parcel A facing south towards Parcel B

Subject Parcel A exposure at the corner of South Reserve Street and S. 7th Street West

SUBJECT PROPERTY PHOTOGRAPHS

Subject Missoula Irrigation Canal separating Parcel A & B

Subject Parcel B facing east towards South Reserve Street frontage

SUBJECT PROPERTY PHOTOGRAPHS

Subject Parcel B facing west

Subject Parcel A facing NW

Introduction

Identification of the client and other intended users

This report has been prepared for the State of Montana, Montana Board of Land Commissioners, and the Department of Natural Resources & Conservation (DNRC). No other party may use or rely on the information in this report without written consent of the preparer.

Intended Use of the Appraisal

The intended use of this report is for the sole purpose in assisting the client, State of Montana, the Montana Board of Land Commissioners, the Department of Natural Resources & Conservation (DNRC) to provide a credible opinion of current fair market value of the appraised subject parcels. The report is intended to be used in the decision making process for the determination of the compensation to be paid for a lease on said subject properties.

Significant Dates of Appraisal

The effective date of the appraisal is April 12, 2025, with the report completed on May 4, 2025.

Identification of the subject real estate and the property rights appraised

This appraisal is made with the understanding that present ownership of the subject property includes all rights that may be lawfully owned, and is, therefore, title in fee simple, subject to all easements and restrictions of record. Following is the legal descriptions and Certificate of Survey:

Legal Description:

Parcel A & Parcel B, Certificate of Survey 4743 located in the NE1/4 of Section 30, T13N, R19W, PMM, Missoula County, MT

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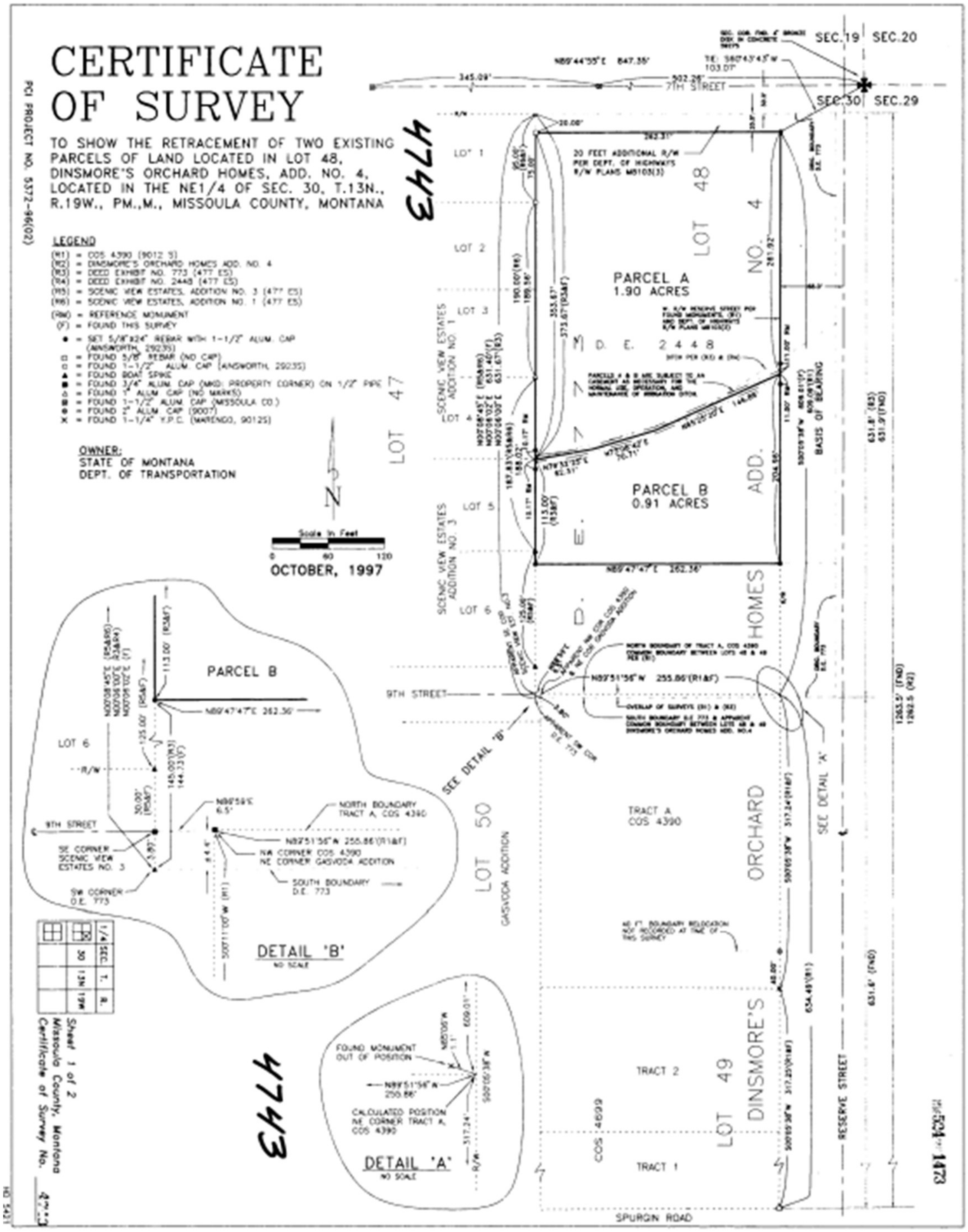
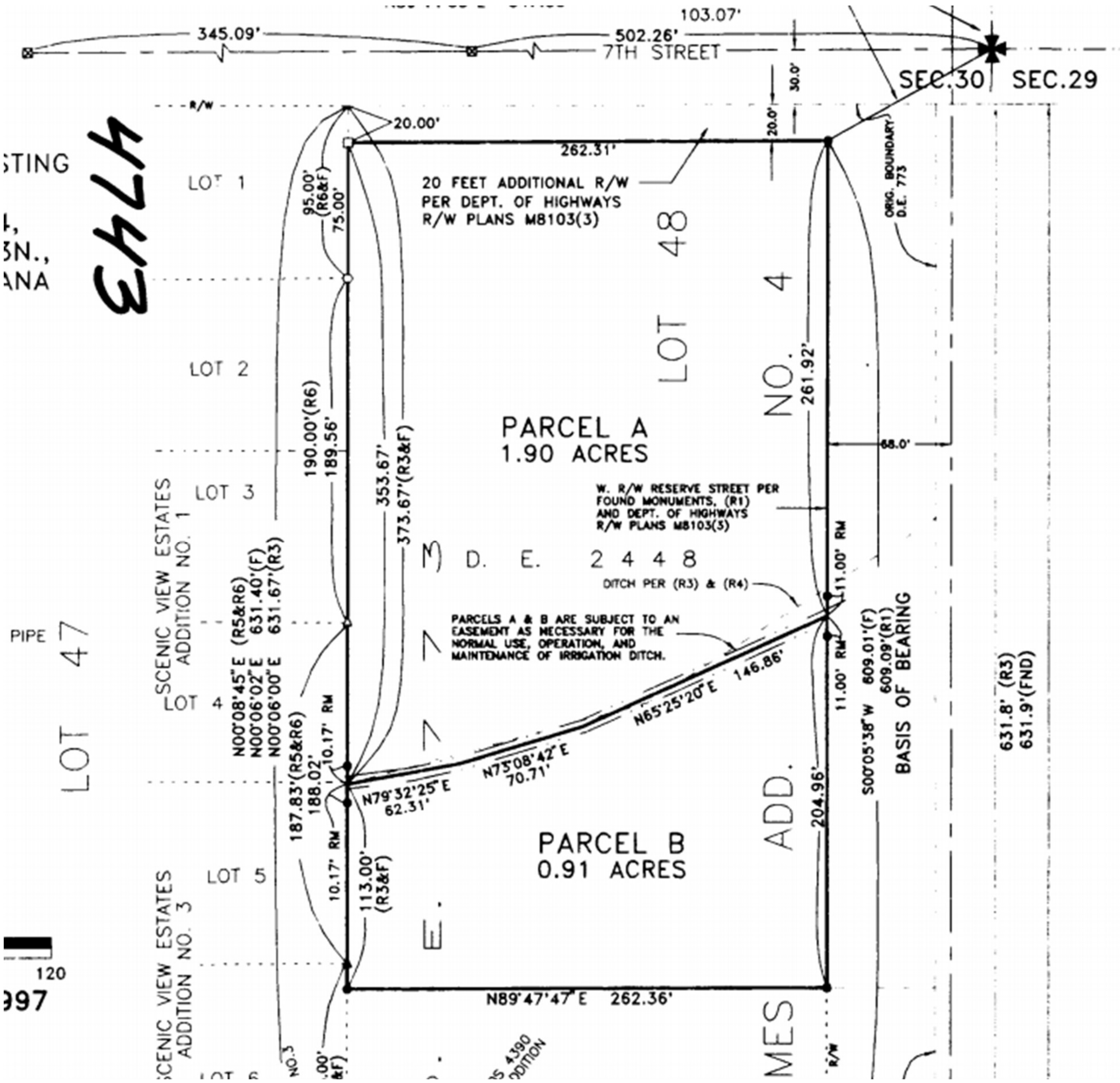
CERTIFICATE
OF SURVEY

TO SHOW THE RETRACEMENT OF TWO EXISTING PARCELS OF LAND LOCATED IN LOT 48, DINSMORE'S ORCHARD HOMES, ADD. NO. 4, LOCATED IN THE NE1/4 OF SEC. 30, T.13N., R.19W., PM.,M., MISSOULA COUNTY, MONTANA


CERTIFICATE OF SURVEY
TO SHOW THE RETRACEMENT OF TWO EXISTING PARCELS OF LAND LOCATED IN LOT 48, DINSMORE'S ORCHARD HOMES, ADD. NO. 4, LOCATED IN THE NE1/4 OF SEC. 30, T.13N., R.19W., PM.,M., MISSOULA COUNTY, MONTANA
4743
OWNER:
STATE OF MONTANA
DEPT. OF TRANSPORTATION
OCTOBER, 1997
PARCEL A
1.90 ACRES
PARCEL B
0.91 ACRES
DETAIL 'A'
DETAIL 'B'
SEE DETAIL 'B'
SEE DETAIL 'A'
7TH STREET
9TH STREET
RESERVE STREET
SPURGIN ROAD
SEC.19
SEC.20
SEC.30
SEC.29
LOT 48
LOT 47
LOT 50
LOT 49
DINSMORE'S ORCHARD HOMES ADD. NO. 4
TRACT A
COS 4390
TRACT 2
TRACT 1
COS 4699
Sheet 1 of 2
Missoula County, Montana
Certificate of Survey No.

Certificate of Survey No. 4743 (Inset)



Definition of Market Value

The purpose of this appraisal is to provide the appraiser's best estimate of the current market value, defined as follows:

DEFINITIONS:

Market value. (12 C.F.R 34.42(h)) Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are 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.

Scope of Work

In preparing this appraisal:

Physical Characteristics

The subject sites, certificate of survey and zoning were examined to gather information about the physical characteristics that are relevant to the valuation problem. DNRC contact, Liz Mullins provided KLJ engineering report.

Legal Characteristics

Certificate of Survey and zoning are relied upon for information regarding easements, restrictions and other encumbrances. I did not research the presence of such items independently. Information about the subject's B2-2 zoning, along with Design Excellence Overlay Typology #4, and likelihood of a zoning change was obtained from Missoula City Planning Department.

Economic Characteristics

The subject is currently vacant land. The Income capitalization approach is not developed due the lack of comparable land leases and overall capitalization rates, as most comparable properties are owner occupied.

Extent to which the Property is examined

The subject site was viewed on April 12, 2025. Information from county records, conversations with DNRC contact, Liz Mullins, assessor's records, and MLS data were used to identify the characteristics of the subject property that are relevant to the valuation problem.

Type and Extent of the Data Researched

Sales, pending sales and listings of similar commercial lots were researched that have occurred over the past 2+/- years in Missoula. Sources include MR MLS, Realtors, tax records, MT Cadastral and office files. (3) land sales and (2) Under contract listings and (0) active land listings are analyzed to estimate market value of the individual lots and as a whole. Comparables considered most similar were used in the sales comparison approach because they encompass most of the subject's characteristics.

This appraisal report employs the Sales Comparison approach to value as the Cost Approach is not applicable for vacant land and there is insufficient land lease data to develop the Income Capitalization approach to value.

Data sources

Missoula County
Missoula City
Montana Cadastral
Montana Regional Multiple Listing Service
CoStar commercial data base
Crexi commercial data base
Montana Department of Transportation
Data files of McGinnis Real Estate Appraisal Group, LLC
Site To Do Business
Real Estate developers, Buyers, and Brokers in Missoula
KLJ engineering report

Documents reviewed

Zoning map and information

Real Estate Taxes

Flood Map

Certificate of Survey

Type and Extent of Analysis Applied

The appraisal problem did not warrant an intensive highest and best use study. Given the nature of the subject real estate, the conclusion of highest and best use was based on logic and observed evidence. The sale comparison approach is developed, which is necessary for credible results given the intended use, property characteristics, and type of value sought.

Report Option

This report is an Appraisal Report in accordance with the Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. As such, it presents the data and analysis used to develop the appraiser's opinions and conclusions. It contains sufficient information to enable the client and other intended users, as identified, to understand it properly.

Identification of personal property or other items that are not real property

No personal property or furniture, fixtures and equipment are included in this report.

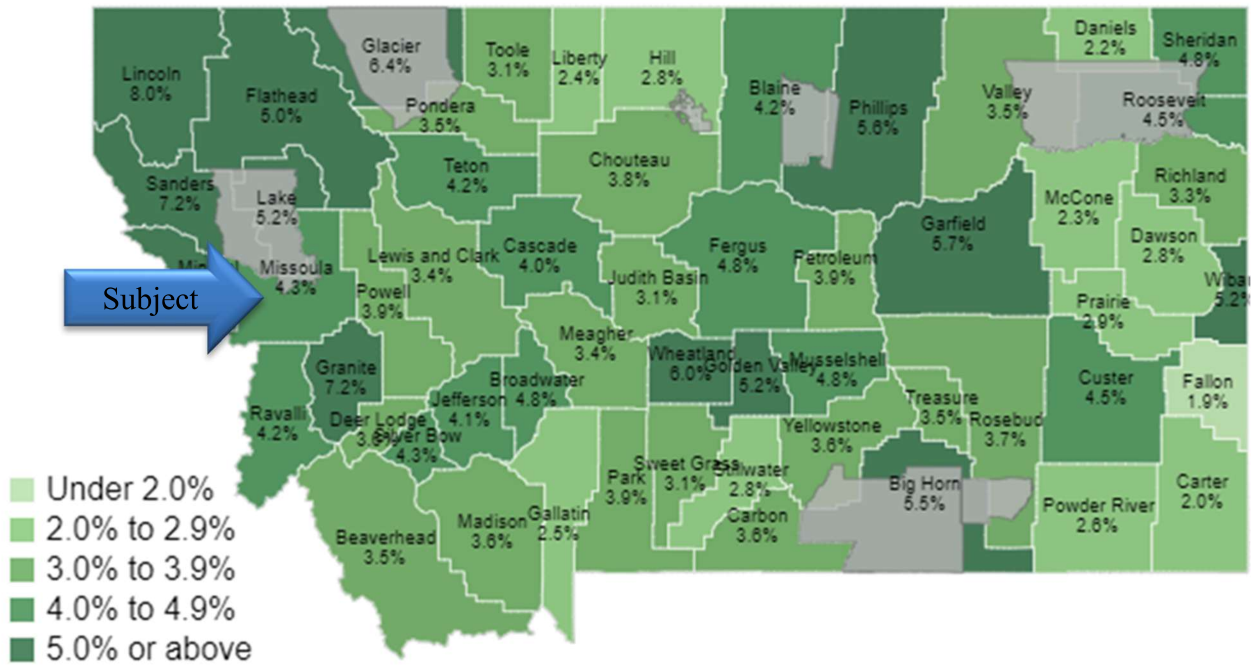
Ownership and History/Last Sale of the Subject Property

The Natural Resources & Conservation Department of Montana has owned the subject parcels for over three years. Parcel A was under an option to lease from 2016-2019 while the potential Tenant obtained a zone change from SD#2 to B2-2. The potential Tenant extinguished the option to lease due to purchasing an alternative property, according to DNRC representative, Liz Mullins. The subject parcels are currently for lease and have been actively promoted by the Natural Resources & Conservation Department of Montana for several years. There are no known offers/options to lease the subject parcels currently.

General Area Data

County and Reservation Unemployment Rates, Not Seasonally

The statewide unadjusted rate is 4.0%.



Sources: Labor Force, Employment, Unemployment, and Unemployment Rates from Local Area Unemployment Statist
from the Current Employment Statistics (CES) program

Location attributes

Missoula is situated in western Montana at the crossroads of U.S. Interstate 90, U.S. Highways 10, 12, and 93, as well as Montana Highway 200. Missoula County spans approximately 2,600 square miles, featuring five valleys and three winding rivers. As the county seat, Missoula offers a range of amenities, including national retail outlets, the University of Montana, and regional medical centers.

The continental divide lies roughly 100 miles to the east, while Spokane, Washington, is 200 miles west, and the Canadian border is 175 miles north. Nestled at an elevation of 3,205 feet above sea level, the valley is surrounded by mountains on all sides.

The city covers approximately 35.4 square miles, following the 2018 annexation of the Missoula Montana Airport, Industrial Park, Canyon Creek Village, and additional areas.

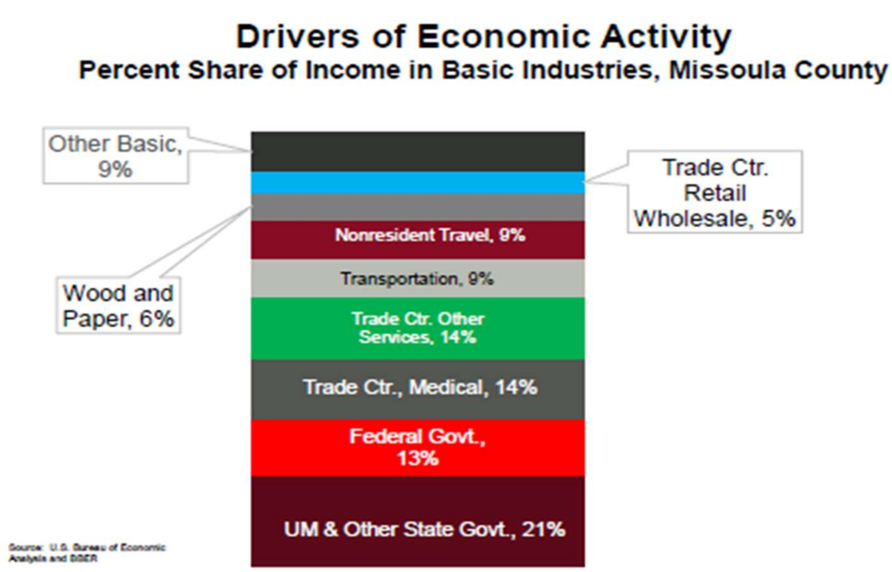
Economic Considerations

Missoula's economy has experienced both challenges and opportunities. The closures of major wood product facilities, including Pyramid Mountain Lumber and Roseburg Forest Products, have had significant ripple effects on employment and timber harvests—though these impacts have yet to be fully captured in comprehensive economic data.

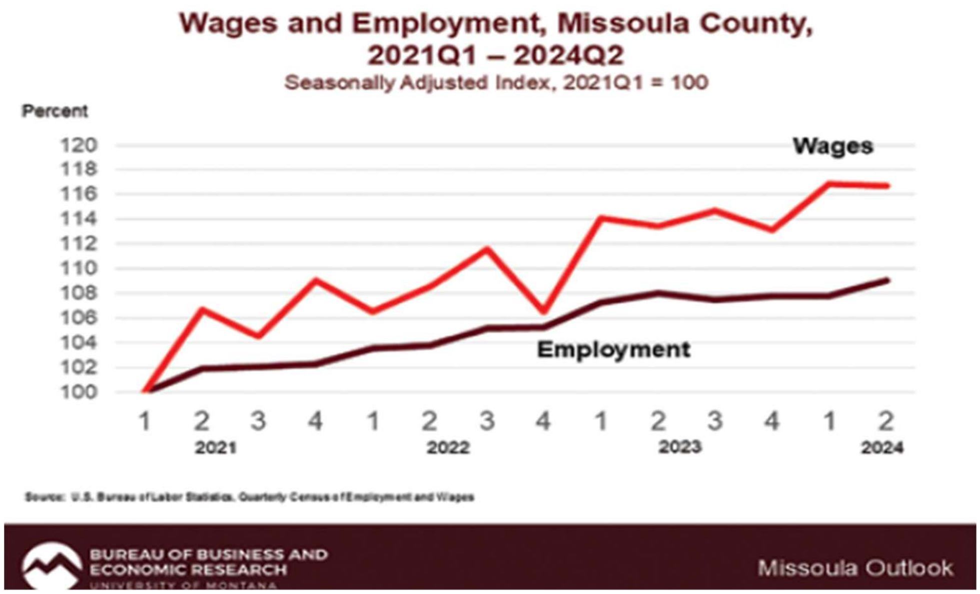
The previously robust surge in multi-unit residential construction has ended, exacerbating affordability concerns as housing costs remain high. However, despite these setbacks, the manufacturing and technology sectors continue to show positive growth, providing a bright spot in the local economy.

These dynamics illustrate the complexity of Missoula's economic landscape, where setbacks are counterbalanced by resilience and innovation

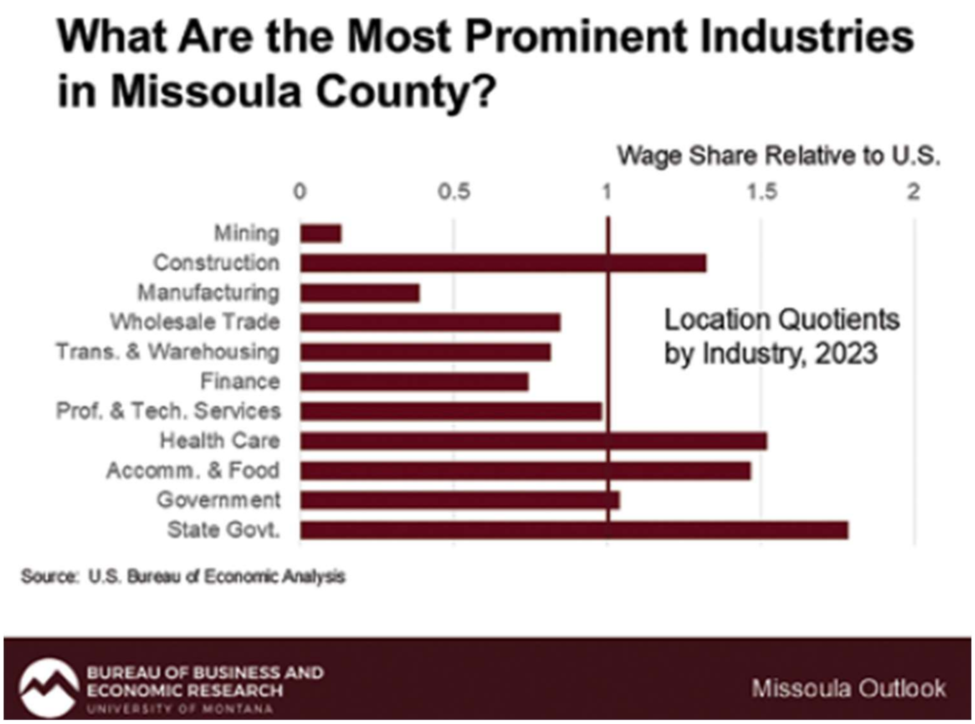
Federal, State & Local Government, University of Montana, Health Care and Trade Center are the largest basic industries. However, the University of Montana has experienced enrollment declines in the past few years, and a slight increase this year.



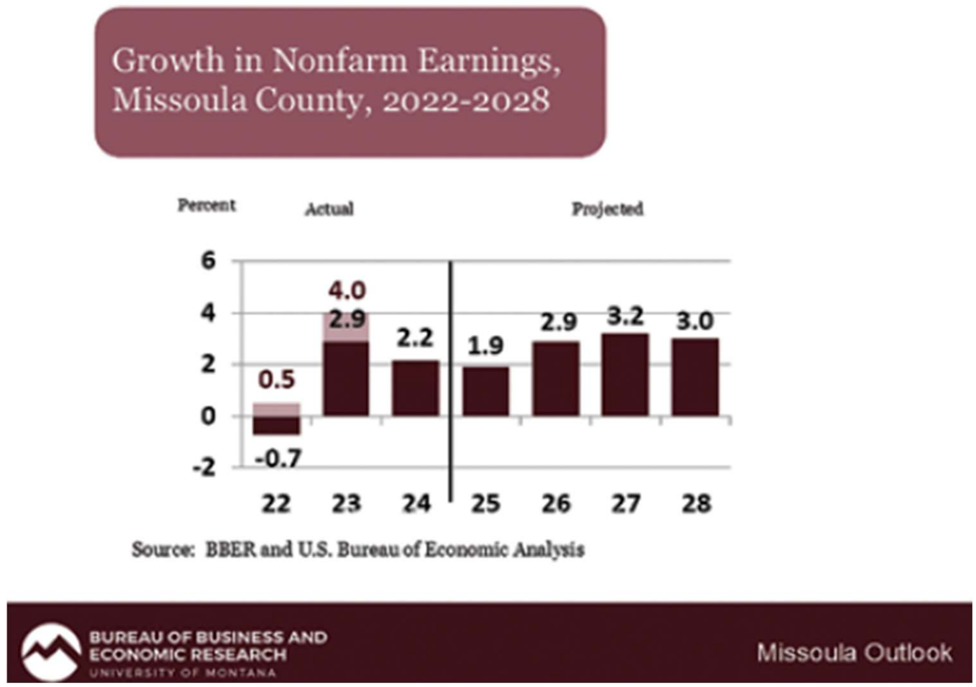
Illustrated in the table below, wages have surged since 2020 as a result of the COVID-19 pandemic:



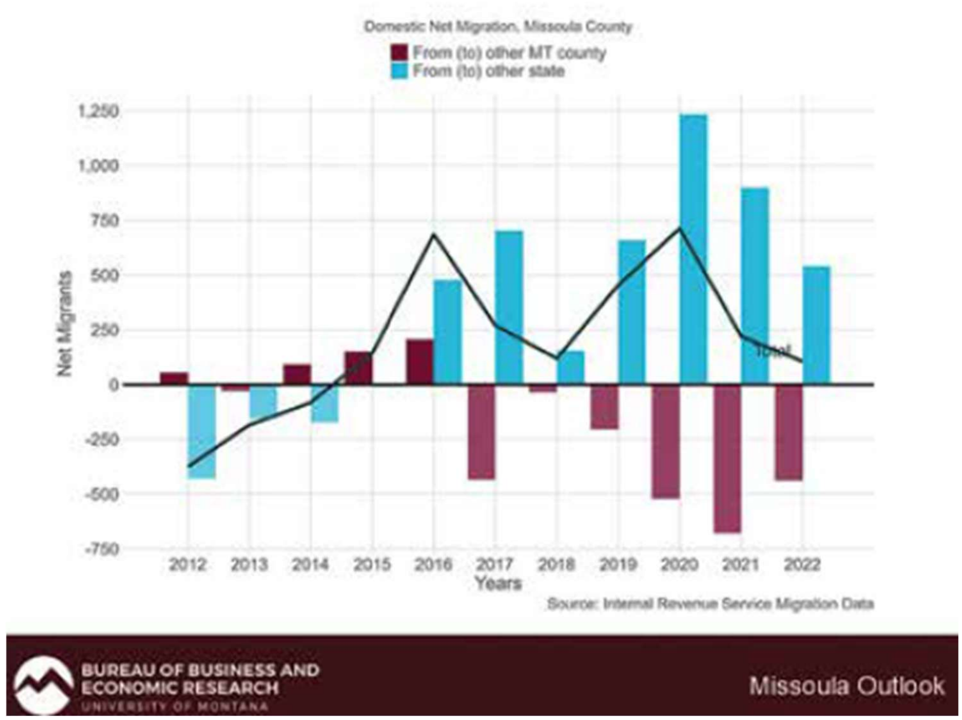
The following are the most prominent industries in Missoula County:



Overall, Missoula County growth in Nonfarm earnings is anticipated to be weaker in 2025, increasing slightly in 2026 and climbing through 2027:



The following graph illustrates the net migration of people moving to Missoula, which has moderated in the past two years, with most people moving to the area from out of State, driving growth and demand:

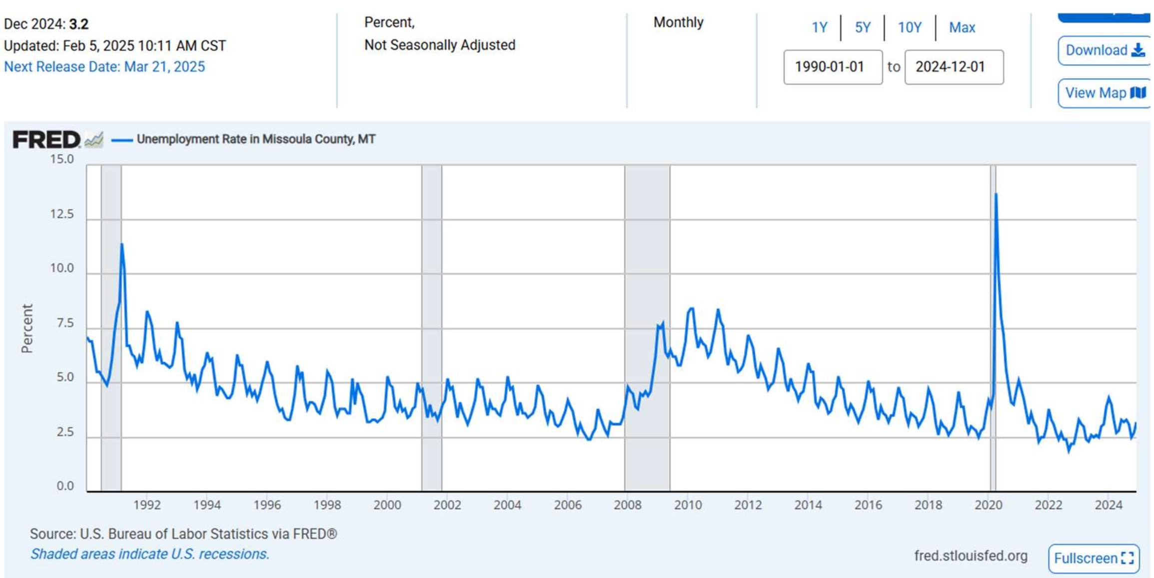


Population

The 2010 census had Missoula County population at 109,432 and the 2023 census estimate put the population at 121,849 a 11.34% increase. The graph below illustrates the most recent population estimates and trends:

Missoula County Unemployment

The unemployment rate in Missoula County is 3.2% with seasonal highs and lows ranging from a low of 2.5% to a high of 7.5%, with a steep increase in March 2020 due to the COVID-19 pandemic:



Missoula County unemployment rate is higher than the State unemployment rate of 3.1%. Overall Missoula's economic base is stable due to being the home of the University of Montana with approximately 10,811 students, regional retail shopping and two major medical centers.

Social considerations

Missoula is characterized by a dynamic social landscape shaped by its university presence, outdoor culture, and evolving economic conditions. As home to the University of Montana, the city benefits from a diverse population, fostering educational and cultural engagement while influencing housing demand and affordability. The strong emphasis on outdoor recreation and environmental stewardship drives community involvement in sustainability initiatives and conservation efforts. However, Missoula faces social challenges, including rising housing costs, homelessness, and the need for expanded social services. Economic shifts, including growth in technology and healthcare, contribute to changing workforce demands and social dynamics. Despite these challenges, Missoula maintains a strong sense of community, with active participation in local events, civic initiatives, and support networks aimed at fostering resilience and inclusivity.

Missoula County Public Schools operates nine elementary schools, three middle schools, and four high schools (three in Missoula and one in Seeley Lake). Additionally, Missoula County has a total of 21 elementary schools, 14 middle schools, and five high schools across various districts.

Environmental and geographic considerations

Missoula is shaped by its unique environmental and geographic characteristics. Nestled in a valley surrounded by mountains, the city experiences a semi-arid climate with cold winters and warm summers. The Clark Fork River runs through the heart of Missoula, providing essential water resources, recreational opportunities, and habitat for local wildlife.

Environmental concerns include air quality management, wildfire risks, and climate change impacts. Efforts to improve air quality have focused on reducing particulate matter through woodstove removal programs and street sweeping initiatives. Wildfires are a persistent challenge, particularly in the wildland-urban interface, where suppression costs and ecological damage can be significant.

Missoula has also committed to sustainability, with ambitious goals such as achieving carbon neutrality in city operations by 2025 and transitioning to 100% clean electricity by 2030. The city actively promotes zero waste initiatives and climate resilience strategies to mitigate environmental risks.

Additionally, Missoula faces increasing heat vulnerability, with rising temperatures and more frequent wildfires contributing to air quality concerns. Mapping efforts have identified areas most affected by heat stress, helping prioritize mitigation strategies such as urban forestry and infrastructure improvements.

Missoula offers several public transportation options, primarily through Mountain Line, the city's public transit system. Mountain Line provides free bus service on multiple routes throughout Missoula, including connections to the University of Montana and key commercial areas.

Missoula Montana Airport **(**MSO**)** is the primary airport serving Missoula and the surrounding region. The airport offers nonstop flights to 14 major U.S. markets, connecting travelers to destinations across the country. The airport has undergone significant expansion and modernization efforts, including the completion of a new terminal in 2022 and ongoing improvements to baggage claim, rental car facilities, and additional gates. MSO is also home to a U.S. Forest Service smokejumper base, the largest of its kind in the nation

Geographically, Missoula is the heart of five scenic valleys and the Bitterroot, Clark Fork and Blackfoot rivers. This location makes Missoula the destination for regional health care, shopping, and education.

Neighborhood Data and forecasts

The subject is located in the US 93, Reserve Street corridor. The following are population and income forecasts for the next 5 years within a 1-5-10 mile radius:

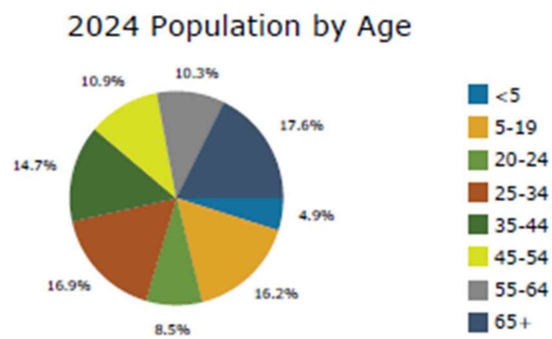
Missoula Data Ring Map in 1, 5 and 10 mile radius

Population forecast

Following is the esri population, housing and income forecast for Missoula within a 1, 5 and 10 mile radius.

	1 mile	5 miles	10 miles
Population			
2010 Population	11,660	75,116	94,387
2020 Population	11,498	81,185	102,307
2024 Population	11,978	85,323	107,037
2029 Population	12,234	88,662	111,169
2010-2020 Annual Rate	-0.14%	0.78%	0.81%
2020-2024 Annual Rate	0.97%	1.18%	1.07%
2024-2029 Annual Rate	0.42%	0.77%	0.76%
2020 Male Population	48.8%	49.2%	49.3%
2020 Female Population	51.2%	50.8%	50.7%
2020 Median Age	30.5	35.7	36.7
2024 Male Population	49.4%	49.8%	49.9%
2024 Female Population	50.6%	50.2%	50.1%
2024 Median Age	31.2	36.4	37.3

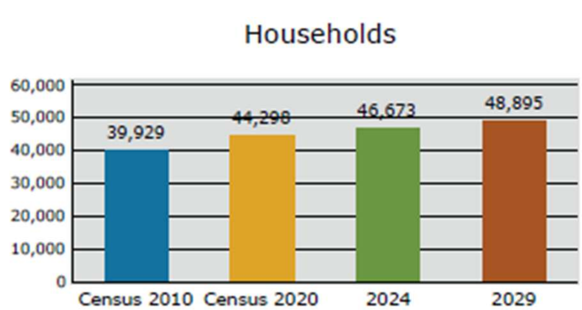
In the identified area, the current year population is 107,037. In 2020, the Census count in the area was 102,307. The rate of change since 2020 was 1.07% annually. The five-year projection for the population in the area is 111,169 representing a change of 0.76% annually from 2024 to 2029. Currently, the population is 49.9% male and 50.1% female.

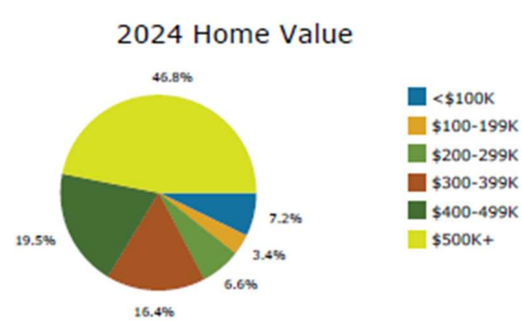


Household forecast

	1 mile	5 miles	10 miles
Households			
2024 Wealth Index	43	71	81
2010 Households	5,026	32,774	39,929
2020 Households	5,491	36,351	44,298
2024 Households	5,755	38,346	46,673
2029 Households	5,938	40,179	48,895
2010-2020 Annual Rate	0.89%	1.04%	1.04%
2020-2024 Annual Rate	1.11%	1.27%	1.24%
2024-2029 Annual Rate	0.63%	0.94%	0.93%
2024 Average Household Size	1.84	2.15	2.23

The household count in this area has changed from 44,298 in 2020 to 46,673 in the current year, a change of 1.24% annually. The five-year projection of households is 48,895, a change of 0.93% annually from the current year total. Average household size is currently 2.23, compared to 2.24 in the year 2020. The number of families in the current year is 24,468 in the specified area.





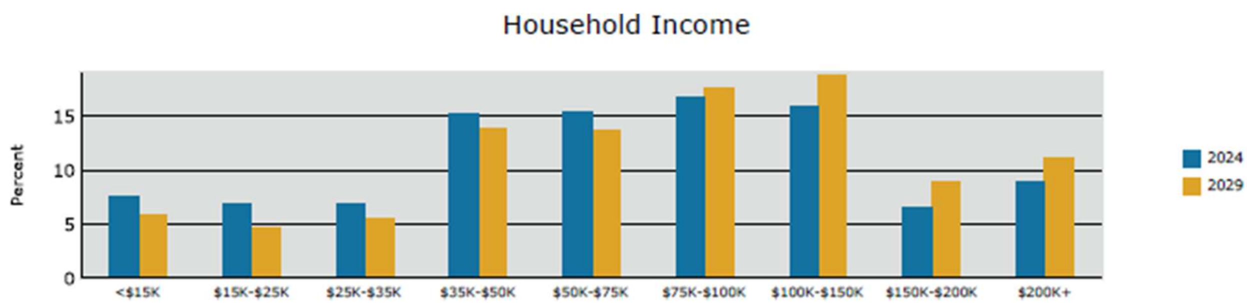
Income forecast

	1 mile	5 miles	10 miles
Mortgage Income			
2024 Percent of Income for Mortgage	64.3%	46.4%	42.8%
Median Household Income			
2024 Median Household Income	$50,217	$64,074	$70,794
2029 Median Household Income	$58,807	$78,218	$82,459
2024-2029 Annual Rate	3.21%	4.07%	3.10%
Average Household Income			
2024 Average Household Income	$73,379	$90,613	$96,881
2029 Average Household Income	$85,798	$107,467	$114,762
2024-2029 Annual Rate	3.18%	3.47%	3.45%
Per Capita Income			
2024 Per Capita Income	$35,192	$40,743	$42,258
2029 Per Capita Income	$41,533	$48,694	$50,484
2024-2029 Annual Rate	3.37%	3.63%	3.62%
GINI Index			
2024 Gini Index	44.2	41.3	40.5
Households by Income			

Current median household income is $70,794 in the area, compared to $79,068 for all U.S. households. Median household income is projected to be $82,459 in five years, compared to $91,442 all U.S. households.

Current average household income is $96,881 in this area, compared to $113,185 for all U.S. households. Average household income is projected to be $114,762 in five years, compared to $130,581 for all U.S. households.

Current per capita income is $42,258 in the area, compared to the U.S. per capita income of $43,829. The per capita income is projected to be $50,484 in five years, compared to $51,203 for all U.S. households.

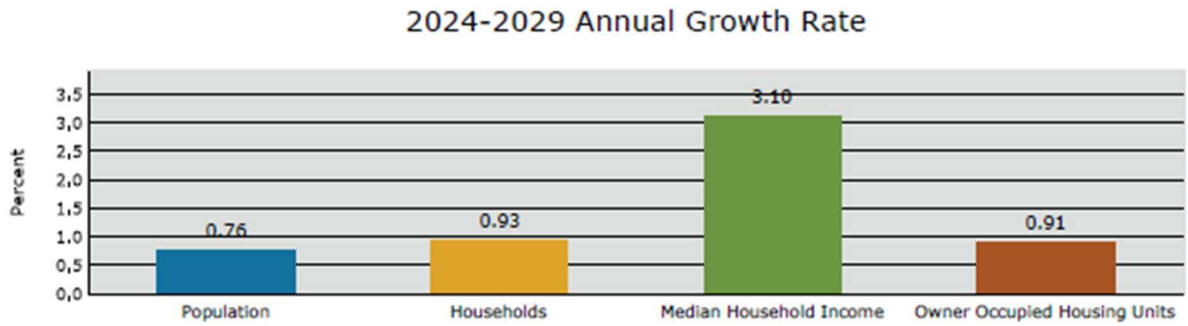


Housing forecast

	1 mile	5 miles	10 miles
Housing			
2024 Housing Affordability Index	38	53	58
2010 Total Housing Units	5,410	34,564	42,093
2010 Owner Occupied Housing Units	1,466	16,670	22,394
2010 Renter Occupied Housing Units	3,560	16,104	17,534
2010 Vacant Housing Units	384	1,790	2,164
2020 Total Housing Units	5,893	38,500	46,794
2020 Owner Occupied Housing Units	1,628	17,863	24,289
2020 Renter Occupied Housing Units	3,863	18,488	20,009
2020 Vacant Housing Units	413	2,122	2,504
2024 Total Housing Units	6,136	40,700	49,317
2024 Owner Occupied Housing Units	1,728	18,803	25,576
2024 Renter Occupied Housing Units	4,027	19,543	21,097
2024 Vacant Housing Units	381	2,354	2,644
2029 Total Housing Units	6,331	42,579	51,586
2029 Owner Occupied Housing Units	1,814	19,712	26,760
2029 Renter Occupied Housing Units	4,125	20,467	22,136
2029 Vacant Housing Units	393	2,400	2,691
Socioeconomic Status Index			
2024 Socioeconomic Status Index	54.1	51.7	52.5

Currently, 51.9% of the 49,317 housing units in the area are owner occupied; 42.8%, renter occupied; and 5.4% are vacant. Currently, in the U.S., 57.9% of the housing units in the area are owner occupied; 32.1% are renter occupied; and 10.0% are vacant. In 2020, there were 46,794 housing units in the area and 5.4% vacant housing units. The annual rate of change in housing units since 2020 is 1.24%. Median home value in the area is $483,861, compared to a median home value of $355,577 for the U.S. In five years, median value is projected to change by 5.15% annually to $621,913.

Neighborhood Forecasted Growth Summary



Population, number of households and median household income all show positive trends in the next five years within a ten-mile radius of Missoula.

Market analysis –Missoula County

Residential

In the past 12 months, there have been 1,242 residential sales with an average sold price of $600,077 and cumulative days of market of 75. Currently there are 235 listings under contract or pending. There are 341 active listings with an average list price of $980,615 revealing a 3+-month undersupply of residential properties, as shown in the table below:

Market Analysis

Status: Active (341)

	Beds	Baths	FB	HB	3/4 B	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min		1				1	0.000	$1	$1	$10,625	$1	.68	-		-	-	-	-
Max	16	17	8	4	5	17486	1101.000	$18,900,000	$3,409	$24,750,000	$18,900,000	1.2	-	684	-	-	-	-
Avg	3.3	2.7	2	.4	.3	2434	9.418	$945,396	$399	$3,434,027	$980,615	.98	-	101	-	-	-	-
Median	3	3	2			2064	0.230	$679,900	$345	$2,498,547	$695,000	1	-	47	-	-	-	-
Sum							3202.107	$322,380,106			$334,389,722				-			

Status: Under Contract - Taking Back-Up Offers (172)

	Beds	Baths	FB	HB	3/4 B	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	1	1				1	0.000	$20,000	$99	$24,235	$20,000	.76	-	2	-	-	-	-
Max	8	6	5	2	2	10408	130.260	$8,498,000	$20,000	$33,869,565	$9,495,000	1	-	775	-	-	-	-
Avg	3.3	2.5	1.9	.3	.3	2091	2.258	$697,821	$454	$3,524,029	$714,258	.98	-	79	-	-	-	-
Median	3	2	2			1782	0.214	$557,500	$332	$2,720,397	$561,000	1	-	35	-	-	-	-
Sum							388.452	$120,025,294			$122,852,395				-			

Status: Under Contract with Bump Clause (4)

	Beds	Baths	FB	HB	3/4 B	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	3	2	1			1792	0.390	$525,000	$248	$247,424	$525,000	.94	-	48	-	-	-	-
Max	5	4	3	1	2	2940	2.950	$965,000	$494	$2,474,359	$965,000	1	-	393	-	-	-	-
Avg	3.5	3	2	.5	.5	2334	1.745	$734,975	$327	$850,443	$751,000	.98	-	203	-	-	-	-
Median	3	3	2			2302	1.820	$724,950	$282	$339,995	$757,000	.99	-	184	-	-	-	-
Sum							6.980	$2,939,900			$3,004,000				-			

Status: Pending (59)

	Beds	Baths	FB	HB	3/4 B	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	1	1				561	0.000	$85,000	$92	$30,929	$85,000	.93	-		-	-	-	-
Max	5	4	4	1	2	4245	21.000	$2,010,000	$615	$9,089,091	$2,010,000	1	-	402	-	-	-	-
Avg	3.1	2.4	1.9	.3	.3	1872	0.743	$654,531	$358	$3,625,637	$658,804	.99	-	49	-	-	-	-
Median	3	2	2			1574	0.184	$565,000	$352	$3,365,117	$565,000	1	-	10	-	-	-	-
Sum							43.841	$38,617,311			$38,869,413				-			

Status: Closed (1242)

	Beds	Baths	FB	HB	3/4 B	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	1	1					0.000	$15,000	$15	$6,273	$25,000	.42	.25		$15,000	$	$15	$6,041
Max	8	7	4	3	3	7536	159.640	$3,850,000	$1,429	$26,100,000	$3,850,000	1.15	1.68	599	$4,000,001	$75,000	$1,414	$25,000,000
Avg	3.1	2.3	1.7	.3	.3	1946	1.572	$612,528	$327	$3,236,599	$630,084	.97	.95	75	$600,077	$8,319	$321	$3,194,448
Median	3	2	2			1753	0.194	$550,000	$317	$2,754,694	$565,000	1	.97	52	$550,000	$5,800	$313	$2,723,485
Sum							1946.591	$760,760,208			$782,564,579				$745,295,205			

Vacant Land

There is a 20+- month supply of vacant land in Missoula County with 139 sales in the past year with an average sold price of $301,728. There are 36 sales pending or under contract and 240 listings with a median list price of $286,250 as shown in the table below:

Market Analysis

Status: Active (240)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.000	$99,000	-	$6,421	$250	.47	-	1	-	-	-	-
Max	669.280	$15,000,000	-	$4,444,444	$15,000,000	1000	-	1,757	-	-	-	-
Avg	17.306	$778,992	-	$438,474	$819,837	5.13	-	209	-	-	-	-
Median	1.955	$274,250	-	$156,250	$286,250	1	-	176	-	-	-	-
Sum	4153.386	$186,958,011			$196,760,951				-			

Status: Under Contract - Taking Back-Up Offers (24)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.000	$100,000	-	$11,250	$100,000	.6	-	9	-	-	-	-
Max	140.000	$6,234,742	-	$1,268,116	$4,924,022	1.27	-	1,732	-	-	-	-
Avg	14.442	$917,156	-	$403,452	$912,751	.96	-	394	-	-	-	-
Median	2.050	$450,000	-	$283,397	$474,750	1	-	220	-	-	-	-
Sum	346.608	$22,011,754			$21,906,034				-			

Status: Pending (12)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.174	$150,000	-	$12,063	$150,000	.34	-	1	-	-	-	-
Max	240.400	$6,000,000	-	$862,069	$7,499,000	1	-	1,126	-	-	-	-
Avg	32.610	$1,782,208	-	$254,349	$2,223,542	.93	-	284	-	-	-	-
Median	6.575	$1,160,750	-	$167,568	$1,175,000	1	-	183	-	-	-	-
Sum	391.314	$21,386,500			$26,682,500				-			

Status: Closed (139)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.064	$75,000	-	$7,500	$75,000	.1	.1		$55,000	$	-	$5,500
Max	187.500	$4,000,000	-	$2,734,375	$11,100,000	1.21	1.16	994	$4,000,000	$45,000	-	$2,734,375
Avg	6.932	$319,266	-	$366,328	$408,598	.96	.91	135	$301,728	$11,000	-	$353,615
Median	1.400	$205,000	-	$153,153	$220,000	1	.95	75	$195,000	$5,000	-	$139,286
Sum	963.558	$44,377,949			$56,795,060				$41,940,215			

Commercial Vacant Land-Missoula City

There is a 40+- month supply of vacant land in the city of Missoula with 6 sales in the past year with an average sold price of $1,427,500. There are 8 sales pending or under contract and 20 listings with a median list price of $841,396 as shown in the table below:

Market Analysis

Status: Active (20)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.083	$150,000	-	$225,694	$150,000	.78	-	17	-	-	-	-
Max	2.880	$3,400,000	-	$4,444,444	$3,600,000	1.07	-	1,163	-	-	-	-
Avg	1.565	$1,228,360	-	$1,041,309	$1,257,420	.99	-	347	-	-	-	-
Median	1.670	$771,346	-	$985,199	$841,396	1	-	211	-	-	-	-
Sum	31.302	$24,567,192			$25,148,392				-			

Status: Under Contract - Taking Back-Up Offers (5)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	0.650	$534,900	-	$240,946	$534,900	1	-	33	-	-	-	-
Max	22.000	$6,234,742	-	$1,153,846	$4,924,022	1.27	-	1,113	-	-	-	-
Avg	5.630	$1,860,471	-	$565,326	$1,598,327	1.05	-	684	-	-	-	-
Median	1.880	$750,000	-	$364,362	$750,000	1	-	901	-	-	-	-
Sum	28.150	$9,302,354			$7,991,634				-			

Status: Pending (3)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	1.000	$253,000	-	$253,000	$253,000	.8	-	102	-	-	-	-
Max	18.730	$6,000,000	-	$422,040	$7,499,000	1	-	1,126	-	-	-	-
Avg	9.420	$3,284,333	-	$331,794	$3,784,000	.93	-	456	-	-	-	-
Median	8.530	$3,600,000	-	$320,342	$3,600,000	1	-	140	-	-	-	-
Sum	28.260	$9,853,000			$11,352,000				-			

Status: Closed (6)

	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	2.030	$507,500	-	$21,333	$507,500	.58	.52	99	$450,000	-	-	$21,333
Max	187.500	$4,000,000	-	$1,119,159	$4,000,000	1	1	848	$4,000,000	-	-	$1,072,430
Avg	33.175	$1,476,583	-	$363,580	$1,607,793	.89	.83	545	$1,427,500	-	-	$341,675
Median	2.300	$722,500	-	$257,114	$1,116,130	1	.88	579	$685,000	-	-	$236,273
Sum	199.050	$8,859,500			$9,646,760				$8,565,000			

Commercial Vacant Land-Missoula City median close price past 10 years

The median sale price of commercial vacant land has escalated since 2020, as shown in the graph below:

Commercial Market-current

In the past year, there have been 35 commercial sales with an average sold price of $1,236,634. The average days of market are 181 days with a 91% list to sale price ratio. There are 16 under contract/pending listings. There are currently 68 active listings with an average list price of $1,884,757 and an average of 259 days on the market, revealing a 23+-month oversupply of commercial properties. Commercial market statistics are in the following table:

Market Analysis

Status: Active (68)

	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	-	0.000	$120,000	-	$30,386	$120,000	.56	-	1	-	-	-	-
Max	-	228.720	$6,950,000	-	$33,235,294	$9,000,000	1.1	-	2,302	-	-	-	-
Avg	-	5.938	$1,784,198	-	$4,634,310	$1,884,757	.95	-	259	-	-	-	-
Median	-	0.600	$1,275,000	-	$2,274,965	$1,300,000	1	-	176	-	-	-	-
Sum		397.845	$121,325,496			$128,163,497				-			

Status: Under Contract - Taking Back-Up Offers (13)

	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	-	0.096	$350,000	-	$60,072	$400,000	.79	-	62	-	-	-	-
Max	-	24.970	$2,400,000	-	$5,855,856	$2,400,000	1	-	677	-	-	-	-
Avg	-	2.572	$1,325,308	-	$2,732,611	$1,381,000	.95	-	306	-	-	-	-
Median	-	0.556	$1,250,000	-	$2,621,024	$1,250,000	1	-	307	-	-	-	-
Sum		33.431	$17,229,000			$17,953,000				-			

Status: Pending (3)

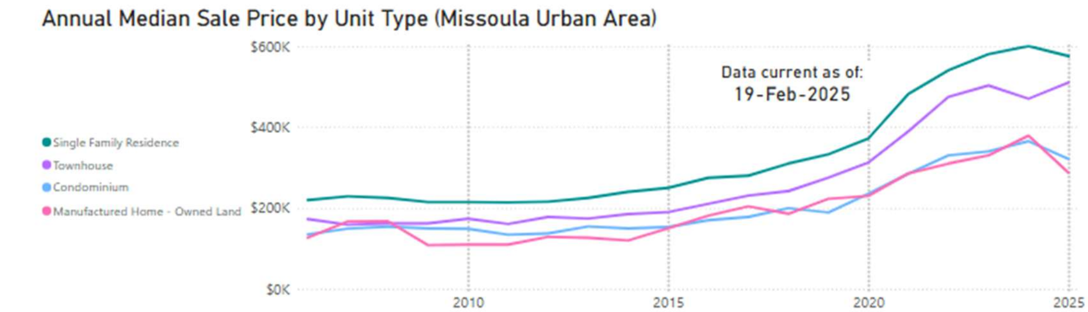
	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	-	0.000	$295,000	-	$1,735,294	$295,000	1	-		-	-	-	-
Max	-	0.170	$925,000	-	$5,538,922	$925,000	1	-	571	-	-	-	-
Avg	-	0.112	$533,300	-	$3,637,108	$533,300	1	-	192	-	-	-	-
Median	-	0.167	$379,900	-	$3,637,108	$379,900	1	-	6	-	-	-	-
Sum		0.337	$1,599,900			$1,599,900				-			

Status: Closed (35)

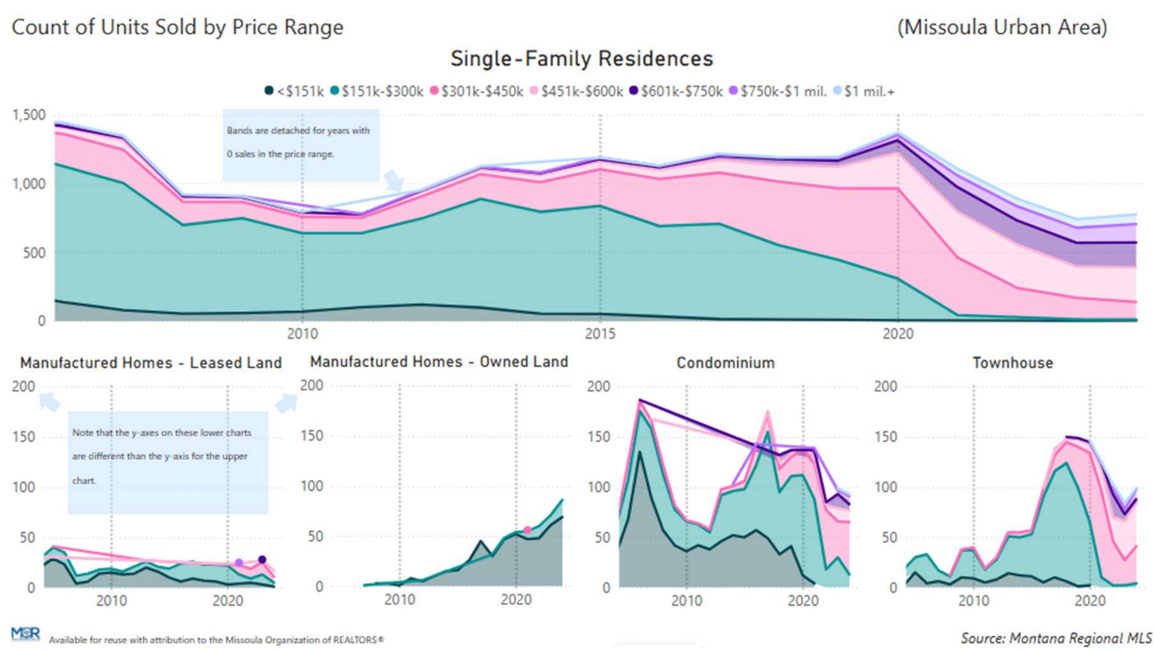
	Liv Sqft	Acres	List Price	List$/Liv Sqft	List$/Acre	Orig List Price	List$/OL$	CLS$/OL$	DOM	Close Price	Conc $	CLS$/Liv Sqft	CLS$/Acre
Min	-	0.000	$115,000	-	$60	$115,000	.6	.49		$110,000	$	-	$60
Max	-	10500.000	$4,995,000	-	$33,582,734	$4,995,000	1.34	1.34	1,495	$4,500,000	$45,000	-	$22,539,568
Avg	-	307.659	$1,391,794	-	$4,163,957	$1,433,311	.97	.91	181	$1,236,634	$12,602	-	$3,597,888
Median	-	0.331	$890,000	-	$2,006,696	$899,000	1	.92	82	$775,000	$5,000	-	$1,818,182
Sum		10768.052	$48,712,799			$50,165,899				$43,282,200			

Missoula area Residential Data (2024 Five Valleys Housing Report)

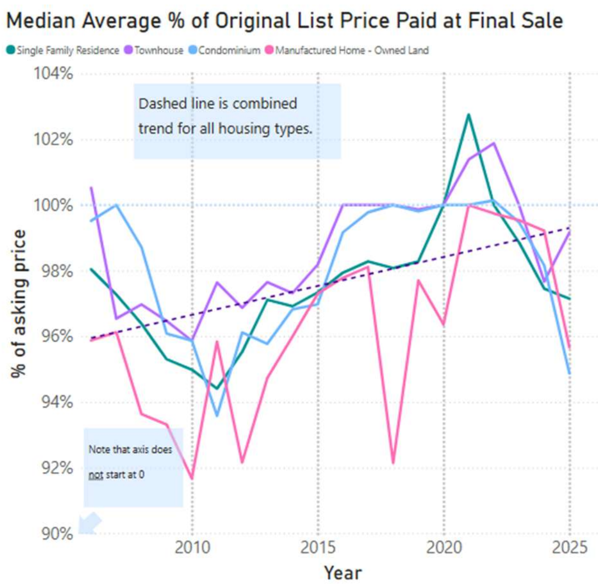
In 2024, the Missoula real estate market had another year of rising prices with a limited supply on the market. Median single family residence price rose 61.29% since 2020 to $600,000. From 2010 to 2020, the median price of single-family residence in Missoula increased by $157,000, or 73%. 1,246 homes sold in 2024, which is higher than the previous year.

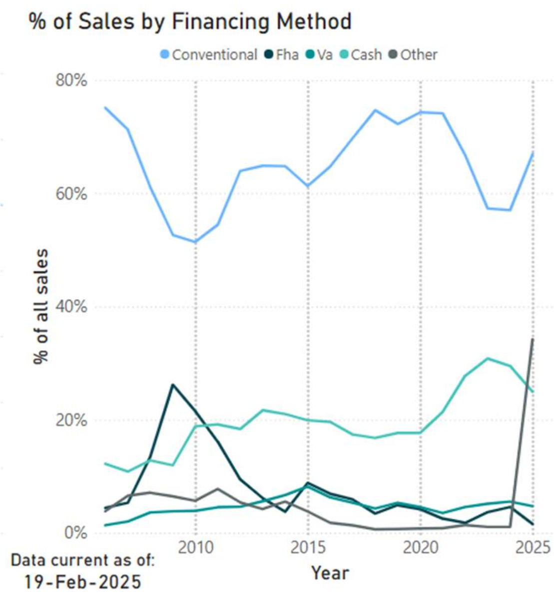


Missoula's real estate market and shortage of affordable homes are evident when looking at the number of sales by price range in the table below. Sales of homes under $300,000 have been shrinking since 2014 with only 12 sales in 2024. Meanwhile, the $300,001 to $450,000 price dipped in 2024 to 127 sales, declining in the past three years. Additionally, there was a surge in sales of higher priced homes over $600,000.



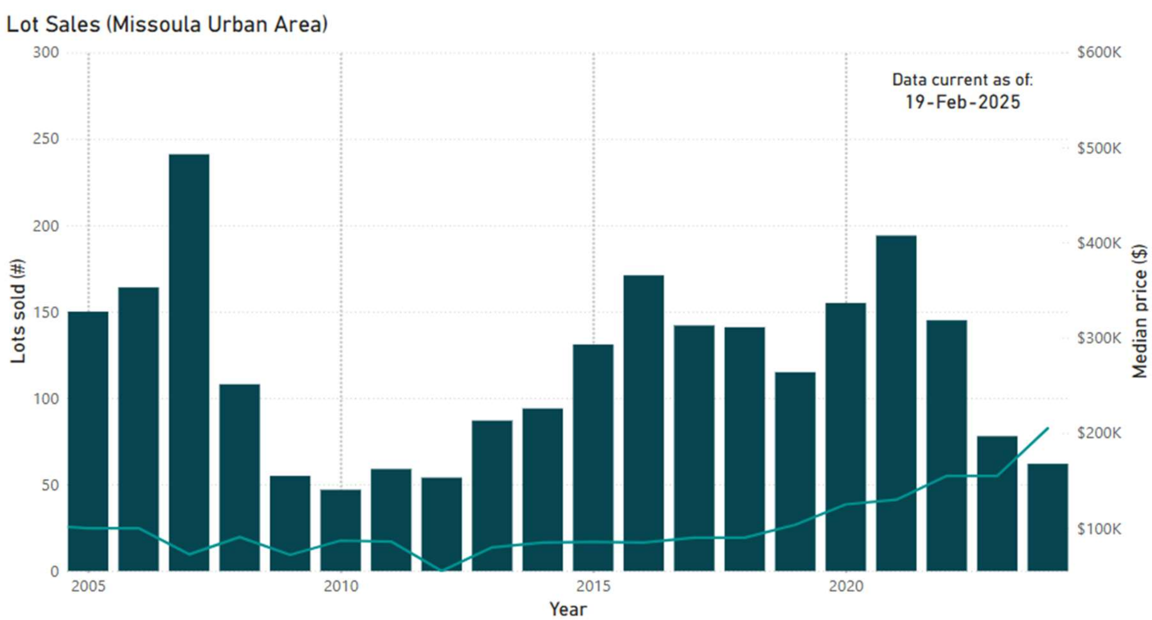
Single family residential sales averaged 97% list to sale price ratio in 2024, while most homes are financed with a conventional loan:





Missoula area Residential Vacant land data

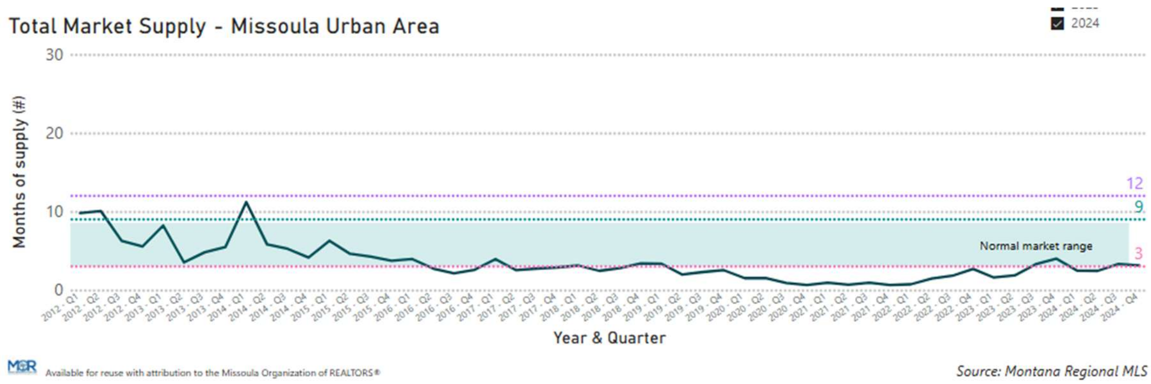
Residential lot sales in Missoula declined 20% in 2024 from 2023, yet the median price of those lots jumped 14.5% to $205,000, coinciding with a trend of increasing new housing starts of higher-priced homes. Lot sales are illustrated in the table below:



Supply-residential

The following graphs illustrate that the total market supply is below the normal market range of 12+- months:

Total Market Supply - Missoula Urban Area

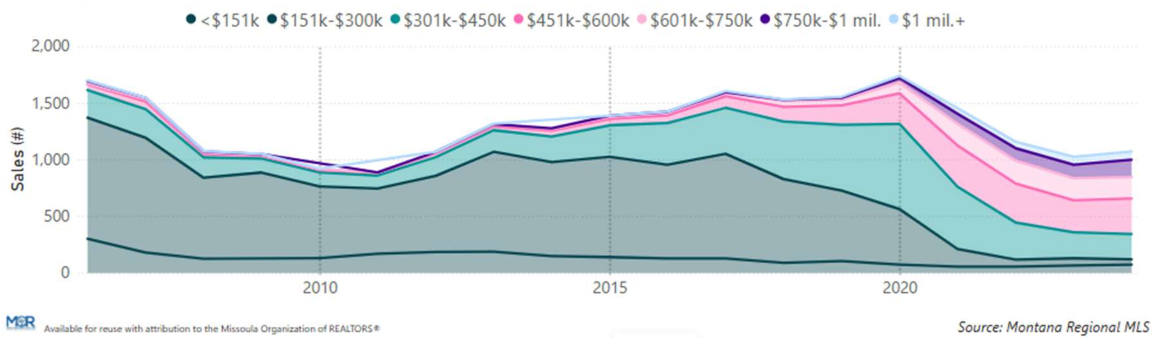


Supply Gap & Absorption Rate by Price Range (Dec. 31, 2024)

Price range	Sold YTD (#)	Sold Last 30 Days (#)	Active listings (#)	Theoretical normal market listings (#)	Estimated supply gap (#)	Absorption Rate
< $150,001	4	1	0	6	-6	0.00
$150,001 - $300,000	30	1	8	6	2	8.00
$300,001 - $450,000	222	16	33	96	-63	2.06
$450,001 - $600,000	313	32	64	192	-128	2.00
$600,001 - $750,000	190	20	42	120	-78	2.10
$750,001 - $1,000,000	153	6	42	36	6	7.00
$1,000,000 +	72	3	59	18	41	19.67
Totals	**984**	**79**	**248**	**474**	**-226**	

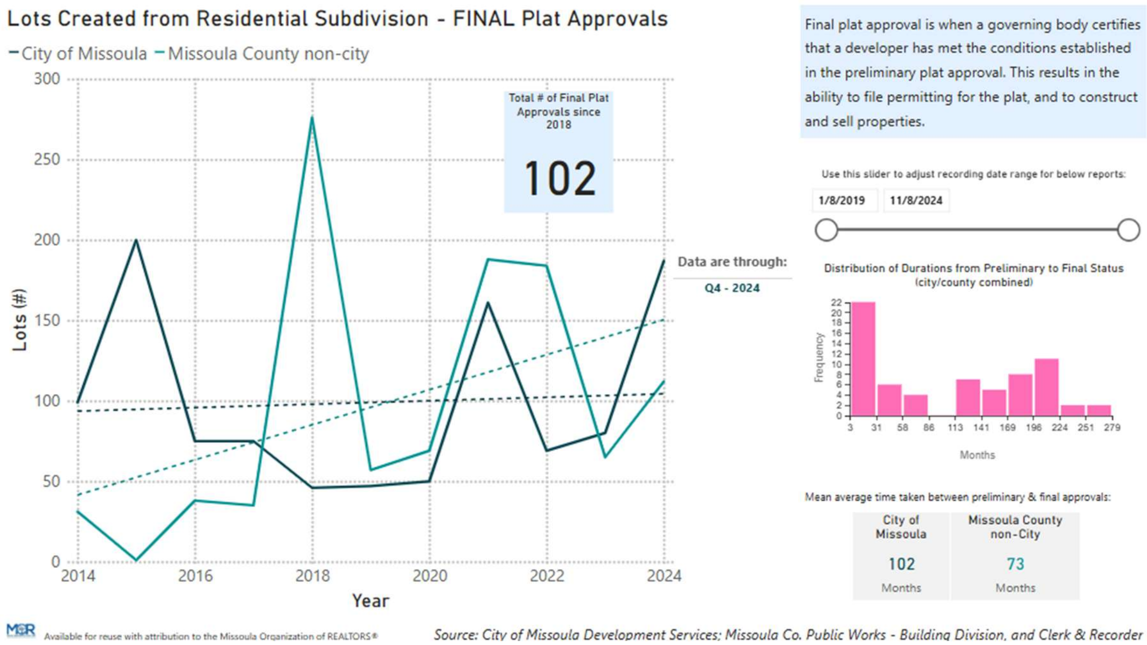
The absorption rate measures the pace of home sales in months of supply:
- Fewer than 3 months is an under-supply.
- 3-9 months is a normal market.
- 9-12 months is an over-supply.
- 12+ months is an overloaded market.

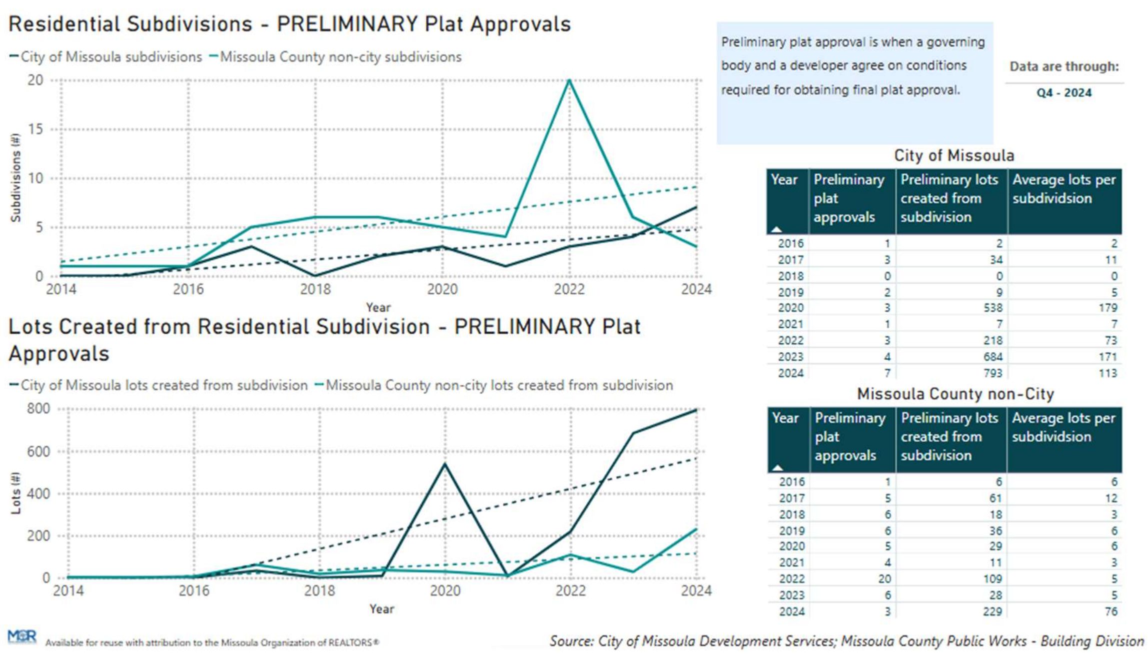
Sales by Price Range - Missoula Urban Area (all housing unit types)



Subdivision and Development

A total of 299 residential lots were created in 2024 by filing subdivision final plats in the city and county, decreasing 44% from 2023. Final plat approvals are ready for building, preliminary plats indicate the first step of the subdivision process. The city and county granted preliminary plat approval for a combined total of 1,022 new residential lots in 2024, with 793 lots in the City limits, as illustrated below:





City of Missoula

Year	Preliminary plat approvals	Preliminary lots created from subdivision	Average lots per subdividsion
2016	1	2	2
2017	3	34	11
2018	0	0	0
2019	2	9	5
2020	3	538	179
2021	1	7	7
2022	3	218	73
2023	4	684	171
2024	7	793	113

Missoula County non-City

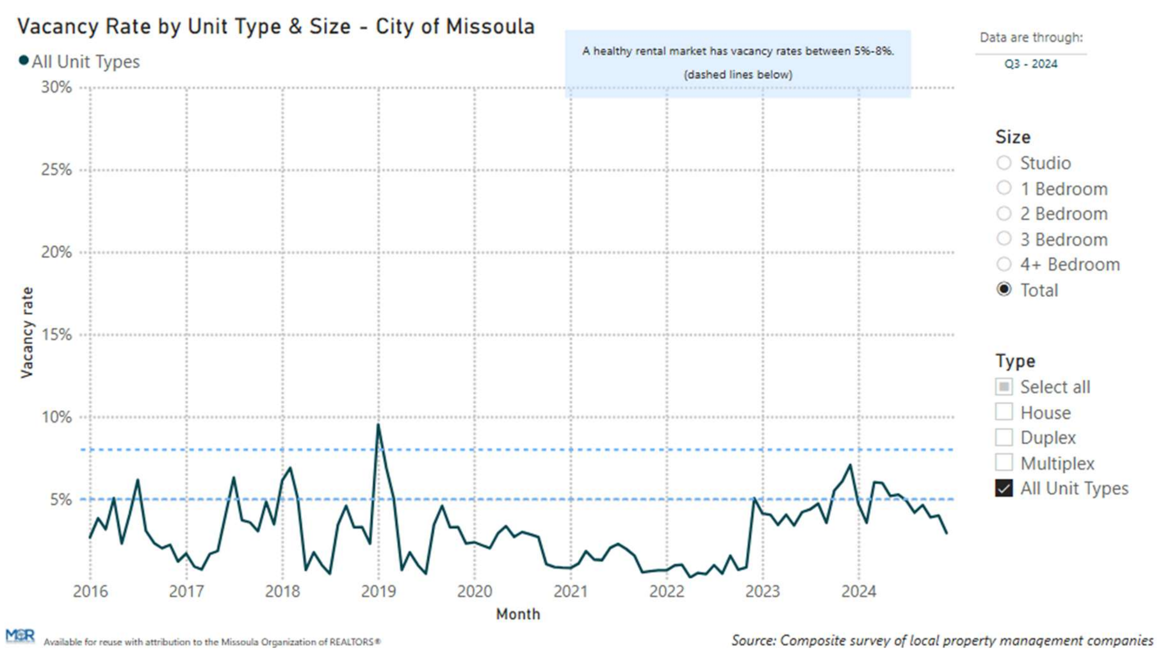
Year	Preliminary plat approvals	Preliminary lots created from subdivision	Average lots per subdividsion
2016	1	6	6
2017	5	61	12
2018	6	18	3
2019	6	36	6
2020	5	29	6
2021	4	11	3
2022	20	109	5
2023	6	28	5
2024	3	229	76

Residential Building Permits

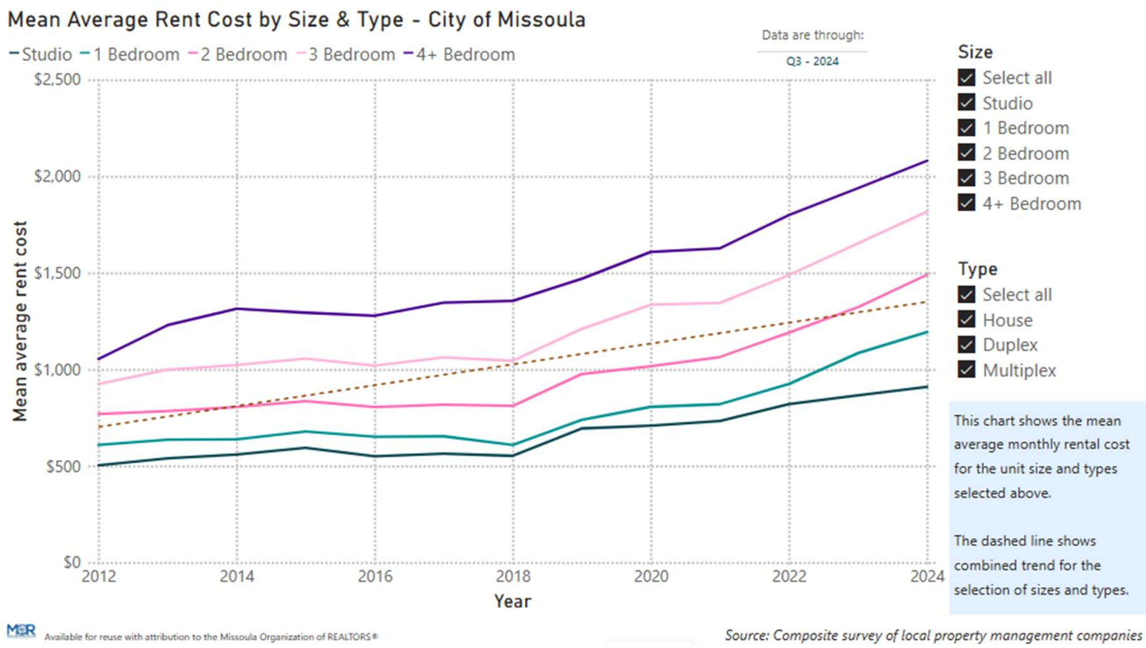
In 2024 there were 827 residential building permits issued in the City and County, up 37% from 2023, as shown in the following graph:

Missoula Multi-family Market

In 2024 the annual vacancy rate in Missoula decreased to 2.94%, after the 12/2023 increase to 7.3% due to new units coming onto the market. Vacancy rates for all rental types decreased with a normal vacancy rate of 5% to 8% considered a good rental supply. The following graph illustrates vacancy trends in Missoula:



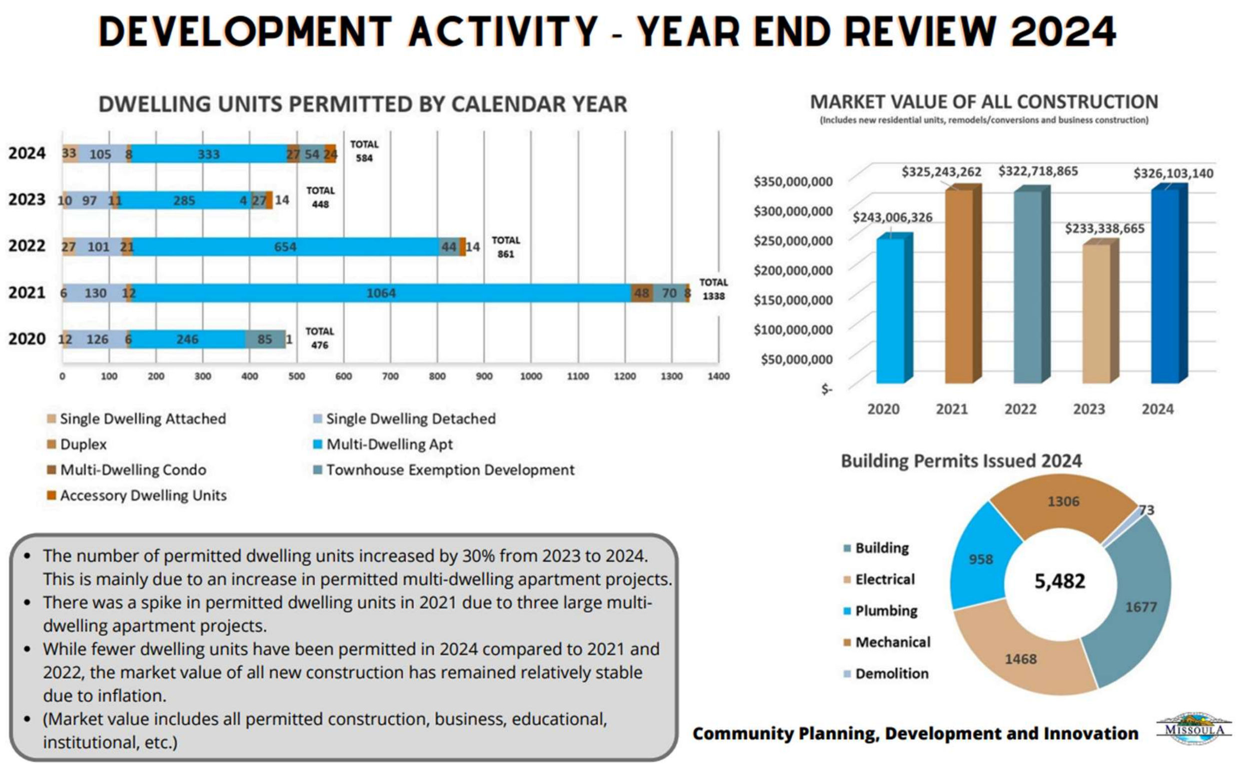
Rental rates continued to climb in 2023 for all unit types as shown in the following graph:



Missoula area new development

Missoula set the record for total market value of all construction in 2024 with a total of $326.1 million, which is slightly higher than the previous record of $325.2 million in 2021. Rising cost of construction is the main reason why development broke the record last year. There were more building permits issued in 2021 and 2022 in the city, but construction costs were less expensive in those years.

In 2024, there were a total of 584 dwelling units permitted for construction. That's a 30% increase over the 448 the city saw in 2023, but lower than the 1,338 permitted in 2021. There were three large multi-dwelling apartment projects permitted in 2021 that caused the increase. The following chart summarizes development activity for 2024 in Missoula:



Summary

Missoula continues to experience a growing population and undersupply of housing, with several new apartment developments. Median income and housing costs have increased. The median price of a Missoula home increased along with rent in every category. Current vacancies are 2.94% putting upward pressure on rents. Average home prices continue to escalate each year. Residential lot prices have been increasing each year. Almost half the renters are cost-burdened, spending over 30% of their income on housing.

Life Cycle

Real estate is affected by cycles involving new development, market forces and economic trends. Market area life cycle is described by development trends, while market and economic trends are described by the real estate cycle.

Market Area Life Cycle- stages

- Growth-market gains public favor and acceptance
- Stability-equilibrium without marked gains or losses
- Decline-diminishing demand
- Revitalization-renewal, redevelopment, modernization, increasing demand

The subject's market area is in a growth cycle and coming into the stability stage with moderate growth anticipated with 3.86% forecasted population increase in the next 5 years within a 10-mile radius.

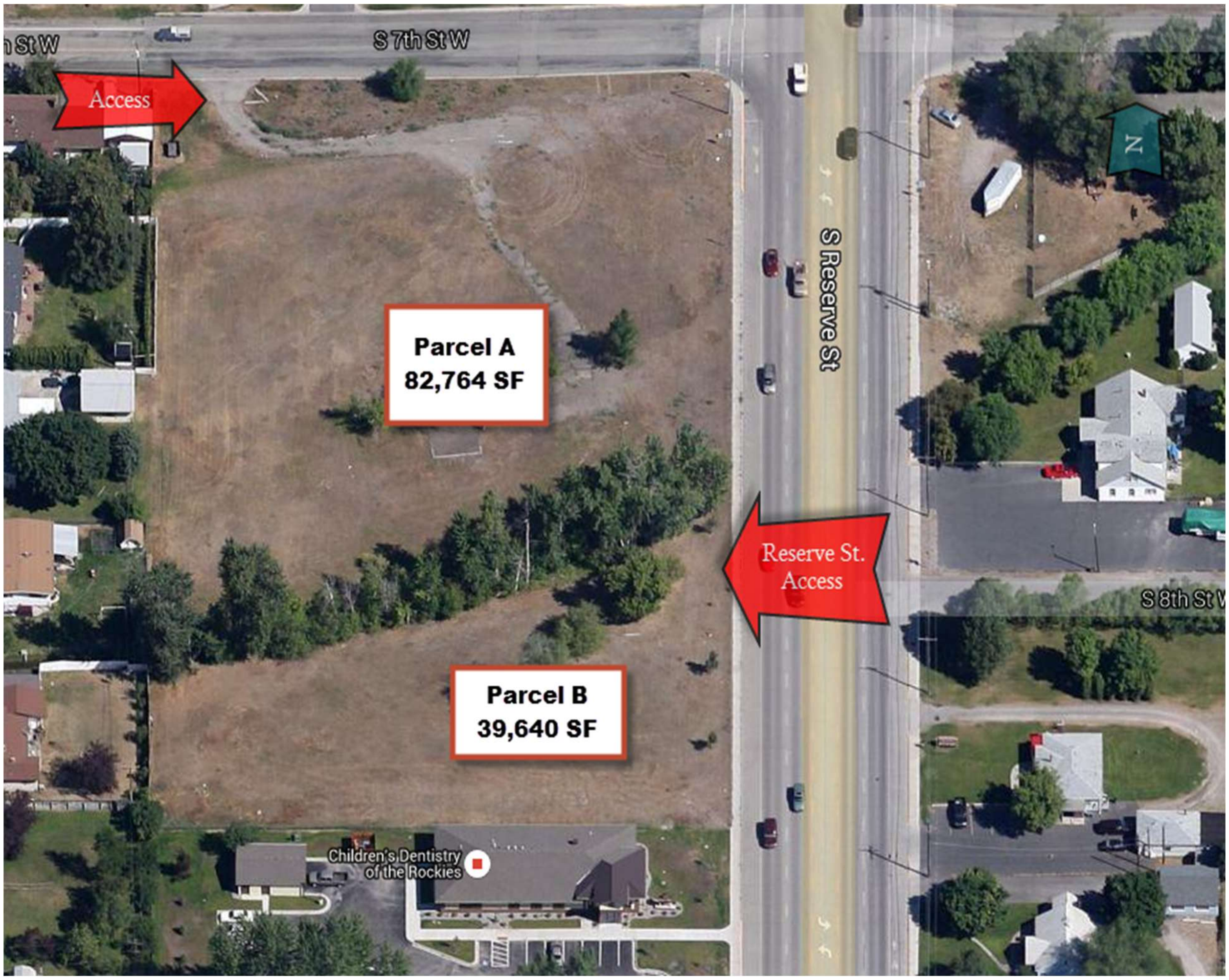
Real Estate Cycle- stages

- Expansion-growth in demand, increasing development/construction
- Decline-positive but falling demand, increasing vacancy
- Recession-falling demand, increasing vacancy
- Recovery-Increasing demand, decreasing vacancy

The subject market area is in the expansion stage with strong demand, increasing development, and few affordable residential properties and increasing property values overall. The Missoula statistics in 2024 illustrate price increases in all real estate categories, with dwindling supply and strong demand.

In summary, there is a 3+ month undersupply of residential properties with the average sale price escalating to over $600,000. Vacant land has a 20+-month supply with average sale price increasing each year. There is a 23+- month supply of existing commercial properties. The market area is in a growth cycle, with real estate expanding due to strong demand and increasing development in the past 5 years, however the forecast calls for stabilization in the next 5+ years.

Site Description



General Data

Location	Missoula, Montana 59801
Street Address	905 & 911 South Reserve Street
Legal Description	Parcel A & Parcel B C.O.S. 4743 Section 30, T13N, R19W Missoula County, Montana
Assessor Parcel #	627606 & 1300305

Adjacent Land Uses

North	medical office
South	medical office
East	single family residential
West	single family residential

Physical Characteristics

Site Area-Parcel A	1.868 acres or 81,374 SF with 261.91' S. Reserve Street frontage
Site Area-Parcel B	0.91 acre or 39,640 SF with 204.96' S. Reserve Street frontage
Site Area-Total	**2.778 acre or 121,014 SF with 466.88' Reserve Street frontage**
Shape	almost rectangular in shape separately and rectangular for both lots
Topography	Parcel A level with slope to the NW corner Parcel B level
Water amenity	Irrigation canal runs along the property boundary between the lots
Parcel Type	Community Business B2-2 zoning. Parcel A is a corner parcel
AADT (avg. annual daily traffic)	36,671 South Reserve Street in 2023

Access

Street Name	Reserve Street along east boundary South 7th Street West along the north boundary of Parcel A
Street Type	Paved public street Reserve Street is in the US Highway 93 corridor
Curb Cuts	one approved for Reserve Street and one on S. 7th Street W
Alley Access	none
Signalized Intersections	none

Site Improvements

Utilities	City sewer and water Public power and gas available A 440 foot 10" water line extension from the property north is necessary for future development according to Engineers report.
Asphalt Paving	None- vacant lot
Parking Spaces	Vacant Lot
Sidewalks	Yes, along Reserve Street
Landscaping	grass covered parcels with trees and bushes along canal

Flood Zone Data

FEMA MAP No.	30063C1460E
Date	07/06/15
Flood zone	X

Other Site Conditions

Soils	No formal soil survey provided. Appears to be adequate based on surrounding development However, the steep berm limits development of that area.
Environmental Issues	Environmental site assessment not provided Assumption that no contamination exists
Easements &	Missoula Irrigation Ditch 20' wide pre-existing encumbrance

Encroachments	Typical road and utility easements

Site Ratings

Location	average
Size, Shape, Topography	Typical size and shape as individual lots and together
Access	average from middle turn lane on S. Reserve and S. 7th Street W. Only a right turn onto Reserve Street will be allowed from the subject
Exposure	Excellent
Site Improvements	average-canal crossing which may be necessary for development
Overall Site Rating	Good

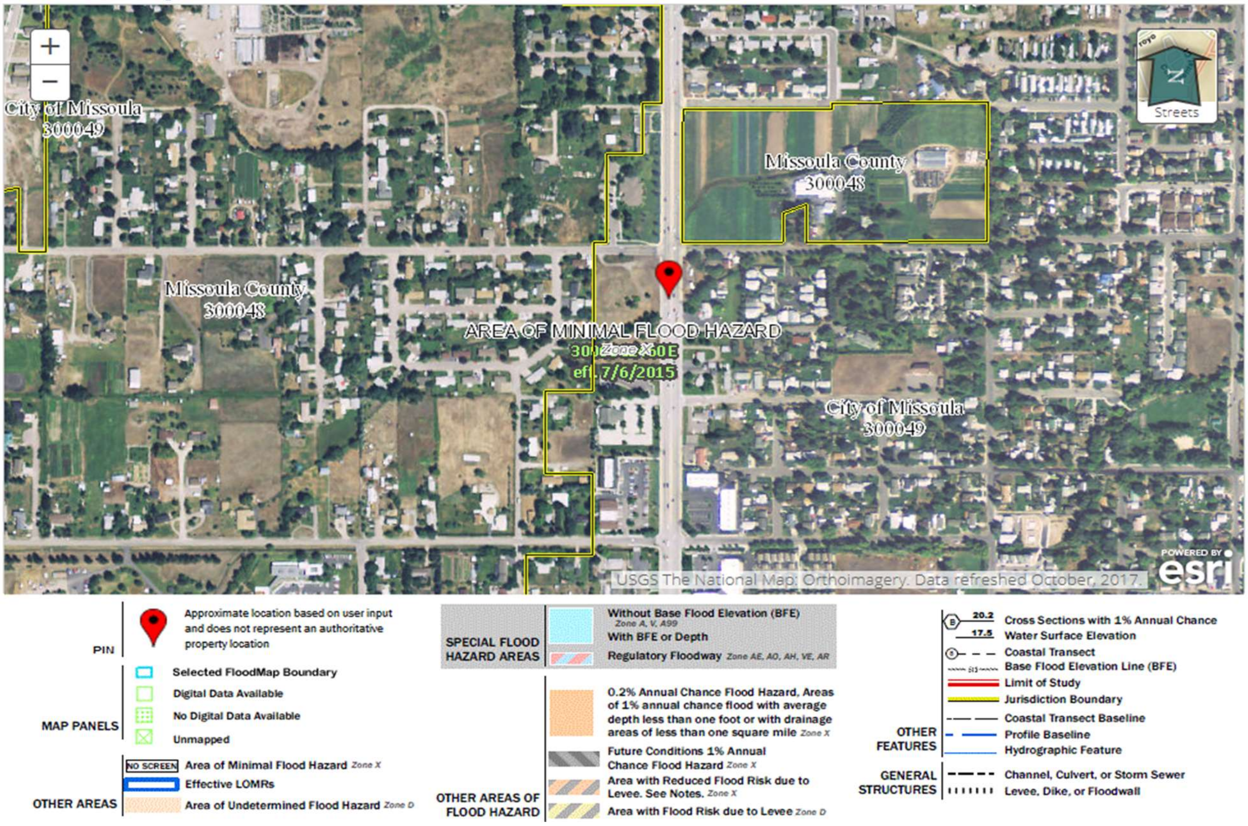
Zoning Designation

Zoning Code	B2-2 with Design Excellence Overlay Typology 4
***Design Excellence Overlay**	*Required only if project is more than 15,000 SF*
Zoning Designation	Community Business -2 is the intensity designator for allowable intensity of development
General Plan Designation	Missoula's business and commercial zoning districts are primarily intended to accommodate and promote neighborhood and community- serving business and commercial uses as mixed-use development Consisting of business uses and residential uses. Encouraging mixed-use.
Permitted uses	See table in addenda-medical, general office, commercial is permitted
Conditional Permit Uses	See table in addenda
Area regulations	Minimum parcel size 3,000 SF Minimum parcel width- none B2-2 Minimum front set back 15' and 10' secondary street
Corridor 4-special set back	30' from no build line that begins at the back of the existing curb and approximates the right-of-way line for the blocks north and south. Minimum rear set back not abutting R district -20' Building max width 600'
Height regulations	35'
Parking requirements	Depends on Development 10' setback from street Parking lot perimeter screening and landscaping required
Building Design Excellence Standards	See full document at: http://www.ci.missoula.mt.us/2189/Design-Excellence

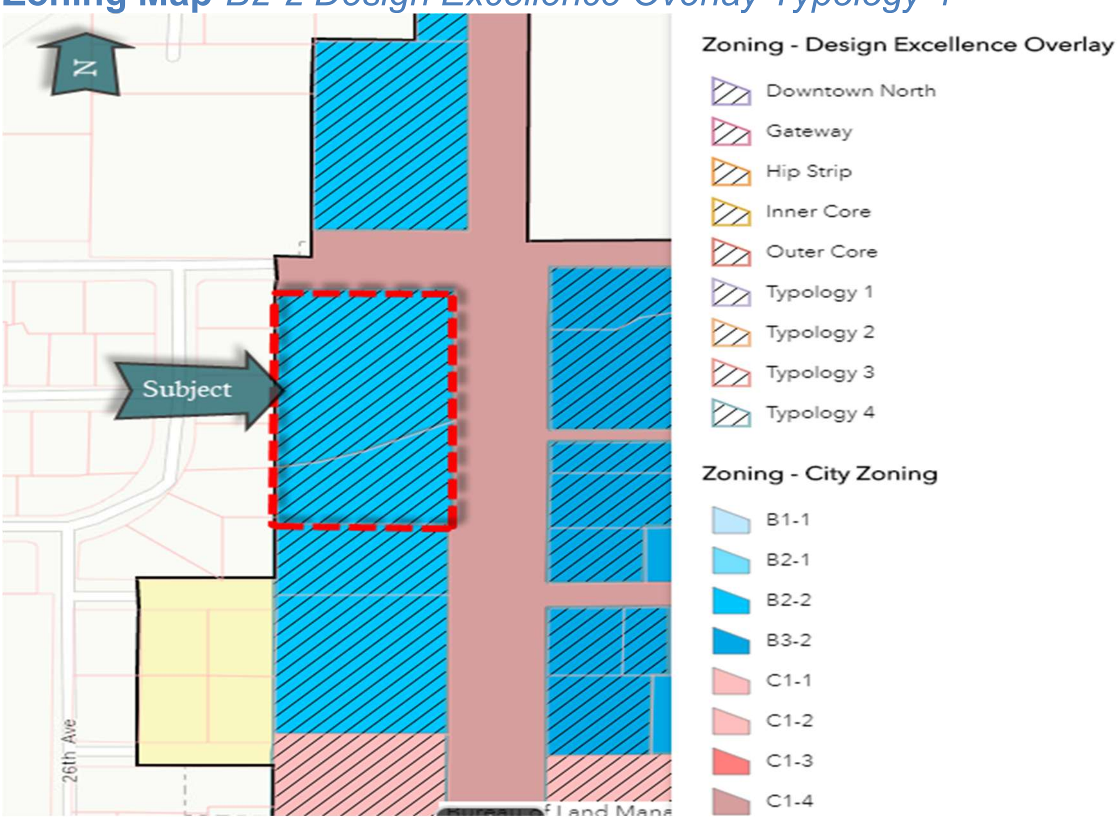
Legal/Conforming Status

Legally Permitted Use	Yes
Conforms to Parking Standards	Yes
Conformity Conclusion	The subject is legally conforming.

Flood Map



Zoning Map-*B2-2 Design Excellence Overlay Typology 4*



Strengths, Weaknesses, Opportunities and Threats

Strengths:

The subject property consists of two contiguous parcels that can be sold or leased together or separately, offering flexibility to potential buyers or tenants. Located within the City of Missoula at a high-visibility corner along Highway 93 (Reserve Street), the site benefits from strong traffic exposure, connecting the Bitterroot Valley with Missoula's commercial district near Interstate 90.

Over the past 15 years, nearby development has included professional plazas housing dental, medical, and financial offices, reinforcing the area's appeal for healthcare and business services. The site has direct access from both South Reserve Street and South 7th Street West, with interconnection between the parcels allowing independent or combined development. Additionally, recent rezoning to B2-2 Community Business within the Design Excellence Overlay Typology 4 supports a wide range of commercial uses.

Weaknesses:

While the Design Excellence Overlay Typology 4 introduces beneficial development guidelines, it may add to construction costs, though these requirements apply only to buildings exceeding 15,000 square feet. Infrastructure improvements pose additional expenses, including two canal crossings for traffic flow and upgrading the water line to meet commercial needs.

A key limitation is that the parcels are available for lease, not for sale. Ground leases are relatively uncommon in the Missoula market, and some investors hesitate due to annual escalations and uncertain future increases from reappraisal cycles. However, the site’s tax-exempt status means lessees are only responsible for taxes on improvements, not the land itself, per the Montana Department of Revenue.

Opportunities:

Missoula continues to experience strong commercial growth, with new developments emerging across the city. This expansion presents opportunities for businesses seeking high-visibility locations within an established and growing market.

The site's proximity to healthcare facilities, financial institutions, and professional service centers suggests potential demand for medical or office use, aligning with trends seen in recent nearby developments.

Threats:

External factors such as inflation, rising interest rates, and government policy uncertainty could impact market conditions, potentially affecting demand for commercial properties. Additionally, high construction costs remain a challenge, influencing feasibility for new developments.

Conclusion:

The subject site offers a strategic location, flexible development options, and strong market demand, but infrastructure costs and leasing limitations may present challenges. Despite these factors, Missoula's commercial real estate market remains competitive, with limited supply in this area supporting continued interest and potential growth.

Taxes and assessment data

Real Estate Taxes and Assessed Value					
Assessor #	**Legal Descrip.**	**Land/SF**	**Taxes/Irrigation**	**AV Land**	**AV $/SF**
627606	Parcel A	82,764	$64.60	$1,691,759	$20.44
1300305	Parcel B	39,640	$34.00	$982,622	$24.79
Total		122,404	$98.60	$2,674,381	$21.85

The subject parcels are tax exempt due to State of Montana ownership, with only irrigation fees applicable. According to Helen Greenberg at the MT Department of Revenue, the subject parcels will remain tax exempt once leased and developed, with only the improvements having tax liability. Real estate taxes are based on assessed value (AV) and the subject Parcel A is assessed at $1,691,759 or $20.44/SF and Parcel

B is assessed at $982,622 or $24.79/SF. The property irrigation fees of $98.60 are current to date. The assessed value is lower than market value.

The following four tax comparables are similar in size and location with real estate tax per square foot of land ranging from a low of $0.23/SF to $0.30/SF depending on size and location:

Real Estate Tax Comparables				
General Data	**Comp 1**	**Comp 2**	**Comp 3**	**Comp 4**
Address	3820 S Reserve St	1820 S 3rd St W	3603 Union Pacific St	Lot 3 Palmer St
City, MT	Missoula	Missoula	Missoula	Missoula
MLS or Doc#	22017270	30036868	22210362	22206334
Market Time	127	99	322	1091
Land size/SF	63,162	93,218	53,143	60,984
Real Estate Tax				
Assessor #	1232005	1363609	4208287	421203007
RE Taxes	$16,653.19	$21,844.00	$15,987.72	$17,528.48
Tax $/SF	**$0.26**	**$0.23**	**$0.30**	**$0.29**

If the subject were not tax exempt, estimated taxes per square would fall at the mid-point of the range, or $0.27/SF which is reasonable due to the similar location and size of comparables.

Real Estate Tax Estimate (market)				
Assessor #	**Legal Descrip.**	**Land/SF**	**Tax/SF**	**Total Tax**
627606	Parcel A	82,764	$0.27	$22,346.28
1300305	Parcel B	39,640	$0.27	$10,702.80
Total		122,404		$33,049.08

If the subject were not tax exempt, the estimated taxes would total approximately $33,049 per year.

Highest and Best Use

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

Improved properties may have a highest and best use that is different than the existing use. The existing use will generally continue until land value exceeds the total value of the property in its existing use plus demolition costs.

Analysis of Highest & Best Use as Vacant

In determining the highest and best use of the property as though vacant, an appraiser focuses on: 1) the existing use, 2) a projected development, 3) a subdivision, 4) an assemblage, or 5) holding the land as an investment.

Legally Permissible

A threshold of highest and best use is what is legally permissible. This analysis considers private restrictions, existing zoning, likely zoning, building codes, historic district controls, urban renewal ordinances, and other encumbrances because they may preclude many potential uses.

LEGALLY PERMISSABLE	
Characteristic	**Conclusion**
Classification:	B2-2 with Design Excellence Overlay Typology 4
	Community Business-Corridor
Permitted Uses:	See list in the addenda
	medical, general office, commercial is permitted
Conditional Permit Uses	See table in addenda
Area regulations	Minimum parcel size 3,000 SF
	Minimum parcel width- none
	B2-2 Minimum front set back 15' and 10' secondary street
Corridor 4-special set back	30' from no build line that begins at the back of the existing curb and
	approximates the right-of-way line for the blocks north and south.
	Minimum rear set back not abutting R district -20'
	Building max width 600'
Height regulations	35'
Parking requirements	Depends on Development
	10' setback from street
	Parking lot perimeter screening and landscaping required
Building Design Excellence	
Standards	See full document at: http://www.ci.missoula.mt.us/2189/Design-Excellence
Probability of Change:	Unlikely

Physically Possible

Multiple factors affect the uses with which the land may be developed. These factors are considered in the following table, followed by a conclusion of the legally permissible uses that are also physically possible.

PHYSICALLY POSSIBLE	
Characteristic	**Conclusion**
Site Area-Parcel A	1.90 acres or 82,764 SF with 261.91' Reserve Street frontage
Site Area-Parcel B	0.91 acre or 39,640 SF with 204.96' Reserve Street frontage
Site Area-Total	**2.81 acre or 122,404 SF with 466.88' Reserve Street frontage**
Shape	almost rectangular in shape separately and rectangular for both lots
Topography	Parcel A level with slope to the NW corner
	Parcel B level
Water amenity	Irrigation canal runs along the property boundary between the lots
Utilities	City sewer and water
	Public power and gas available
	A 440 foot 10" water line extenstion from the property north is necessary
	for future development according to Engineers report.
Visibility	Excellent
Flood Plain	No
Soil Conditions	Appears good for development
Environmental Concerns	None known
Other	One curb cut to Reserve Street for both lots, one curb cut to S 7th St. W
Physically possible uses	Medical, General office, Commercial, Restaurant

Financially Feasible

After determining the uses that are physically possible and legally permissible, an appraiser considers the uses that are likely to produce an adequate return on investment. All uses that yield a positive return are financially feasible. Feasibility is tested through a cost/benefit analysis or through direct market observation.

FINANCIALLY FEASIBLE			
	Commercial	**Office**	**Owner Occupied**
Demand	strong	average	Good
Supply	undersupply	balanced	undersupply
Feasibility	good	average	good
Support	market vacancy	market vacancy	cost/benefit

Based on the proposed use of recent sales, surrounding use of developed sites, and active listings it appears that a commercial owner-occupied use would take advantage of the South Reserve Street frontage and access, is feasible with strong demand and a under supply of available commercial properties in the South Reserve Street corridor.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value is the highest and best use. With the subject's location on South Reserve Street with B2-2 Community Business zoning, a commercial, office/medical service or restaurant, owner occupied use is most likely.

Conclusion of Highest and Best Use as though Vacant

The conclusion of the highest and best use as though vacant for both parcels A & B, as analyzed in the previous section, is as follows:

CONCLUSION AS THOUGH VACANT	
Characteristic	**Conclusion**
Use:	Commercial, office, medical services, or restaurant
Timing:	Now
Participants (User):	owner occupant
Participants (Buyer):	owner occupant

Analysis of Highest & Best Use as improved

The subject property is currently unimproved vacant land.

Most Probable Buyer/User

As of the date of value, the most probable buyer of the subject property is an owner occupant.

Appraisal Methodology

The following definitions were taken from *The Dictionary of Real Estate Appraisal, sixth addition, 2015* sponsored by The Appraisal Institute.

Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.

Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

Income Capitalization Approach

A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

Methods and/or Techniques Employed

Whenever possible, all three basic approaches to value are employed. The resulting indications of value are then correlated into a final estimate of market value. While investigating the marketplace where this analysis is made, sufficient data was found to employ the Sales Comparison approach to value as the Cost Approach is not applicable for vacant land and there is insufficient lease data to develop the Income Capitalization approach to value.

Land Valuation

Methodology

Land is valued using the Sales Comparison Approach. This approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same utility. In the Sales Comparison Approach, the opinion of market value is based on closed sales, listings, and pending sales of properties similar to the subject property.

A systematic procedure for applying the Sales Comparison Approach includes the following steps:

- Researching and verifying transactional data
- Selecting relevant units of comparison
- Analyzing and adjusting the comparable sales for differences in various elements of comparison
- Reconciling the adjusted sales into a value indication for the subject site.

Unit of Comparison

The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison for the subject site analysis is price per square foot of land area.

Elements of Comparison

Elements of comparison are property characteristics that cause the prices of real estate to vary. The following are the main elements of comparison:

Transaction adjustments

- Real property rights conveyed
- Financing terms
- Condition of sale
- Expenditures immediately after purchase
- Market conditions

Property adjustments

- Location
- Physical characteristics
- Economic characteristics
- Zoning/use
- Non-realty components of value

Comparable Land Sales Data

In analyzing comparable land sales, all relevant lot sales, improved property sales with extractable land values, under-contract/pending sales, and active listings in Missoula from the past two-plus years were considered—each capable of supporting a similar highest and best use.

The three completed sales and two under-contract listings closely align with the subject parcels in terms of size, location, and potential use. These transactions provide insight into what a well-informed buyer or seller would consider when forming an opinion of value, whether evaluating the parcels independently or as a whole.

A land/improved listing across the street from the subject property at 1010-1030 South Reserve Street, consists of 1.17 acres (50,965 square feet) improved with two aging homes nearing the end of their economic life, listed at $2,200,000, or $43.17 per square foot of land area with NAI Business Properties. Given market conditions and comparable sales, this listing is deemed significantly above market and is excluded from this analysis.

The available comparable sales and listings bracket the sizes of Parcel A and Parcel B; however, no direct comparables were found that encapsulate the total size of both parcels combined. The most relevant data and value indicators from these sales and listings are summarized in the Land Sales Synopsis Chart below:

Comparable Land Sale and UC Listing Synopsis						
General Data	**subject**	**Sale 1**	**Sale 2**	**Sale 3**	**UC Listing 4**	**UC Listing 5**
	905 & 911	3603 Union	1820 S	3615 Union	Lot 3	145
Address	Reserve St	Pacific St	3rd St. W	Pacific St	Palmer St	Russell St
City, MT	Missoula	Missoula	Missoula	Missoula	Missoula	Missoula
Sale Date	Apr-25	Dec-23	Mar-25	Jun-23	Apr-25	Apr-25
MLS or Doc#	na	22210362	30036868	private sale	22206334	30030841
Market Time	na	322	99	365	1091	281
Land size/SF (Lot A)	82,764	53,143	93,218	115,434	60,984	28,314
(Lot B)	39,640					
(Both lots A & B)	122,404					
Sale Price		$1,200,000	$2,295,000	$2,991,924	$1,097,712	$750,000
Immediate Expenditures		$0	$0	$0	$0	$0
Adjusted Sale Price		$1,200,000	$2,295,000	$2,991,924	$1,097,712	$750,000
Price/SF		**$22.58**	**$24.62**	**$25.92**	**$18.00**	**$26.49**

Comparable Land Sale and UC Listing Location Map

Land Sale No. 1

3603 Union Pacific Street, Missoula, MT 59808

Transaction			
Property ID	2618	**Sale Date**	12-12-2023
Address	3603 Union Pacific Street	**Sale Price**	$1,200,000
City	Missoula	**Price per SF Land**	$22.58
State	Montana	**Sale Status**	Closed
Seller	U of M Foundation	**Sale Conditions**	Typical
Buyer	HALLE PROPERTIES LLC	**Rights Conveyed**	Fee Simple
Financing Terms	Seller Contract at market		
Recording Number	202315336	**Confirmed Phone**	406-532-9200
Tax Parcel Number	0004208287	**Confirmed With**	Julie Gardner
Legal Description	PAYNE SUBDIVISION, S18, T13 N, R19 W, Lot 4		
MLS#	22210362		
Asking Price	$1,328,580		
Sale Price/List Price Ratio	90%		
DOM	322		

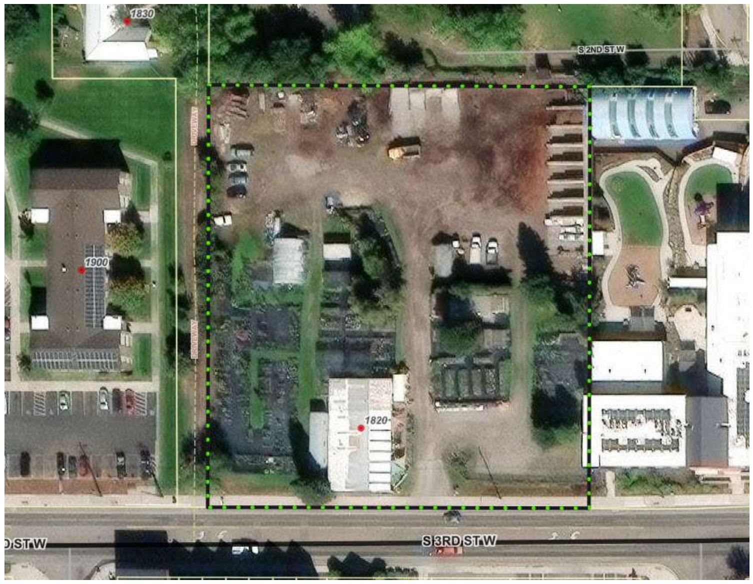
Site			
Land Acres	1.22000	**Topography**	Level
Land Sq Ft	53,143	**Zoning**	C2-4
Frontage	Paved public street	**In Flood Plain?**	No
Shape	mostly rectangular	**Encumbrances**	Unknown
Utilities	p/w/s/g	**Environ. Issues?**	Unknown

Improvements and Ratios			
No. of Lots	1	**Adj $/ Lot**	$1,200,000

Remarks

1.22 acre mostly rectangular shaped parcel with road access along the west boundary and Union Pacific Street frontage north, with national tenant neighbors such as AMC Movie Theaters, Wells Fargo Bank and Home Depot. Zoned C2-4 allows for a variety of uses including food and beverage, education, healthcare and retail. Seller contract at market.

Land Sale No. 2



1820 S 3rd Street W, Missoula, MT 59801

Transaction			
Property ID	2760	**Sale Date**	03-12-2025
Address	1820 S 3rd Street W	**Sale Price**	$2,295,000
City	Missoula	**Price per SF Land**	$24.62
State	Montana	**Sale Status**	Closed
Seller	GUTMAN BEVERLY J	**Sale Conditions**	Typical
Buyer	YWCA MISSOULA	**Rights Conveyed**	Fee Simple
Financing Terms	Cash to Seller		
Recording Number	202502971	**Confirmed Phone**	406-370-4144
Tax Parcel Number	01363609	**Confirmed With**	Amy Peterson
Legal Description	S20, T13 N, R19 W, C.O.S. 809, PARCEL B, ACRES 2.14		
MLS#	30036868		
Asking Price	$2,395,000		
Sale Price/List Price Ratio	96%		
DOM	99		

Site			
Land Acres	2.14000	**Topography**	Level
Land Sq Ft	93,218	**Zoning**	C1-4
Frontage	Paved public road	**In Flood Plain?**	No
Shape	Rectangular	**Encumbrances**	Unknown
Utilities	p/w/s	**Environ. Issues?**	Unknown

Improvements and Ratios			
No. of Lots	1	**Adj $/ Lot**	$2,295,000

Remarks

93,218 SF rectangular shaped level commercial property zoned C1-4 with frontage and access on South 3rd Street West. No contributory value for the old sheds on the property. Sold to the adjacent property owner for expansion.

Land Sale No. 3

3615 Union Pacific St, Missoula, MT 59808

Transaction			
Property ID	2617	**Sale Date**	06-08-2023
Address	3627 UNION PACIFIC ST	**Sale Price**	$2,991,924
City	Missoula	**Price per SF Land**	$25.92
State	Montana	**Sale Status**	Closed
Seller	PARTNERS HOPE FOUNDATION	**Sale Conditions**	Typical
Buyer	ALL NATIONS HEALTH CENTER INC	**Rights Conveyed**	Fee Simple
Financing Terms	Conventional		
Recording Number	202306102	**Confirmed Phone**	406-829-9515 ext 113
Tax Parcel Number	5955004 & 4208081	**Confirmed With**	Skye McGinty
Legal Description	PAYNE SUBDIVISION, S18, T13 N, R19 W, Lot 1, ACRES 1.53 & Lot 2A, ACRES 1.12, OF 2 & 3		
MLS#	private sale		
Asking Price	$2,996,754		
Sale Price/List Price Ratio	100%		
DOM	365		

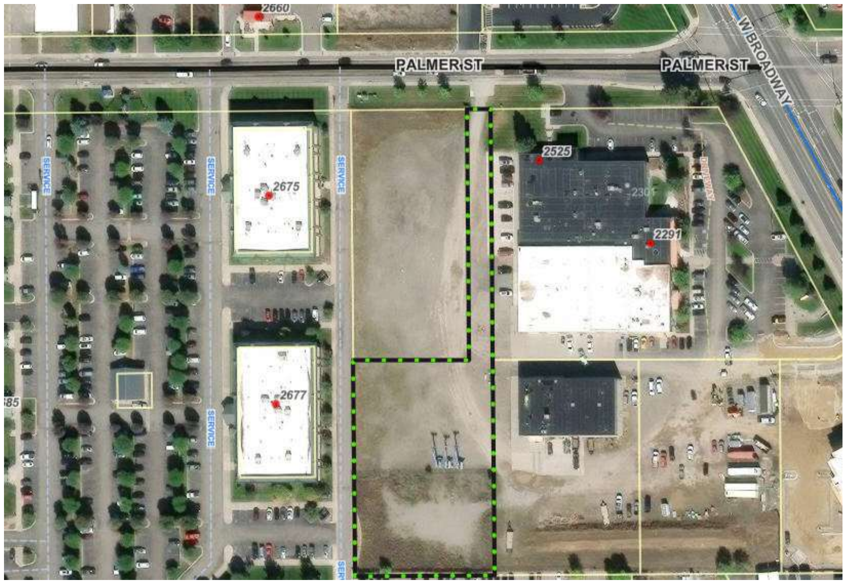
Site			
Land Acres	2.65000	**Topography**	Level
Land Sq Ft	115,434	**Zoning**	C1-4
Frontage	Paved public street	**In Flood Plain?**	No
Shape	Rectangular	**Encumbrances**	Unknown
Utilities	p/w/s/g	**Environ. Issues?**	Unknown

Improvements and Ratios			
No. of Lots	2	**Adj $/ Lot**	$1,495,962

Remarks

Two contiguous vacant city lots zoned C1-4 Neighborhood Commercial, with access and frontage on paved public Union Pacific Street. Level, rectangular shaped Lot 1 totals 66,647 square feet with 262.94' feet of Union Pacific Street frontage. Lot 2A is level, rectangular shaped totaling 48,787 square feet with 148.42' Union Pacific Street frontage and is contiguous east of Lot 1. The total size of both lots together is 115,434 square feet. City water, sewer and power are available to both lots.

Land UC Listing No. 4



Lot 3 Palmer Street, Missoula, MT 59808

Transaction			
Property ID	2761	**Sale Date**	Under contract
Address	Lot 3 Palmer Street	**Sale Price**	$1,097,712
City	Missoula	**Price per SF Land**	$18.00
State	Montana	**Sale Status**	In-Contract
Seller	TRAILCREST INC	**Sale Conditions**	na
Buyer	na	**Rights Conveyed**	Fee Simple
Financing Terms	na		
Recording Number	na	**Confirmed Phone**	406-532-9233
Tax Parcel Number	0421203007	**Confirmed With**	Julie Gardner
Legal Description	S17, T13 N, R19 W, C.O.S. 6822, ACRES 1.4, LOT 3		
MLS#	22206334		
Asking Price	$1,097,712		
Sale Price/List Price Ratio	na		
DOM	1092		

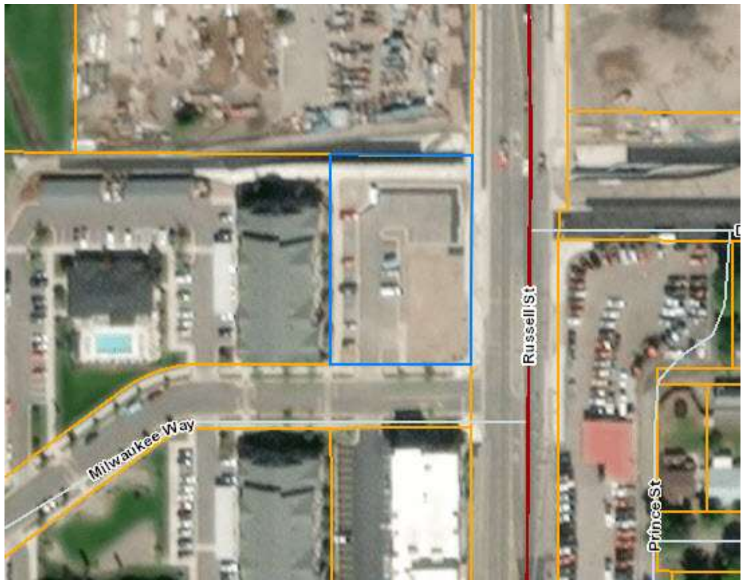
Site			
Land Acres	1.40000	**Topography**	Level
Land Sq Ft	60,984	**Zoning**	C2-4
Frontage	Paved public street	**In Flood Plain?**	No
Shape	Flag	**Encumbrances**	Unknown
Utilities	p/w/s	**Environ. Issues?**	Unknown

Improvements and Ratios			
No. of Lots	1	**Adj $/ Lot**	$1,097,712

Remarks

60,984 SF level flag-shaped parcel with access from Palmer Street, near West Broadway.

Land UC Listing No. 5



145 Russell St, Missoula, MT 59801

Transaction			
Property ID	1591	**Listing date**	7/22/2024
Address	145 Russell Street	**List Price**	$750,000
City	Missoula	**Price per SF Land**	$26.49
State	Montana	**Sale Status**	Under contract
Seller	Summit Independent Living Center Inc.	**Sale Conditions**	UC
Buyer	na	**Rights Conveyed**	Fee Simple
Financing Terms	na		
Recording Number	na	**Confirmed Phone**	406-671-0402
Tax Parcel Number	4617133	**Confirmed With**	Jeri Barta
Legal Description	GARDEN DISTRICT HOMES, S20, T13 N, R19 W, Lot 1A, ACRES 0.65, OF LOTS 15 LESS MTDOT ROW		
MLS#	30030841		
Asking Price	$625,000		
Sale Price/List Price Ratio	Under contract		
DOM	281		

Site			
Land Acres	0.65000	**Topography**	Level
Land Sq Ft	28,314	**Zoning**	C2-4
Frontage	Paved public street	**In Flood Plain?**	No
Shape	Rectangular	**Encumbrances**	unknown
Utilities	city w/s public p/g	**Environ. Issues?**	unknown

Remarks

This site is over 1/2-acre (28,314 sqft) located at the corner of Russell Street and Milwaukee Way. The property is adjacent to the Corso Apartments, blocks from the Good Food Store, and has an average daily traffic count of over 20,000 vehicles. The new Russell Street bridge is a benefit. Zoning is C2-4, which is highly permissive. Sold previously 3/27/2020 for $600,000 or $21.19/SF

Adjustments

All comparables differ somewhat from each other and from the subject in a number of different ways. The usual differences are time of sale, size, availability of utilities, access, physical characteristics, amenities, general location, and specific location. All these factors, in varying degrees, are applicable in the appraisal of the subject property. When dissimilarities are found in comparable properties, they should be adjusted for by adding to the comparable price when the dissimilar factor is inferior to the same factor found in the subject property. Likewise, a minus adjustment should be made when the comparable sale has a factor which is superior to that found in the subject property. The sale properties, then, are adjusted to the subject property.

However, in the market it is often difficult, and sometimes impossible to accurately isolate a given factor. In short, one very seldom finds sales which are identical in all respects but one, and thus is able to prove conclusively the value, or lack of it, for any one factor due to a difference in sale price. Often, there are plus and minus factors which offset each other. Nevertheless, the differences in values are real, and an attempt, based on as much fact as can be found, will be made to determine the value of these factors. Then, the appraiser may call upon her experience to make subjective judgments. The following generalities are cited to acquaint the reader with a background for the appraiser's reasoning and judgment to follow:

1. Value increases per unit of comparison as the size of the parcel decreases.
2. Value tends to decrease as distance from an urban center increases. An exception to this generalization might be certain recreational properties.
3. Value tends to decrease as the topography becomes steeper, more rocky, more barren, more arid, etc.
4. Value tends to decrease as access becomes more difficult.
5. Value tends to increase with amenities such as creek or lake frontage, or a good view.
6. Value tends to increase when zoning allows greater density and/or a more optimum use of the land.

The opposite may be said of each of the above illustrations.

Analysis of Land Sales

All comparable arm's-length sales have taken place within the past 22 months in Missoula. These sales, similar in size, encompass the subject parcels in terms of location and potential use. Adjustments are necessary to account for these characteristics.

Improvements

Sales No. 2 has older shed improvements with no contributory value. No adjustment is made.

Market Conditions, List to Sale price ratio

Adjustments employed in this analysis first recognize changing market conditions, or the passage of time. All sales have occurred in the past 22 months, with insufficient data to make an adjustment for time or changing market conditions based on comparing oldest Sale No. 3 at $25.92/SF and most recent sale No. 2 at $24.62/SF. The median list to sale price ratio of all Missoula County land sales in the past year is 95%, therefore a -5% list to sale price adjustment is applied to the under-contract listings for list to sale price ratio.

Location

The next adjustment is for location. The subject has B2-2 zoning and comparables have commercial zoning ranging from C1-4, C2-4 and M1-2. The following are the differences between each zoning type:

B2-2 (Community Business): This zoning is designed for community-serving businesses and mixed-use developments. It allows for a combination of commercial and residential uses, promoting walkability and reducing vehicle travel demand.

C2-4 (Community Commercial): Similar to B2-2, this zoning supports medium-density commercial and residential development. However, it is more focused on neighborhood-scale businesses and services.

C1-4 (Neighborhood Commercial): This zoning is tailored for small-scale commercial activities that cater to the immediate neighborhood. It emphasizes compatibility with nearby residential areas.

M1-2 (Industrial): This zoning is intended for light industrial uses, such as manufacturing, warehousing, and distribution. Residential development is generally excluded, as the focus is on industrial activities.

No adjustment is indicated for the comparables zoned C2-4 and C1-4 which are similar to the subject, however under contract Listing No. 4 with M1-2 industrial zoning is inferior, with an inferior flag shape, and limited exposure requiring a upward 35% adjustment based on paired comparables

Size/Price relationship

The final adjustment assesses the relationship between size and price, recognizing that larger tracts of land typically sell for less per unit, while smaller tracts command higher prices. In this analysis, the unit of comparison is value, measured in dollars per square foot. After reviewing the comparables, which encompass the size of Parcel A and B but do not collectively bracket both parcels, no size adjustment is warranted based on paired comparables.

The following is the comparable sale and under contract listing adjustment grid illustrating adjustments to each comparable as it relates to the subject parcels A (82,764 SF), B (39,640 SF) and combined (122,404 SF):

Comparable Land Sale and UC Listing Adjustment Grid						
General Data	**subject**	**Sale 1**	**Sale 2**	**Sale 3**	**UC Listing 4**	**UC Listing 5**
	905 & 911	3603 Union	1820 S	3615 Union	Lot 3	145
Address	Reserve St	Pacific St	3rd St. W	Pacific St	Palmer St	Russell St
City, MT	Missoula	Missoula	Missoula	Missoula	Missoula	Missoula
Sale Date	Apr-25	Dec-23	Mar-25	Jun-23	Apr-25	Apr-25
MLS or Doc#	na	22210362	30036868	private sale	22206334	30030841
Market Time	na	322	99	365	1091	281
Land size/SF (Lot A)	82,764	53,143	93,218	115,434	60,984	28,314
(Lot B)	39,640					
(Both lots A & B)	122,404					
Sale Price		$1,200,000	$2,295,000	$2,991,924	$1,097,712	$750,000
Immediate Expenditures		$0	$0	$0	$0	$0
Adjusted Sale Price		$1,200,000	$2,295,000	$2,991,924	$1,097,712	$750,000
Price/SF		**$22.58**	**$24.62**	**$25.92**	**$18.00**	**$26.49**
Transaction Adjustments						
Property Rights		fee simple	fee simple	fee simple	fee simple	fee simple
		$0.00	$0.00	$0.00	$0.00	$0.00
Financing terms		contract	conv	cash	UC listing	UC listing
		$0.00	$0.00	$0.00	$0.00	$0.00
Condition of sale		arms length	arms length	arms length	listing	listing
		$0.00	$0.00	$0.00	$0.00	$0.00
Sale Date	Apr-25	Dec-23	Mar-25	Jun-23	Apr-25	Apr-25
# months	0	16	1	22	0	0
Market Conditions adj.	0%	0%	0%	0%	-5%	-5%
Price/SF		***$22.58***	***$24.62***	***$25.92***	***$17.10***	***$25.16***
Property Adjustments						
Location Characteristics:						
Exposure	good	similar	similar	similar	inferior	similar
Access	avg/gd	similar	similar	similar	inferior	similar
Shape/Topography	avg/gd	similar	similar	similar	inferior flag shp	similar
Site Utility	Commercial	similar	similar	similar	inferior	similar
Zoning	B2-2	C2-4	C1-4	C1-4	M1-2	C2-4
Utilities	w/s/p/g	similar	similar	similar	similar	similar
AADT	36,671	RS 33,730	13,945	RS 33,730	8,055	21,305
Overall Adjustment		similar	similar	similar	inferior	similar
		0%	0%	0%	40%	0%
Physical Characteristics	82,764					
Land size/SF	39,640	53,143	93,218	115,434	60,984	28,314
	122,404	0%	0%	0%	0%	0%
Net Adjustment %		0%	0%	0%	40%	0%
Gross Adjustment %		0%	0%	0%	40%	0%
Final Adjusted $/SF		**$22.58**	**$24.62**	**$25.92**	**$23.94**	**$25.16**
Statistics	Unadj $/SF	Adj. $/SF				
Low	$18.00	$22.58				
High	$26.49	$25.92				
Median	$24.62	$24.62				
Average	$23.52	$24.44				

The five comparables analyzed have unadjusted values ranging from $18.00/SF as shown by inferior under contract listing No. 4, to the highest unadjusted indication of $26.49/SF shown by smallest under contract listing No. 5.

Adjusted values for the subject's parcels consisting of 82,764 SF Parcel A, and 39,640 SF for Parcel B, and 122,404 SF for both parcels together, range from $22.58/SF on the low end, as shown by Sale No.1, to a high of $25.16/SF as indicated by under contract Listing No. 5. The mathematical average of the adjusted comparables is $24.44/SF and the median or central tendency is $24.62/SF. Most weight is placed on all three adjusted sales, with support from the two under contract listings, as they are similar in size, and their development potential and locations bracket the subject parcels. Based on this analysis, the estimated value indication of the subject parcels zoned B2-2 Community Business in the Design Excellence Overlay Corridor Typology #4, both individually and as a whole is $24.00/SF rounded. Although there were no sales or listings similar in size to the subject as a whole, it is estimated that the market value per square foot is the same as the individual value per square foot, due to the lack of alternative properties with similar location.

Calculations follow:

Market Value Indications			
	Parcel A	**Parcel B**	**Parcels A & B**
Address	905 S. Reserve St.	911 S. Reserve St.	
Parcel Size/SF	82,764	39,640	122,404
Reserve Street Frontage	261.92	204.96	466.88
Parcel Depth	262.31	262.36	
Market Value $/SF	$24.00	$24.00	$24.00
Total Market Value Indication	$1,986,336	$951,360	$2,937,696
Market Value (Rounded)	**$1,985,000**	**$950,000**	**$2,935,000**

Reconciliation

The Sales Comparison approach employed in this report has produced the following results:

Market Value Indications			
	Parcel A	**Parcel B**	**Parcels A & B**
Address	905 S. Reserve St.	911 S. Reserve St.	
Parcel Size/SF	82,764	39,640	122,404
Reserve Street Frontage	261.92	204.96	466.88
Parcel Depth	262.31	262.36	
Market Value $/SF	$24.00	$24.00	$24.00
Total Market Value Indication	$1,986,336	$951,360	$2,937,696
Market Value (Rounded)	**$1,985,000**	**$950,000**	**$2,935,000**

The approach developed has support from the available market data. No further adjustments need to be accomplished.

The Cost Approach is not developed as the subject is vacant land. The Income Capitalization Approach is not developed due to the lack of land lease data.

The Sales Comparison Approach is employed by analyzing three sales and two under contract listings of similar commercial parcels. Sales are adjusted to reflect the subject's size, overall site utility, zoning and location. The value indication from this approach is reasonably indicative of the investor attitudes in Missoula.

Based on the data contained in this report, the final estimate of fair market value for the subject parcels is weighed equally on all three sales with support from the two under contract listings. As a result of my investigations, studies, and analyses, I have formed the opinion that the market value indications of the subject parcels independently and as a whole, with consideration to the ***extraordinary assumption and limiting condition*** within this report and a cash sale, as of April 12, 2025, are as follows:

Market Value Indications			
	Parcel A	**Parcel B**	**Parcels A & B**
Address	905 S. Reserve St.	911 S. Reserve St.	
Parcel Size/SF	82,764	39,640	122,404
Reserve Street Frontage	261.92	204.96	466.88
Parcel Depth	262.31	262.36	
Market Value $/SF	$24.00	$24.00	$24.00
Total Market Value Indication	$1,986,336	$951,360	$2,937,696
Market Value (Rounded)	**$1,985,000**	**$950,000**	**$2,935,000**

Exposure Period & Marketing Time

Based on the Highest and Best use of the subject, market evidence indicates an exposure period of up to one year may be required to sell the subject parcels individually or as a whole. Comparable land sales analyzed in this report had days on market ranging from a low of 99 days to the highest indication of 365 days. The average days on market for all commercial land sales in Missoula last year were 545 days or 18 months.

A one-year exposure period assumes an aggressive marketing effort, and similar economic conditions to the current real estate market. Exposure Period and Marketing times are synonymous in this discussion.

The subject parcels have been offered for lease for several years. Due to market resistance to a long-term ground lease in this area, where the Tenant is more likely to be an owner-occupied ground lease tenant rather than a national tenant, it may take longer to secure long term ground leases without an incentive to the Tenant such as eliminating annual escalations in between re-appraisal cycles.

Addenda

- **Engagement Letter (on file due to size)**
- **Zoning (on file due to size)**
- **Qualifications of Jennifer L. McGinnis**
- **Privacy Policy**

Docusign Envelope ID: 3D45B024-02CD-484D-B071-9E308DEE067E

FOR DNRC USE ONLY

Maximum Amount under this Contract: $2,000

Fund Name	Source of Funds	Fund No.
Trust Administration Account	**SSR**	**02938**

Subclass	Org. No.	Amount
555HA	**6040DR-03**	**$1,360**
555HA	**6040DR-01**	**$640**

Contract Expiration Date: September 1, 2025

Approved

Contract No.	255145
Division	RM (email 4/3/2025)
Legal	Mark Phares (email 4/3/2025)
FSO	SS
SPSB	N/A

FORESTRY AND TRUST LANDS DIVISION
APPRAISAL OF POTENTIAL COMMERCIAL LEASE ON RESERVE STREET
IN MISSOULA COUNTY

THIS CONTRACT is entered into by and between the State of Montana, Department of Natural Resources and Conservation, (hereinafter referred to as "the State"), whose address and phone number are P.O. Box 201601, 1539 11th Avenue, Helena, MT 59620-1601, (406) 444-4165 and, McGinnis Real Estate Appraisal Group, LLC (Contractor), whose address and phone number are 2101 Dearborn Avenue #13 Missoula, MT 59801, (406) 546-1906.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term

The contract's initial term is upon contract execution, through September 1, 2025, 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-N/A

3. SERVICES AND/OR SUPPLIES

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

Rev. 08/24

Qualifications of Jennifer L. McGinnis, MAI

Partner, McGinnis Real Estate Appraisal Group, LLC
2101 Dearborn Avenue #13
Missoula, MT 59801
or
P.O. Box 996
Polson, Montana 59860
(406)546-1906 Cell
(406)883-1659 Office
(406)883-1649 Fax
Jennifer@mreag.com

Montana State Certification
Mt Certified General Appraiser
REA-RAG-LIC-714
State of Montana Appraiser Mentor

Membership/Affiliations:

Member:	Appraisal Institute- MAI Designation
Board Member:	Montana Board of Banking and Financial Institutions (2019-2020) Appointed by Governor Steve Bullock
Past President:	Montana Chapter- Appraisal Institute 2016-17
Past Board Chair:	Montana Board of Real Estate Appraisers Appointed by Governor Brian Schweitzer (2007-2013)

EDUCATION:

University of Montana

B.A. Communication Studies-1991

Appraisal Institute Courses & Seminars

-Uniform Standards of Professional Appraisal Practice Update-2024
-Review Theory-General 2023
-Inconsistency: it's hiding in plain sight in your appraisal-2021
-What's up with Technology for Real Estate Appraisers-2021
-Condemnation Appraisal-2019
-Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications-2017
-Marketability studies-Advanced Considerations & applications-2017
-Marketability studies- 6 step process & basic applications-2017
-Real Estate finance, statistics, & valuation modeling-2015
-Business Practices and Ethics -2021, 2018
-Valuation of Conservation Easements -2012

-Appraising the Appraisal: Appraisal Review-2012
-Fundamental of Separating Real Property, Personal Property, & Intangible Business Assets-2012
-Advanced Spreadsheet Modeling for Valuation Applications-2011
-The Discounted Cash Flow Model: Concepts, Issues & Applications-2010
-Hotel Appraising-New techniques for today's uncertain times-2010
-Valuation by Comparison-2010
-Using Spreadsheet Programs in Real Estate Appraisals-2010
-Report Writing & Valuation Analysis-2009
-General Demonstration Report Writing-2009
-Advanced Applications-2009
-Advanced Income Capitalization-2008
-Uniform Appraisal Standards for Federal Land Acquisitions-2007
-Advanced Sales Comparison and Cost Approaches-2006
-Highest & Best Use and Market Analysis-2005
-The Professional's Guide to the URAR-2005
-General Applications-2004
-Basic Income Capitalization-2004
-Advanced Residential Form & Narrative Report Writing-2003
-Appraisal Procedures-2002
-Standards of Professional Practice, Part A & B-2002
-Appraisal Principles-2002
-15 Hour USPAP Course 2002, 2006

<u>Additional Seminars</u>

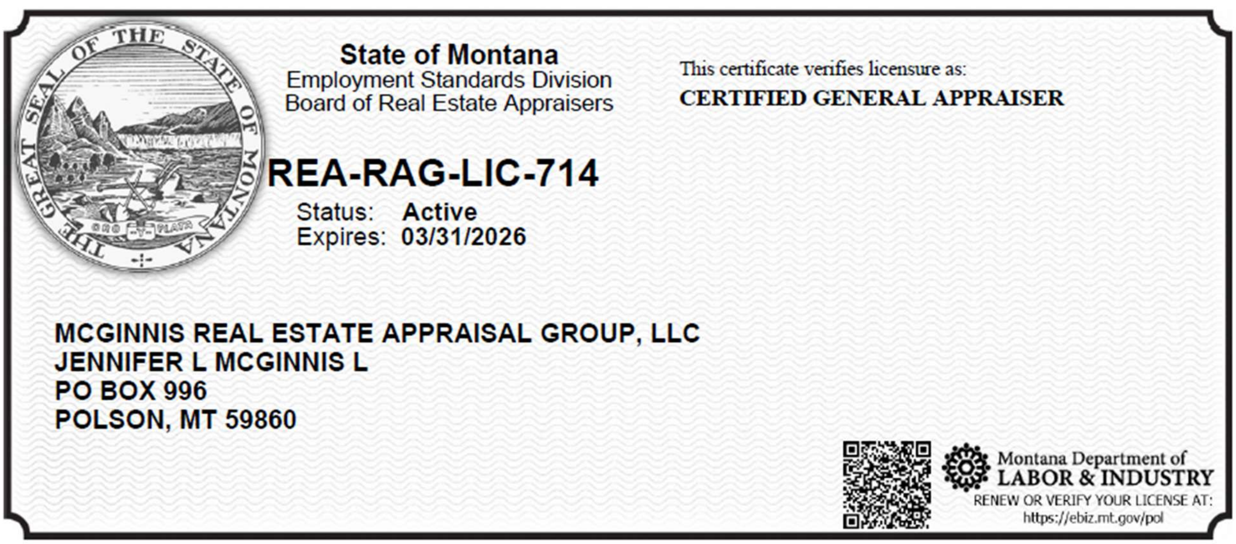
-Annual Montana Economic Outlook Seminar-Bureau of Business & Economic Research, University of Montana
-The Technical Inspection of Real Estate –Beckman Group
-Spring AARO Conference-San Francisco, CA, 2008
-AARO Conference- Washington DC 2008, 2009, 2011
-Ted Whitmer's Comprehensive Exam seminar
-Managing and Procuring Commercial Appraisal Reports
-Appraisal Review: Sales Comparison and Cost Approaches
-Appraisal Review: Income Capitalization Approach
-Distressed and Depressed- Are Values Repressed? CRE Foreclosure/Workout Valuation
-Land, Condos and Subdivisions; Solutions to Hard to Value Assets
-How to Use Market Data: Solutions for Hard to Value CRE Assets

EXPERIENCE:

2013-Present
Partner, McGinnis Real Estate Appraisal Group, LLC
Appraisal/valuation and consulting assignments include: commercial/retail buildings, office buildings, commercial/industrial properties, warehouse buildings, medical office

buildings, development land, residential and commercial subdivisions, residential and commercial condominiums, high-end residential properties, apartment buildings, low income housing tax credit apartments, retirement homes, rural acreage, waterfront properties, Federal land acquisition (Yellow Book) appraisal reports, leased fee and leasehold valuations.

<u>2003 - 2013</u>
Real Estate Appraiser
Serving clients throughout the State of Montana.
Stevens & Company
P.O. Box 8287
Missoula, MT 59807



State of Montana
Employment Standards Division
Board of Real Estate Appraisers

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

REA-RAG-LIC-714
Status: Active
Expires: 03/31/2026

MCGINNIS REAL ESTATE APPRAISAL GROUP, LLC
JENNIFER L MCGINNIS L
PO BOX 996
POLSON, MT 59860

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PRIVACY NOTICE

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

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties To Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in providing appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.
A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information.

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