

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

March 13, 2023

FOR

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

Contract No. 235089
Fund No. 02938

Our File No. 2309

McGinnis Real Estate Appraisal Group, LLC

March 19, 2023

Sierra Farmer
Southwestern Land Office Trustlands 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. 2309
Contract No. 235089
Fund No. 02938

Dear Sierra Farmer,

In accordance with the appraisal contract dated March 10, 2023, 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 76 pages and Addenda.

The parcels involved are two contiguous vacant city lots zoned B2-2 Community Business, in the Design Excellence Overlay Typology #4 corridor, divided by the Missoula Irrigation Ditch with shared undeveloped access and frontage on South Reserve Street. Parcel A totals 1.90 acres or 82,764 square feet with 261.91 feet of South Reserve Street frontage, located on the corner of South 7th Street West with additional access and 262.31 feet of frontage. Parcel B is 0.91 ace or 39,640 square feet with 204.96 feet of South Reserve Street frontage. The total size of both lots together is 2.81 acres or 122,404 square feet with 466.88 feet of South Reserve Street frontage. City sewer runs along the east boundary at South Reserve Street and the City water line is located near the north boundary on South 7th Street West, however, would need to be replaced with a larger 10" line for commercial use according to the KLJ

Engineering report. Public power is available along the west boundary. The topography of Parcel A is mostly level, sloping downwards at the NW corner towards South 7th Street West. Parcel B is level with vegetation consisting of a few trees and brush along the irrigation ditch.

The global outbreak of a “novel coronavirus” known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal. See market conditions analysis for current conditions and discussions with market participants.

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 wastes. 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.

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 March 13, 2023, are as follows:

| <i>Market Value Indications</i> | | | |
|---------------------------------|--------------------|--------------------|--------------------------|
| | 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 | \$22.00 | \$22.00 | \$22.00 |
| Total Market Value Indication | \$1,820,808 | \$872,080 | \$2,692,888 |
| Market Value (Rounded) | \$1,820,000 | \$870,000 | \$2,690,000 |

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

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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 and 2021.

- 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.

A handwritten signature in black ink that reads "J McGinnis". The signature is written in a cursive, flowing style.

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” (\pm), 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.

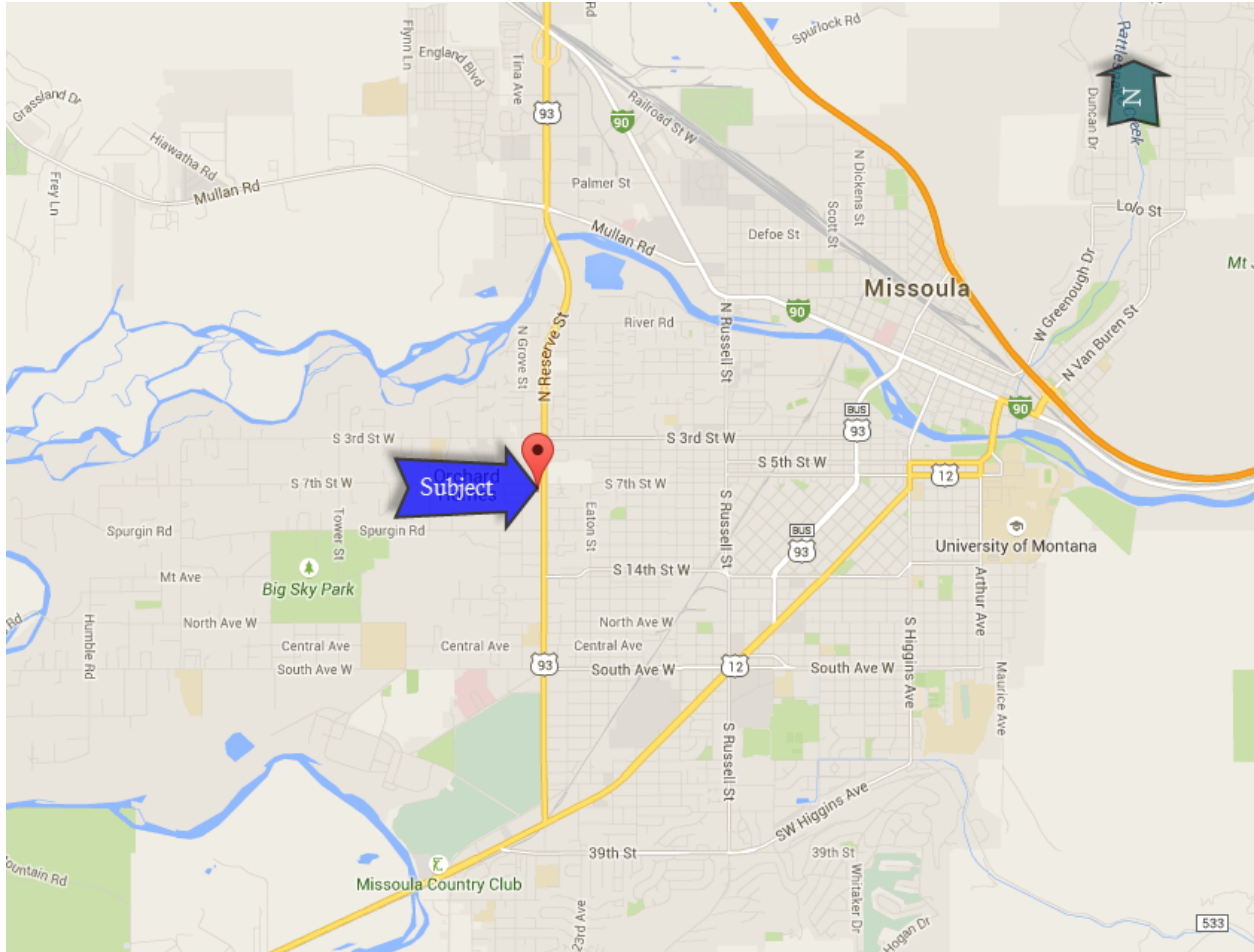
Summary of Conclusions

| | |
|----------------------------------|---|
| 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 | March 13, 2023 |

| 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 |
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| Market Value (Rounded) | \$1,820,000 | \$870,000 | \$2,690,000 |

Subject Property Photographs

Location Map



Aerial view



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 A facing north on S. Reserve Street-undeveloped access point



Subject NW corner Parcel A facing east on S. 7th Street W

SUBJECT PROPERTY PHOTOGRAPHS



Subject Parcel A NW corner facing SE; sloped topography



Subject Parcel A facing SW

SUBJECT PROPERTY PHOTOGRAPHS



Subject NE corner of Parcel A intersection of S. Reserve St. & S. 7th St. W



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 from the west side of the parcel towards South Reserve Street frontage

SUBJECT PROPERTY PHOTOGRAPHS



Subject Parcel B facing west



Subject Parcel A facing east towards South Reserve Street frontage

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 March 13, 2023, with the original report completed on March 19, 2023.

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:

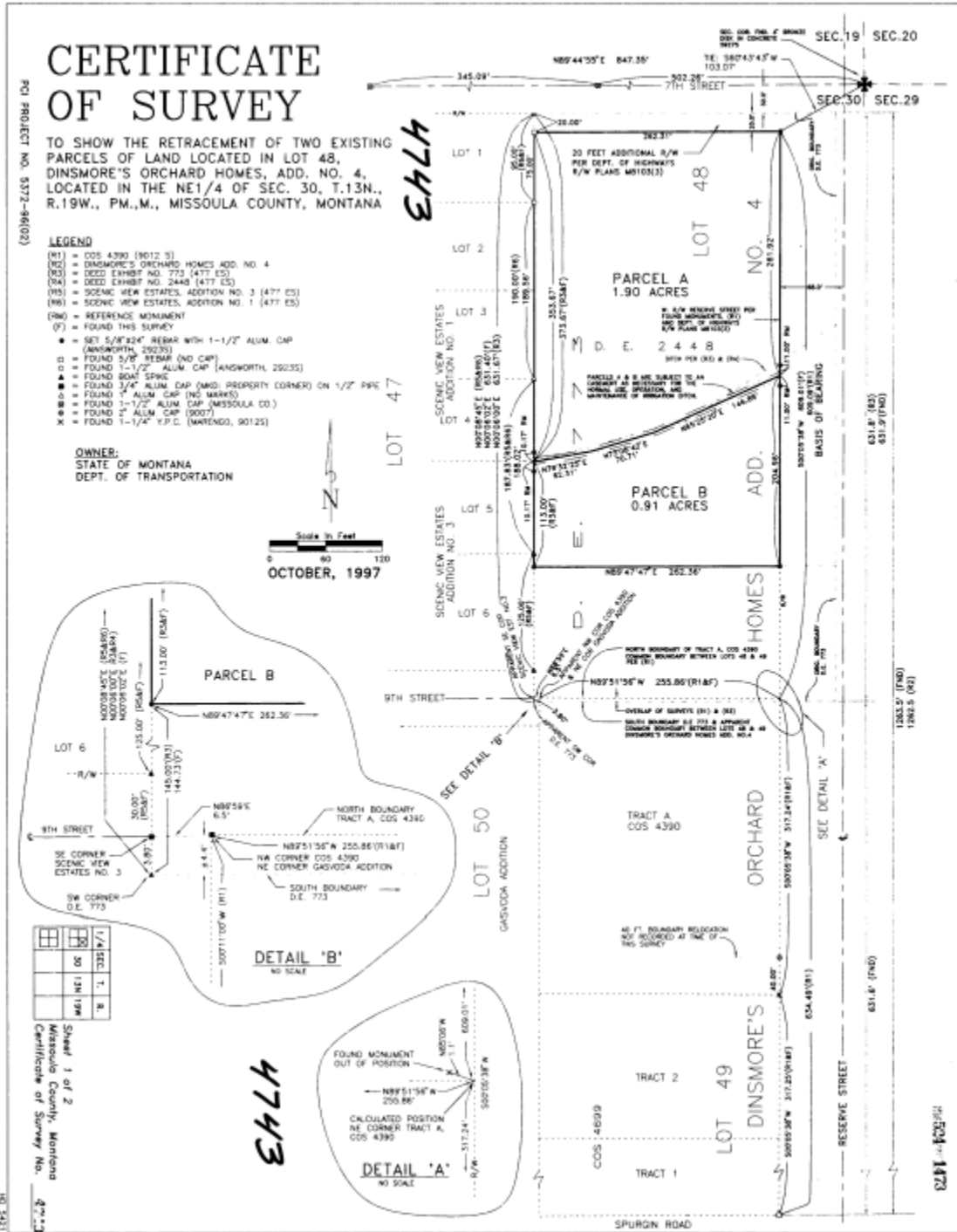
Legal Description:

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

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 No. 4743



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 recently changed 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 was 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 March 13, 2023. 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 3+/- years in Missoula. Sources include MR MLS, Realtors, tax records, MT Cadastral and office files. (4) land sales and (0) pending sale and (2) active land listings are analyzed to estimate market value of the individual lots and as a whole. Sales considered most similar were used in the sales comparison approach because they bracket 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

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.

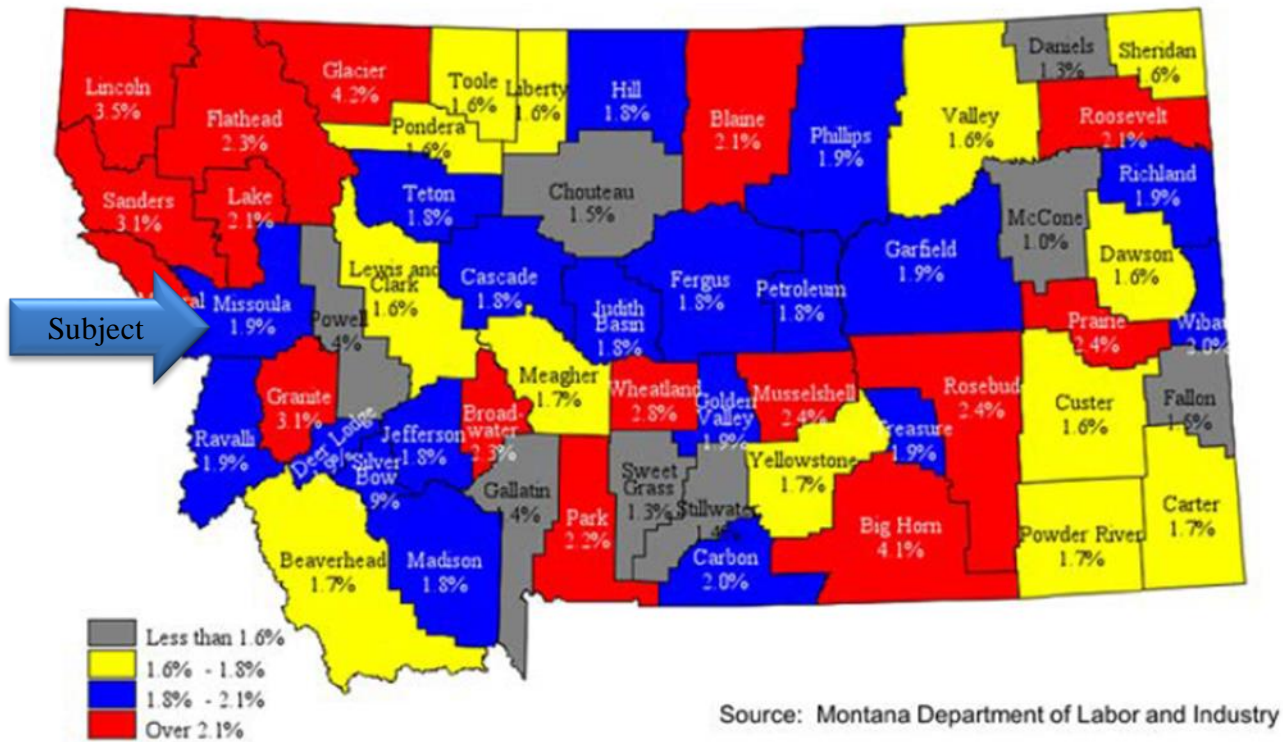
Identification of personal property or other items that are not real property

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.

Unemployment Rates, November 2021

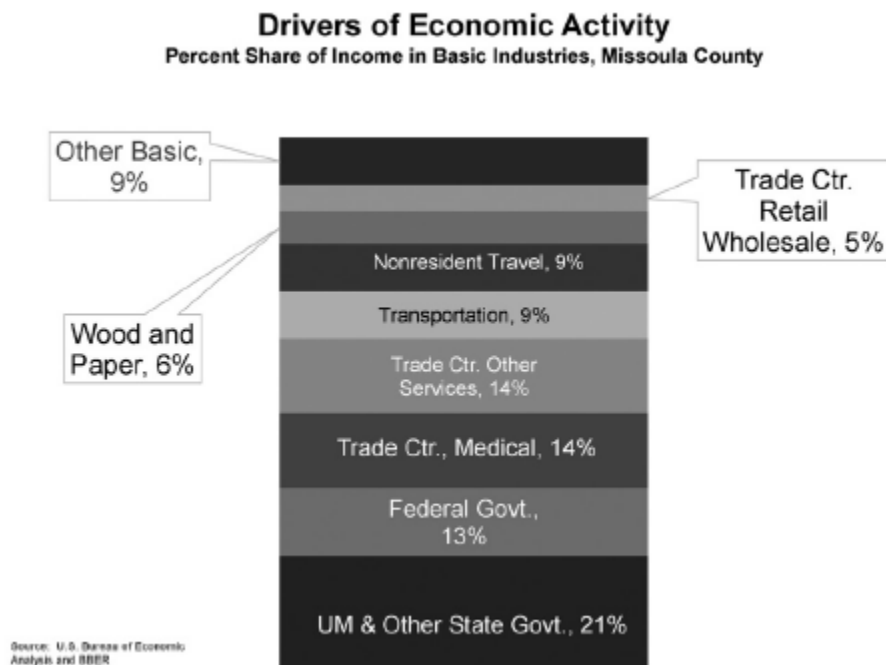


Location attributes

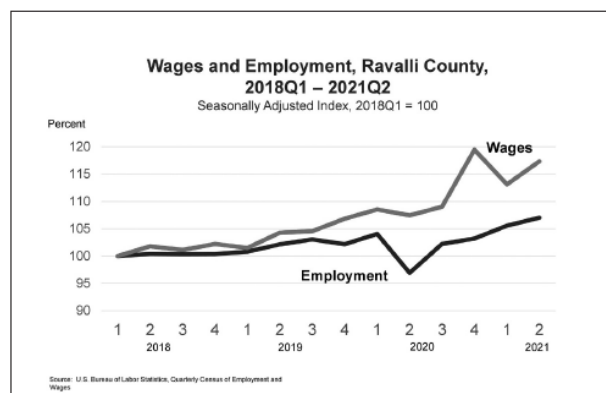
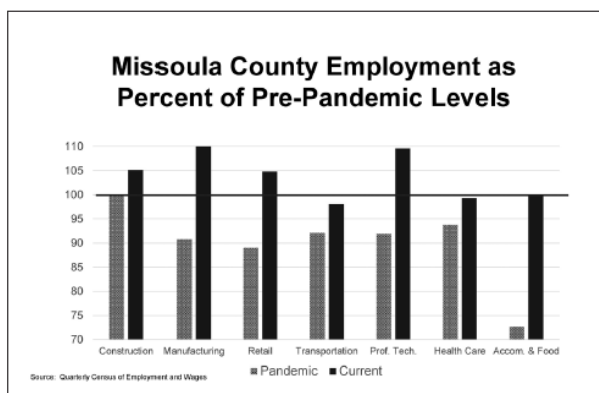
Missoula is in the western part of Montana at the junction of U.S. Interstate 90, U.S. Highway 10, 12 and 93 and Montana Highway 200. Missoula County encompasses 2,600 square miles with five valleys and three rivers winding through this region. Missoula is the county seat with amenities such as national retail outlets, the University of Montana and regional medical centers. The continental divide is approximately 100 miles east, Spokane Washington is 200 miles west and the Canadian border is 175 miles north. The altitude is 3,205 feet above sea level and the valley is surrounded on all sides by mountains. The total area within the city limits is approximately 34.8 square miles, with the December 2018 annexation of the Missoula Montana Airport, Industrial Park, and Canyon Creek Village.

Economic Considerations

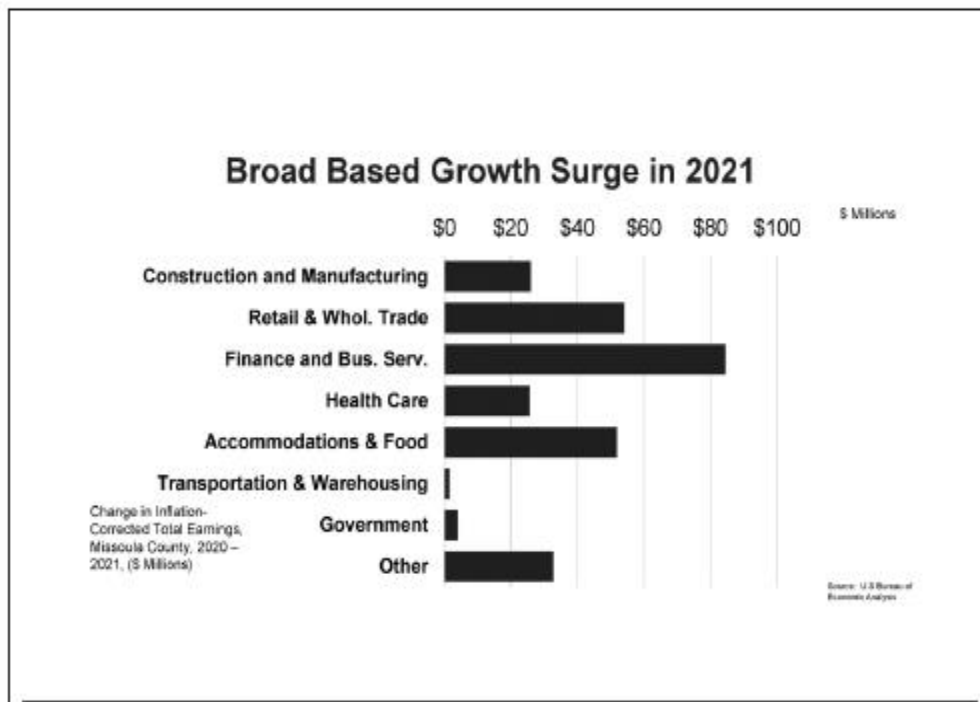
There have been long-term structural changes in Missoula's economic base as the wood and paper products industry accounted for the largest share of the basic earnings 40 years ago, which has shifted to Federal, State & Local Government, University of Montana, Health Care and Trade Center now being the largest basic industries. However, the University of Montana has experienced enrollment declines in the past few years, and a slight increase this year.



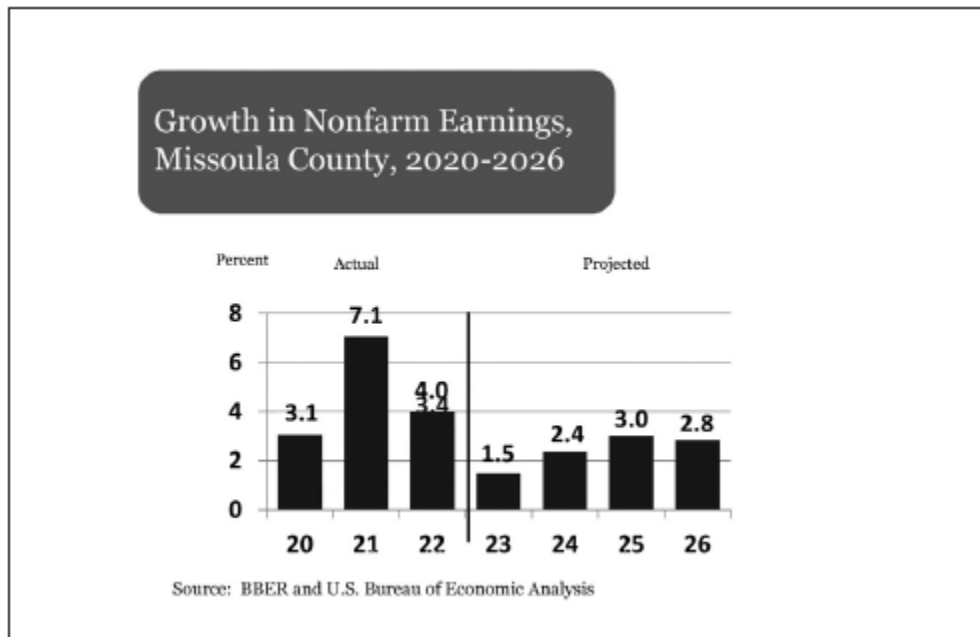
Illustrated in the tables below, employment and wages have all surged as a result of the COVID-19 pandemic:



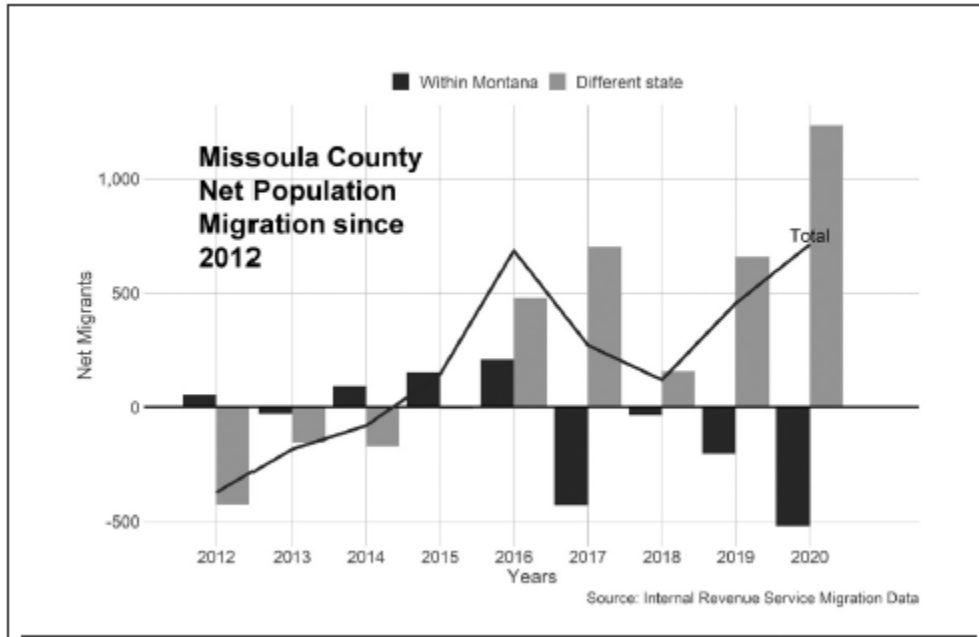
Increase in wages due to the pandemic were found in most industries, as shown in the graph below:



Overall, Missoula County growth in Nonfarm earnings is anticipated to be weaker in 2023, increasing in 2024-2025 and remaining relatively stable through 2026:

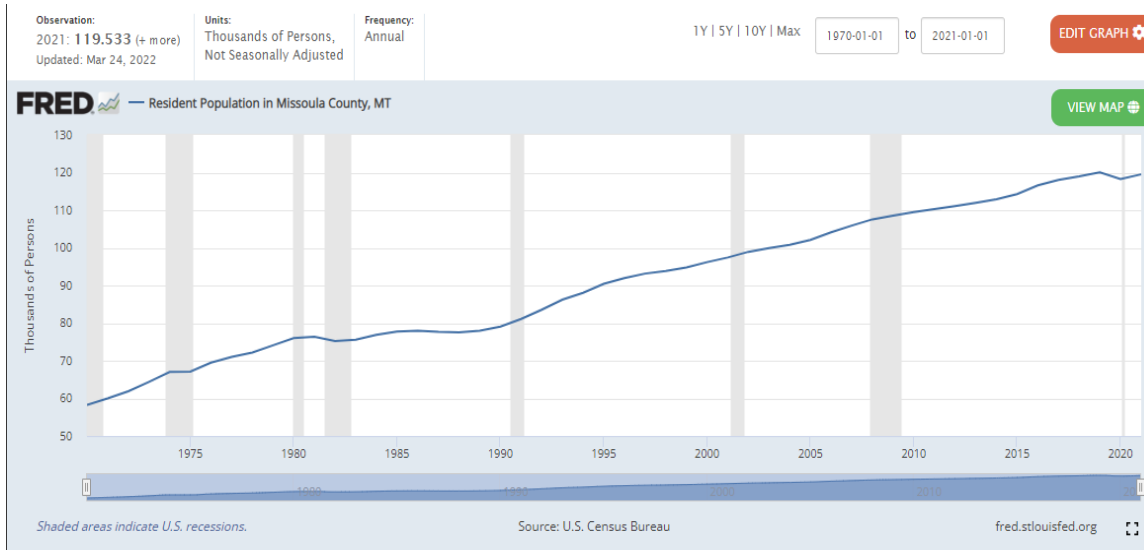


The following graph illustrates the net migration of people moving to Missoula, with most people moving to the area from out of State, driving growth and demand:



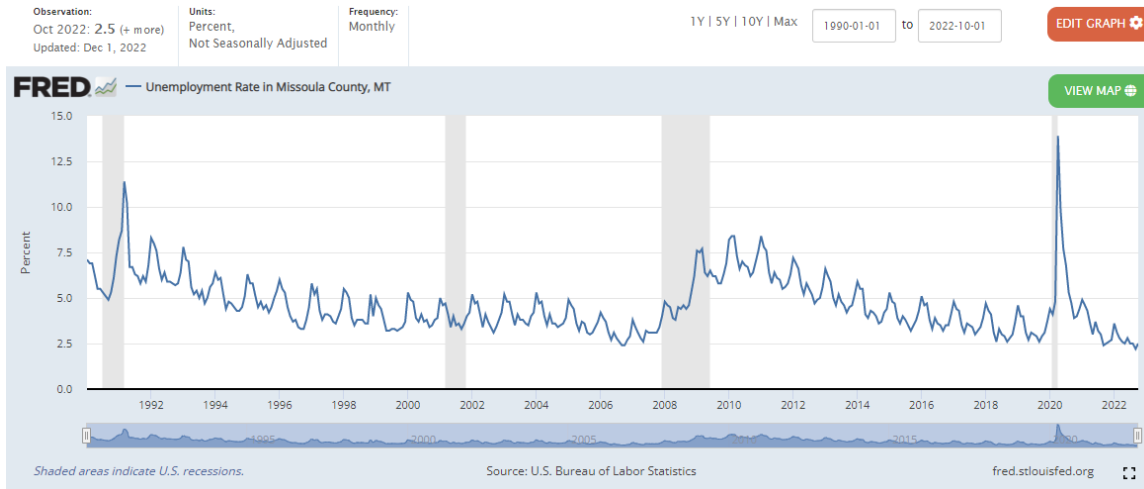
Population

The 2010 census had Missoula's population at 109,432 and the 2021 census estimate put the population at 119,533 making it the second largest city in the State. The graph below illustrates the most recent population estimates and trends:



[Missoula County Unemployment](#)

Unemployment rate in Missoula County is 2.5% 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 lower than the State unemployment rate of 3.0%. Overall Missoula’s economic base is stable due to being the home of the University of Montana with approximately 10,000 students, regional retail shopping and two major medical centers.

[Social considerations](#)

“Quality of life” is the main reason people relocate to the area to live and work. Missoula is the center for education, medicine, business, retail shopping, culture, entertainment, and recreation. The beauty of the area and the seasonal recreational opportunities make Missoula an ideal place to recreate. The University of Montana provides excellent educational opportunities as well as cultural, athletic and community activities. Missoula has 12 grade schools, 5 middle schools and three high schools.

[Environmental and geographic considerations](#)

Environmental considerations tie in with social considerations pertaining to quality of life. Missoula is known as the “Garden City” because of the many flower gardens, vegetable gardens, trees, and lush landscape. There are numerous parks, golf

courses, and a trail system/ parks along the Clark Fork River and in the surrounding mountains. Public transportation in the city is available from Mountain Line buses, and the Missoula Montana Airport has daily flights offered by multiple carriers as well as chartered planes available. 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 in the City of Missoula with excellent visibility at a corner location along busy Highway 93 (Reserve Street) corridor connecting the Bitterroot Valley with the Reserve Street commercial district near Interstate 90. Following are population and income forecasts for the next 4 years within a 1-5-10 mile radius:

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

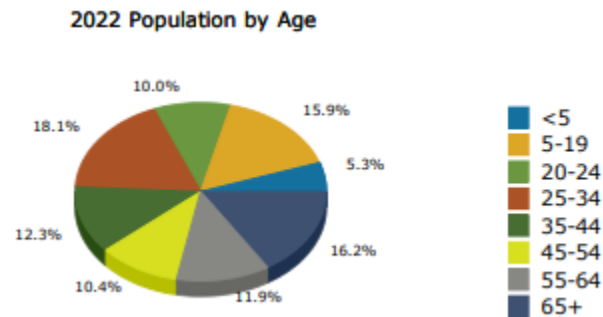


Population forecast

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 | 12,955 | 75,755 | 94,101 |
| 2020 Population | 12,919 | 81,921 | 102,022 |
| 2022 Population | 13,229 | 83,668 | 103,986 |
| 2027 Population | 13,712 | 85,763 | 106,593 |
| 2010-2020 Annual Rate | -0.03% | 0.79% | 0.81% |
| 2020-2022 Annual Rate | 1.06% | 0.94% | 0.85% |
| 2022-2027 Annual Rate | 0.72% | 0.50% | 0.50% |
| 2022 Male Population | 52.1% | 50.1% | 50.2% |
| 2022 Female Population | 47.9% | 49.9% | 49.8% |
| 2022 Median Age | 29.3 | 34.7 | 35.6 |

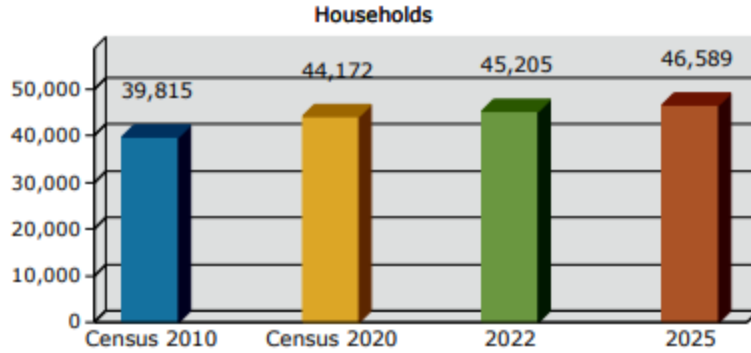
In the identified area, the current year population is 103,986. In 2020, the Census count in the area was 102,022. The rate of change since 2020 was 0.85% annually. The five-year projection for the population in the area is 106,593 representing a change of 0.50% annually from 2022 to 2027. Currently, the population is 50.2% male and 49.8% female.



Household forecast

| | 1 mile | 5 miles | 10 miles |
|-----------------------------|--------|---------|----------|
| Households | | | |
| 2022 Wealth Index | 40 | 60 | 69 |
| 2010 Households | 5,602 | 33,028 | 39,815 |
| 2020 Households | 6,146 | 36,628 | 44,172 |
| 2022 Households | 6,344 | 37,489 | 45,205 |
| 2027 Households | 6,624 | 38,659 | 46,589 |
| 2010-2020 Annual Rate | 0.93% | 1.04% | 1.04% |
| 2020-2022 Annual Rate | 1.42% | 1.04% | 1.03% |
| 2022-2027 Annual Rate | 0.87% | 0.62% | 0.60% |
| 2022 Average Household Size | 1.88 | 2.15 | 2.23 |

The household count in this area has changed from 44,172 in 2020 to 45,205 in the current year, a change of 1.03% annually. The five-year projection of households is 46,589, a change of 0.60% 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 23,512 in the specified area.



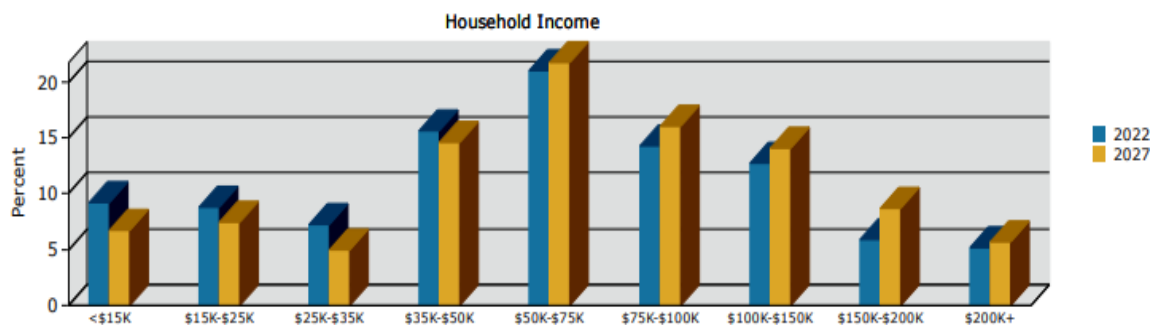
Income forecast

| | 1 mile | 5 miles | 10 miles |
|-------------------------------------|----------|----------|----------|
| Mortgage Income | | | |
| 2022 Percent of Income for Mortgage | 44.2% | 30.5% | 30.4% |
| Median Household Income | | | |
| 2022 Median Household Income | \$41,605 | \$55,259 | \$58,434 |
| 2027 Median Household Income | \$49,318 | \$62,194 | \$66,713 |
| 2022-2027 Annual Rate | 3.46% | 2.39% | 2.69% |
| Average Household Income | | | |
| 2022 Average Household Income | \$63,988 | \$77,866 | \$83,067 |
| 2027 Average Household Income | \$73,250 | \$89,099 | \$95,383 |
| 2022-2027 Annual Rate | 2.74% | 2.73% | 2.80% |
| Per Capita Income | | | |
| 2022 Per Capita Income | \$31,148 | \$34,947 | \$36,187 |
| 2027 Per Capita Income | \$35,862 | \$40,208 | \$41,765 |
| 2022-2027 Annual Rate | 2.86% | 2.84% | 2.91% |
| Households by Income | | | |

Current median household income is \$58,434 in the area, compared to \$72,414 for all U.S. households. Median household income is projected to be \$66,713 in five years, compared to \$84,445 for all U.S. households

Current average household income is \$83,067 in this area, compared to \$105,029 for all U.S. households. Average household income is projected to be \$95,383 in five years, compared to \$122,155 for all U.S. households

Current per capita income is \$36,187 in the area, compared to the U.S. per capita income of \$40,363. The per capita income is projected to be \$41,765 in five years, compared to \$47,064 for all U.S. households

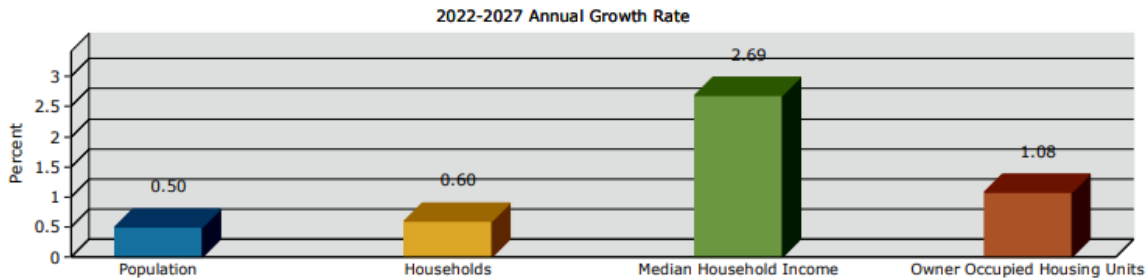


Housing forecast

| | 1 mile | 5 miles | 10 miles |
|------------------------------------|--------|---------|----------|
| Housing | | | |
| 2022 Housing Affordability Index | 53 | 77 | 77 |
| 2010 Total Housing Units | 6,023 | 34,832 | 41,966 |
| 2010 Owner Occupied Housing Units | 1,643 | 16,810 | 22,291 |
| 2010 Renter Occupied Housing Units | 3,959 | 16,218 | 17,523 |
| 2010 Vacant Housing Units | 421 | 1,804 | 2,151 |
| 2020 Total Housing Units | 6,583 | 38,782 | 46,658 |
| 2020 Vacant Housing Units | 437 | 2,154 | 2,486 |
| 2022 Total Housing Units | 6,738 | 39,632 | 47,696 |
| 2022 Owner Occupied Housing Units | 1,691 | 18,594 | 25,209 |
| 2022 Renter Occupied Housing Units | 4,653 | 18,895 | 19,996 |
| 2022 Vacant Housing Units | 394 | 2,143 | 2,491 |
| 2027 Total Housing Units | 7,024 | 40,845 | 49,131 |
| 2027 Owner Occupied Housing Units | 1,839 | 19,721 | 26,595 |
| 2027 Renter Occupied Housing Units | 4,786 | 18,938 | 19,993 |
| 2027 Vacant Housing Units | 400 | 2,186 | 2,542 |

Currently, 52.9% of the 47,696 housing units in the area are owner occupied; 41.9%, renter occupied; and 5.2% are vacant. Currently, in the U.S., 58.2% of the housing units in the area are owner occupied; 31.8% are renter occupied; and 10.0% are vacant. In 2020, there were 46,658 housing units in the area and 5.3% vacant housing units. The annual rate of change in housing units since 2020 is 0.98%. Median home value in the area is \$337,455, compared to a median home value of \$283,272 for the U.S. In five years, median value is projected to change by 3.82% annually to \$407,018.

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

Missoula County real estate market statistics 2022

Residential

As of December 2022, there had been 1,296 residential sales with an average sold price of \$597,593 and cumulative days of market of 77. There were 316 active listings with an average list price of \$890,624 revealing a 7+-month undersupply of residential properties.

Vacant Land

As of December 2022, there was a 7+- month supply of vacant land with 291 sales in 2022 with an average sold price of \$290,120 and 191 listings with an average list price of \$579,056.

Multifamily Market

As of December 2022, there have been 63 multi-family sales with an average sold price of \$703,678 and cumulative days of market of 67. There were 15 active listings with an average list price of \$1,024,147 revealing a 3+-month supply of multi-family properties.

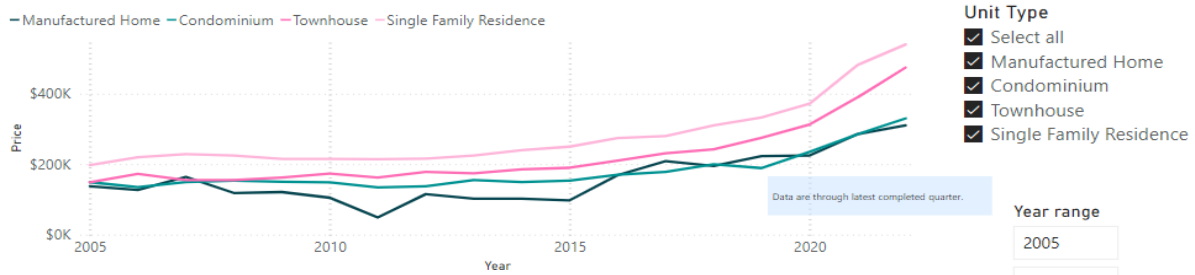
Commercial Market

In the past year, there have been 35 commercial sales with an average sold price of \$1,223,489 and cumulative days of market of 209 with a 93% list to sale price ratio. There are currently 33 active listings with an average list price of \$1,519,918 and an average of 197 days on market revealing a 11+-month supply of commercial properties.

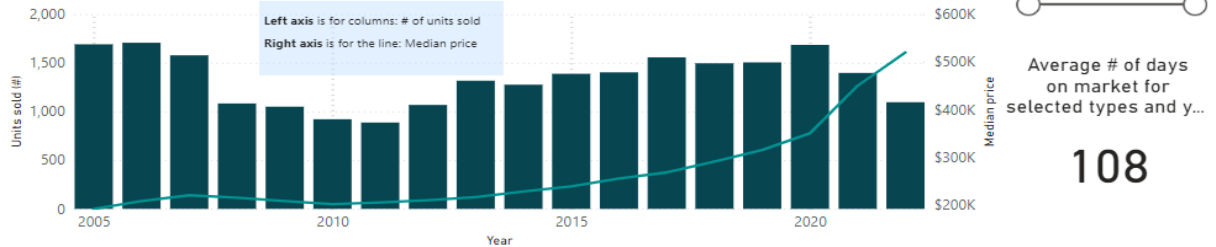
Missoula area Residential Data (2023 Five Valleys Housing Report)

In 2022, the Missoula real estate market had another year of rising prices with a limited supply on the market. Median single family residence price rose 48% since 2020 to \$520,000. From 2010 to 2020, the median price of a single-family residence in Missoula has increased by \$157,000, or 73%. 1,397 homes sold in 2021 which is below the prior year of record-setting sales, likely due to lack of inventory as illustrated below:

Median Sale Price by Unit Type (Missoula Urban Area)



Combined # Sold and Median Price for Selected Unit Types (Missoula Urban Area)



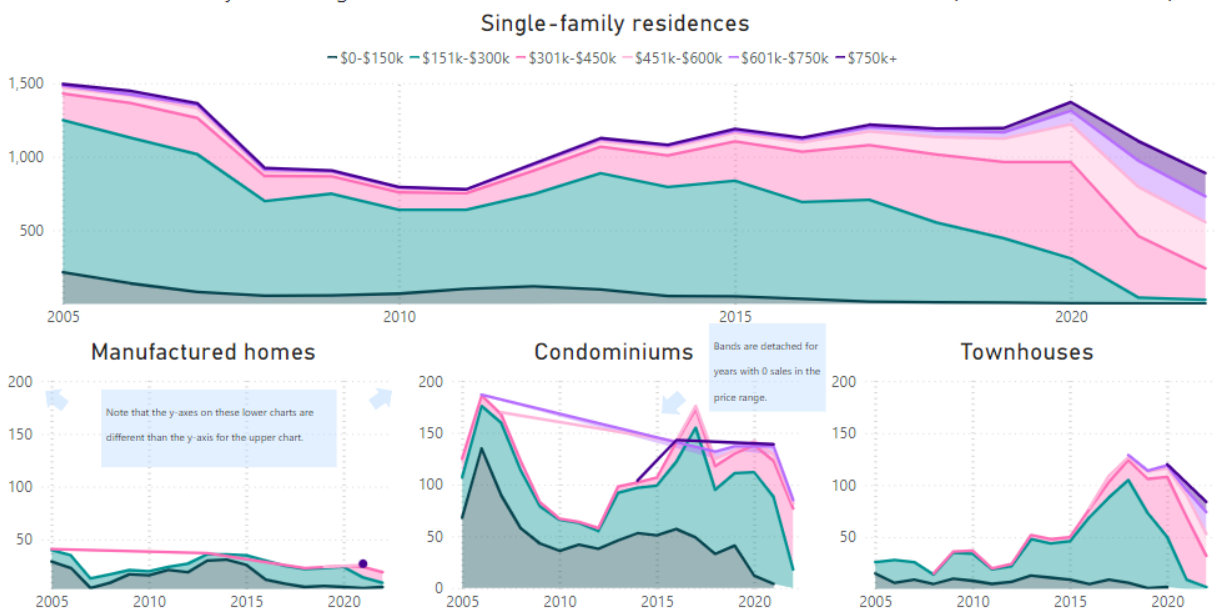
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Source: Montana Regional MLS

Missoula's real estate market and shortage of affordable homes is 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 26 sales in 2022. Meanwhile, the \$300,001 to \$450,000 price dipped in 2022 to 213 sales, declining in the past three years. In 2022, sales of all homes below \$450,000 fell 53%. Additionally, there was a surge in sales of higher priced homes over \$600,000.

Count of Units Sold by Price Range

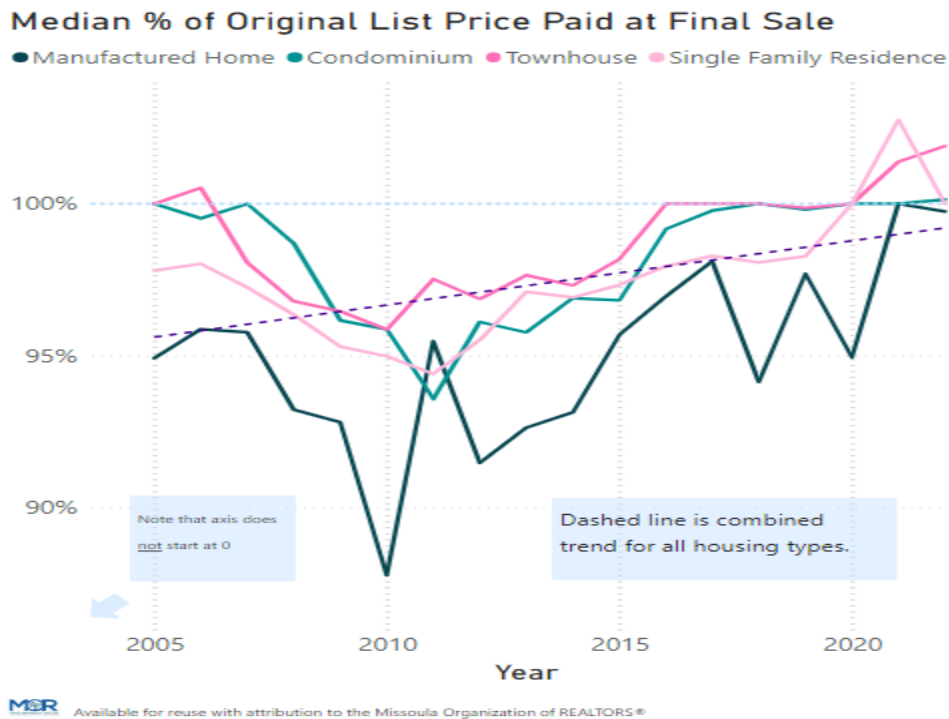
(Missoula Urban Area)



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Source: Montana Regional MLS

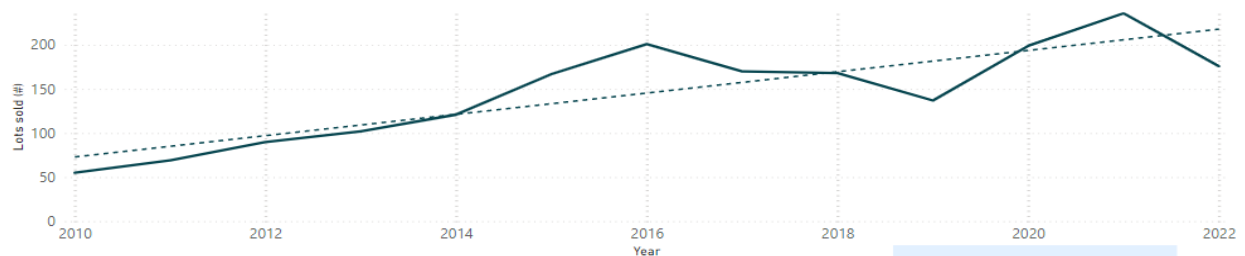
Residential sales averaged an over 100% list to sale price ratio in 2022:



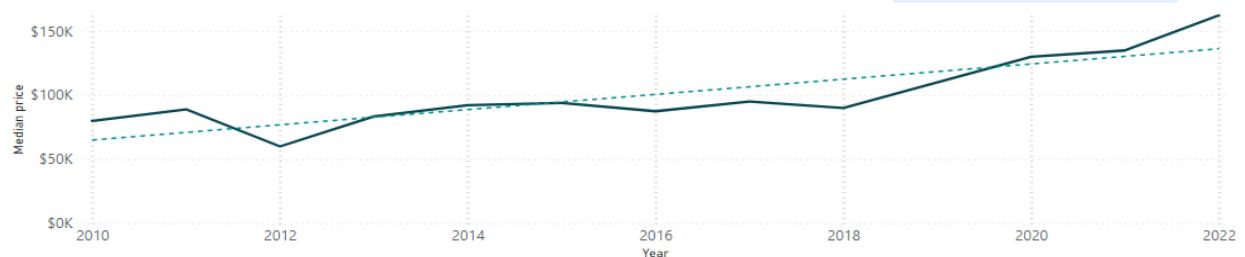
[Missoula area Residential Vacant land data](#)

Residential lot sales in Missoula declined 25% in 2022 from 2020, likely due to lack of inventory, yet the median price of those lots jumped 20.37% to \$165,000, coinciding with a trend of more new housing starts of higher-priced homes. Lot sales are illustrated in the table below:

Lot Sales - Missoula Urban Area



Lot Median Price - Missoula Urban Area



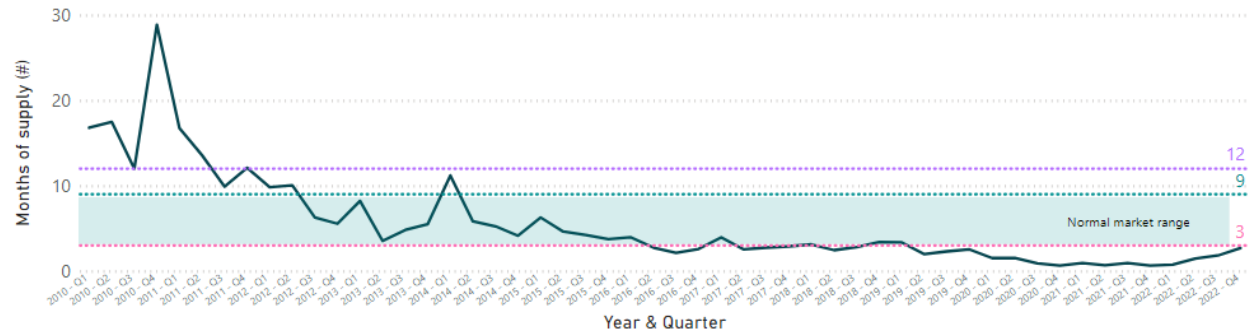
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Source: Montana Regional MLS

Supply

The following graphs illustrates the total market supply in the Missoula area is well below a normal market range of 3 months:

Total Market Supply - Missoula Urban Area



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Source: Montana Regional MLS

Supply Gap & Absorption Rate by Price Range (end of Dec., 2022)

| Price range | Sold YTD (#) | Sold last 30 days (#) | Active listings (#) | Theoretical normal market listings (#) | Estimated supply gap (#) | Absorption rate (months) |
|-----------------------|--------------|-----------------------|---------------------|--|--------------------------|--------------------------|
| \$0 - \$150,000 | 8 | 0 | 0 | 0 | 0 | 0.00 |
| \$150,001 - \$300,000 | 50 | 1 | 13 | 6 | 7 | 13.00 |
| \$300,001 - \$450,000 | 326 | 23 | 23 | 138 | -115 | 1.00 |
| \$450,001 - \$600,000 | 343 | 17 | 28 | 102 | -74 | 1.65 |
| \$600,001 - \$750,000 | 201 | 14 | 28 | 84 | -56 | 2.00 |
| \$750,001 + | 168 | 9 | 80 | 54 | 26 | 8.89 |
| Totals | 1096 | 64 | 172 | 384 | -212 | |

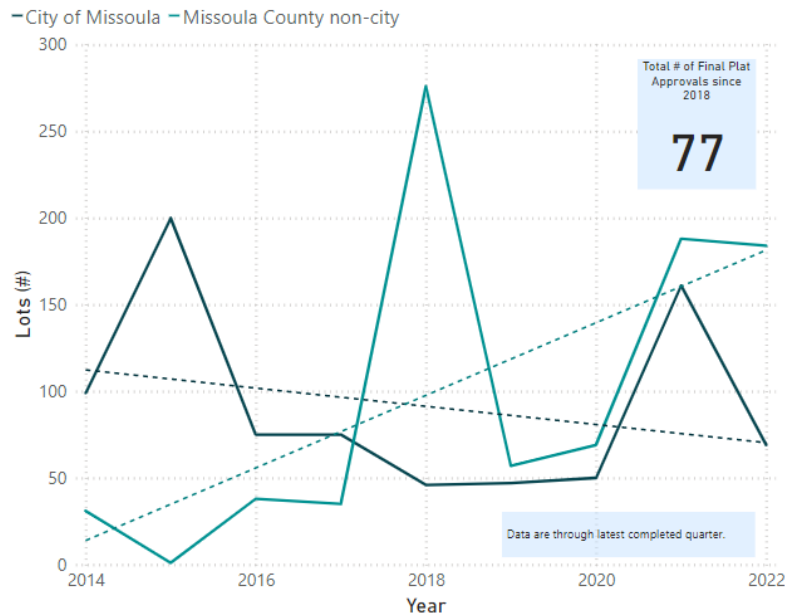
The absorption rate measures the pace of home sales in months of supply:

- 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.

Subdivision and Development

A total of 253 residential lots were created in 2022 by filing subdivision final plats in the city and county, decreasing 25% from 2021. 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 327 new residential lots in 2022, as illustrated below:

Lots Created from Residential Subdivision - FINAL Plat Approvals

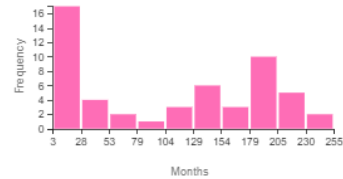


Final plat approval is when a governing body certifies that a developer has met the conditions established in the preliminary plat approval. This results in the ability to file permitting for the plat, and to construct and sell properties.

Use this slider to adjust recording date range for below reports:

1/8/2019 1/30/2023

Distribution of Durations from Preliminary to Final Status (city/county combined)



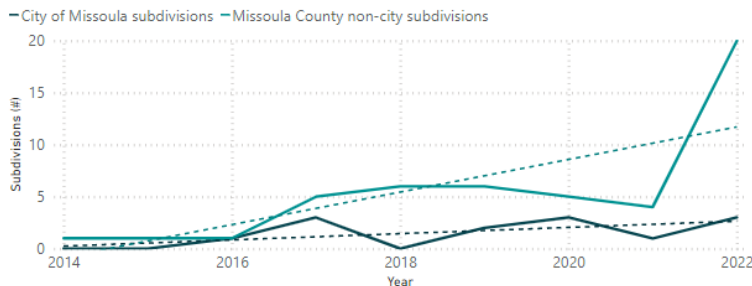
Mean average time taken between preliminary & final approvals:

| City of Missoula | Missoula County non-City |
|------------------|--------------------------|
| 107 | 77 |
| Months | Months |

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Source: City of Missoula Development Services; Missoula Co. Public Works - Building Division, and Clerk & Recorder

Residential Subdivisions - PRELIMINARY Plat Approvals



Preliminary plat approval is when a governing body and a developer agree on conditions required for obtaining final plat approval.

Data are through latest completed quarter.

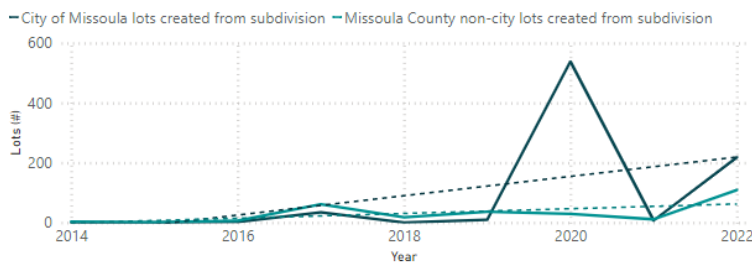
City of Missoula

| Year | Preliminary plat approvals | Preliminary lots created from subdivision | Average lots per subdivision |
|------|----------------------------|---|------------------------------|
| 2015 | 0 | 0 | 0 |
| 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 |

Missoula County non-City

| Year | Preliminary plat approvals | Preliminary lots created from subdivision | Average lots per subdivision |
|------|----------------------------|---|------------------------------|
| 2015 | 1 | 1 | 1 |
| 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 |

Lots Created from Residential Subdivision - PRELIMINARY Plat Approvals



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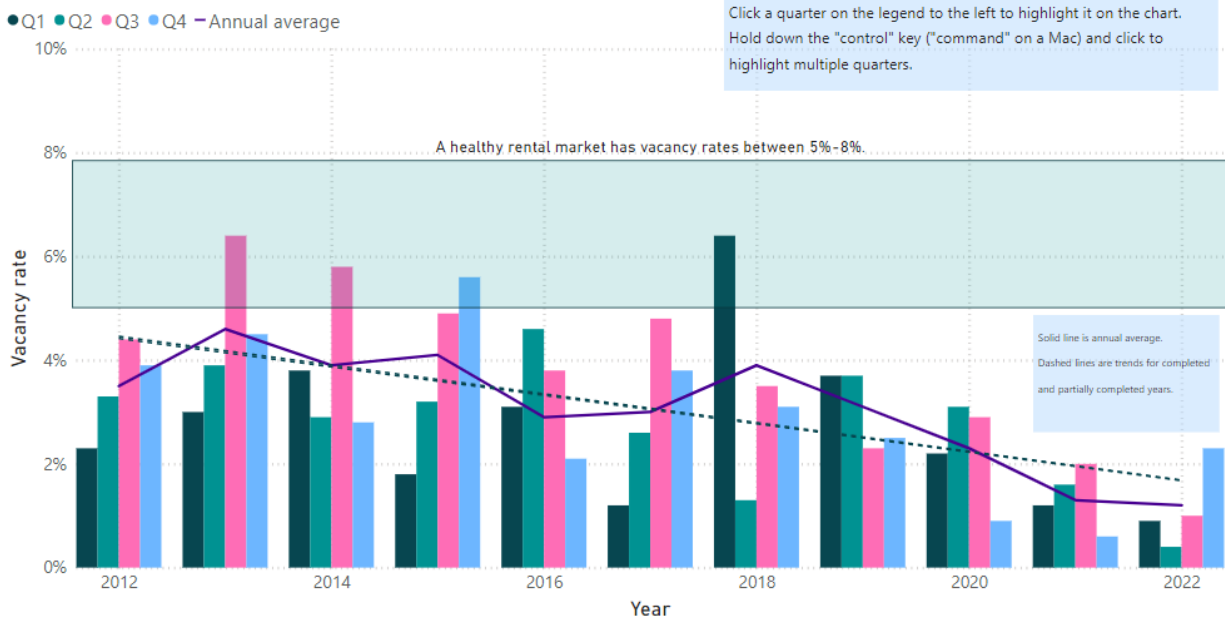
Source: City of Missoula Development Services; Missoula County Public Works - Building Division

Missoula Multi-family Market

In 2022 the annual vacancy rate in Missoula hit a new all-time low of 1.2%. Vacancy rates for all multiplex rental types may increase due to new units coming onto the

market, with a normal vacancy rate of 5% to 8% considered a good rental supply. The following graph illustrates vacancy trends in Missoula:

Total Rental Vacancy Rate by Year & Quarter - City of Missoula

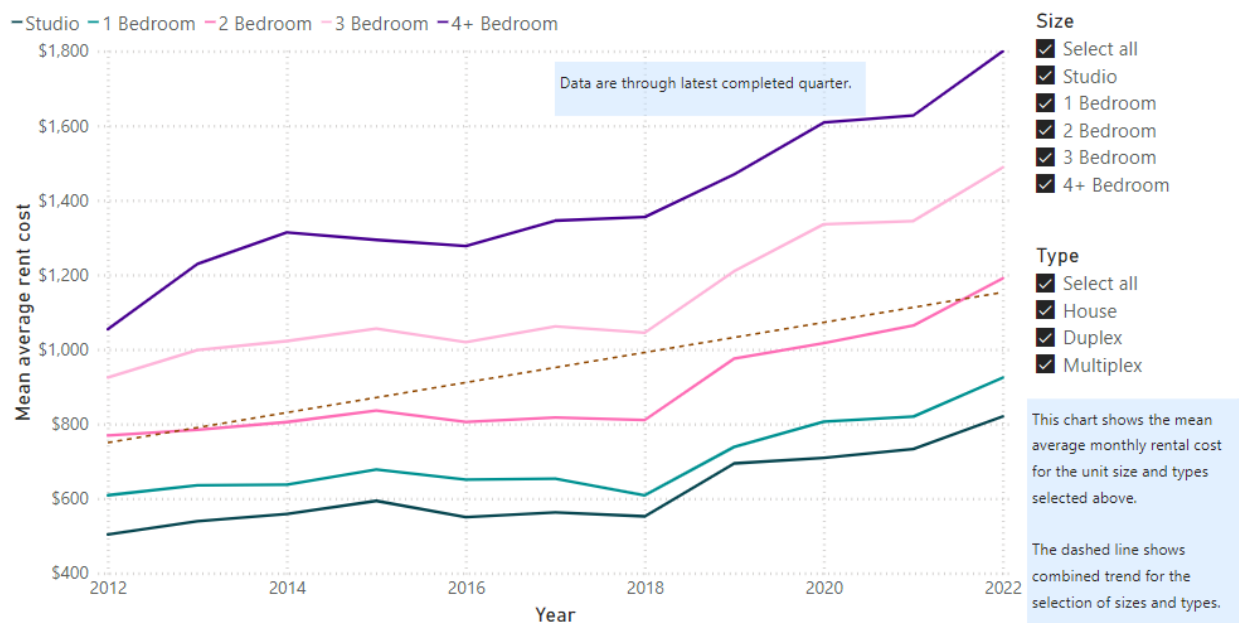


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Source: Composite survey of local property management companies

Rental rates continued to climb in 2022 for all unit types as shown in the following graph:

Mean Average Rent Cost by Size & Type - City of Missoula



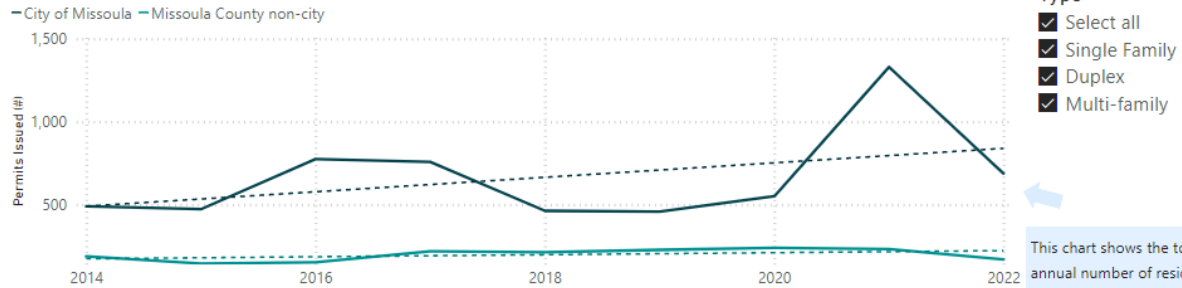
MSR Available for reuse with attribution to the Missoula Organization of REALTORS®

Source: Composite survey of local property management companies

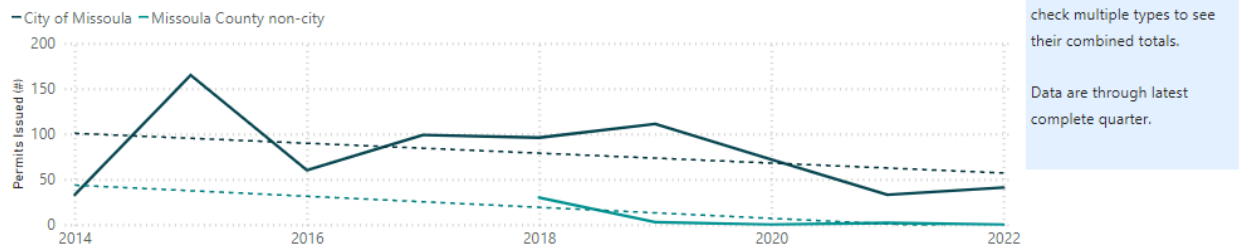
Residential Building Permits

In 2022, residential building permits decreased 45% in the city and county. The decrease in the city was mostly driven by the high number of multifamily permits and units created by townhome exemption in 2021, as shown in the following graphs:

Residential Building Permits Issued



Townhome Exemption Development Units Permitted



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Source: City of Missoula Development Services; Missoula County Public Works - Building Division

Missoula area new development

There are multiple new projects underway in 2022 and additional development planned for 2023, which are listed in the following Missoula Redevelopment Agency master project list, illustrating a vibrant community with continued growth and redevelopment:

| 1 | PROJECT TYPE | FISCAL YEAR FINAL AMT PAID | DISTRICT | PROJECT NAME | PROJECT ADDRESS | DIR | STREET | TOTAL PROJECT COST | MRA TOTAL | FULL TIME EQUIVALENT (FTE) JOBS CREATED | NOTES |
|-----|--------------|----------------------------|---|---|-----------------|-----|---|--------------------|-----------|---|---|
| 660 | PP-NP-H | 2022 | NRSS | Villagio Apartments | 1100 | | OTIS ST | 53,800,000 | 1,339,178 | | Construction of two, five-story apartment buildings with a total of 200 units. Rents will be set at 40% - 60% of the Area Median Income (AMI). Parking is underground to maximize outdoor space for residents. Includes a trail that is a section of one that will eventually connect Grant Creek and downtown will be part of Otis St. reconstruction. TIF was used for sidewalk/curb/gutter/public trail, water and sanitary sewer main line extensions, power line stabilization and a large retaining wall that maximizes use of the property. |
| 661 | PP | 2022 | 2 | Sentinel Property Medical Offices | 1900 | W | BROADWAY | 7,000,000 | 1,170,610 | 17 | Two buildings removed for the project were near the end of their useful life. They were replaced with a medical facility building effectively anchoring the corner and established a strong street edge, transforming the site from auto-centric suburban strip to urban infill envisioned in Missoula's City Growth Policy. TIF used for asbestos remediation, deconstruction/demolition, sidewalk/curb/gutter, and water main extension. Project removed two small vacant dilapidated houses to construct a 6-unit two-story building. TIF assistance included reimbursing the cost of deconstruction including asbestos abatement, and sidewalk/curb/gutter along Burton St. designed to be the pedestrian connection between the riverfront trail, Broadway, and the West Broadway Island bridge. |
| 662 | PP-H | 2022 | 2 | Burton Street Apartments | 525 | | BURTON ST | 943,793 | 123,994 | | |
| 663 | PP-NP-H | 2022 | URD II | Trinity Apartments | | | MULLAN RD AT MAI | 42,010,000 | 53,256 | | Trinity is a "scattered site" low-income residential project with 100 apartments constructed on the block within Burns/Colley/Stoddard/Cowper Streets and 130 apartments constructed on land donated by Missoula County off of Mullan Rd west of Broadway next to the County Detention Center. Residents of the Cooley Site and 100 of Mullan Site units are income-qualified at less than 70% AMI. 30 of the Mullan Rd units are for long-term unhomed. The Mullan Site includes a building with many services to address regional chronically homeless conditions. Only the W Broadway sidewalk at Maple Street at the Mullan Site was eligible for TIF assistance. |
| 664 | PW | 2022 | Front St, Heligate, Riverfront Triangle | Front St / Main St 2-Way Conversion & Kiwans Access & Circulation Design | | | FRONT & MAIN STREETS BETWEEN MADISON AND ORANGE STREETS | 428,215 | 428,215 | N/A | Design and engineering for converting Front and Main Streets to two-way travel between Madison and Orange Streets in accordance with previous feasibility study (PP 277), 2019 Downtown Master Plan, and 2020 Riverside Parks and Trails Plan. Also to design solution to provide residents and emergency vehicles adequate access and circulation in the Kiwans Neighborhood between Front Street and the Clark Fork River |
| 665 | PL | 2022 | URD III | MRL Triangle Voluntary Cleanup Plan Environmental Assessment | 1930 | | SOUTH AVE WEST | 276,500 | 36,000 | N/A | TIF funds to supplement Brownfields Assessment Grant funds to complete Montana DEQ Voluntary Cleanup Plan - Environmental Assessment (VCP-EA), as the first step in delisting the property from the Montana State Superfund list. |
| 666 | PP | 2022 | URD III | RBH Investments/Horizon Credit Union | 1502 | | DEARBORN AVE | 2,016,069 | 63,607 | N/A | Out-renovation of the building, separating it into two separate spaces that will accommodate two individual businesses. Facade improvements to substantially update and upgrade the building and enhance its appearance. TIF assistance to make improvements in the right-of-way where the private parking lot interfaces with the street/curb/alley. |
| 667 | PP | 2022 | URD III | Align Properties LLC | 3100 | S | BROOKS ST INEZ, SOUTH 1ST & 2ND STREETS WEST | 2,452,049 | 50,000 | N/A | Phase I includes substantial exterior renovations that will improve energy efficiency with new windows and doors, make the building more pedestrian-friendly, and generally enhance the appearance of the building and of the adjacent commercial area. |
| 668 | PW | 2022 | URD II | URD II Inez, 1st, 2nd Streets Sidewalk Project | | | | 598,082 | 598,082 | N/A | 2021 Phase of the MRA URD II Sidewalk Program which was established to carry out the URD II Urban Renewal Plan goal of reducing blight by building out the City Sidewalk Network in URD II prior to Sunset of the District. |
| 669 | PW | 2022 | URD III | URD III Northern Sidewalk Project - Phase 2 | | | VARIOUS STREETS | 529,745 | 529,745 | N/A | 2021 Phase of the MRA URD III Sidewalk Program which was established to carry out the URD III Urban Renewal Plan goal of reducing blight by building out the City Sidewalk Network in URD III prior to Sunset of the District. |
| 670 | PF | 2022 | URD III | Missoula County Elections Complex | 140 | N | RUSSELL ST | 5,750,000 | 726,334 | N/A | Upgrade and expansion of former office building and warehouse to house the Missoula County Elections Complex. TIF funds used for a large meeting room, landscaping and facade upgrade to Design Excellence standards, and all-citizen accessibility. |
| 671 | PP-NP-H | 2022 | NRSS | Scott Street Property Redevelopment Plan | | | SCOTT ST | 226,160 | 226,160 | N/A | A "master" redevelopment plan for approx 9 1/2 of 19 acres purchased by the City to be used as housing and neighborhood commercial uses. Six acres will be relatively dense lease housing and retail/commercial uses while the other 3 acres will be given to a Community Land Trust (CLT) for permanently affordable home ownership. The 6 acres will be developed as a partnership with private non-profit and for profit entities. The plan sets forth a model for density while maintaining the sense of being part of the adjacent Northside Neighborhood. The plan also analyzes infrastructure needs related to development of other nearby vacant parcels owned by the City, MRL, and Republic Services. |
| 672 | PW-PT | 2022 | URD II | Burton Street Improvements | 500 | | BURTON ST | - | - | | \$9,200 for engineering approved, construction costs to be deducted from Burton St Apartments TIF assistance and additional for paving, etc |
| 673 | PW | 2022 | Heligate | MRL Quiet Zone Study | 435 | | RYMAN ST | 31,047 | 28,300 | | Combined multi-phase water and sidewalk project. Water main installation on Idaho, Montana, Inez and California Streets. Curb and sidewalk improvements on Idaho, Montana, Dakota and River Streets. |
| 674 | PP-H | 2023 | NRSS | Scott Street Village - Phase III Part 2 | 1315 | | RODGERS ST | 9,888,496 | 74,469 | N/A | The third phase of this project was expected to be 60 studio apartment units in one building. To comply with current trends and market needs it changed to 71 apartments ranging from studio to 2-bedroom/2-bath in three buildings. |
| 675 | PP | | | Professional Services for Millite Brooks Corridor Transit-Oriented Development Infrastructure Study | | | Old Sawmill District | 143,000 | 143,000 | | Reimbursement of professional legal and financial services to MRP regarding |
| 676 | PL | 3 | | | | | BROOKS ST | 225,000 | 80,000 | N/A | Plan to transform the Brooks Street Corridor into a transit oriented development (TOD) street. |
| 677 | PL | | | Redevelopment of the Payne/Library Block | | | FRONT/MAIN | | 25,000 | | Funding for master planning property acquired from the Payne family related to Library constructing a new facility one block east. The family originally owned the new Library block and traded it to Missoula County for the old Library site. The family then gave its new property to the City for redevelopment. |

| 1 | PROJECT TYPE | FISCAL YEAR FINAL AMT PAID | DISTRICT | PROJECT NAME | PROJECT ADDRESS | DIR | STREET | TOTAL PROJECT COST | MRA TOTAL | FULL TIME EQUIVALENT (FTE) JOBS CREATED | NOTES |
|-----|--------------|----------------------------|----------|--|-----------------|-----|----------------|--------------------|-----------|---|--|
| 678 | PT | | 3 | Missoula County Fairgrounds | 1101 | | SOUTH AVE WEST | 1,155,500 | 1,155,500 | N/A | TIF provided Missoula County funds to construct public use trails through the Fairgrounds connecting Russell St and Stephens Ave, and Playfair Park in conjunction with an ongoing redevelopment of the entire Fairgrounds providing several public uses in new buildings in addition the annual Fair and other events. |
| 679 | PW | | URD II | Montana Idaho Water & Sidewalk Project | | | | - | - | | |
| 680 | PT | | Front St | Caras Park Improvements - Phase 1 | 123 | | Carousel Dr | 1,250,000 | 50,000 | | Phase I implementation of the North Riverside Parks & Trails Plan includes rebuilding the amphitheater, adding ADA seating and grass, flattening and improving the green hill, widening the riverfront trail, upgrading lighting & electrical infrastructure. |
| 681 | PF-H | | URD II | Bridge Apartments | 1205 | W | Broadway St. | 2,230,000 | | | \$2,195,000 for acquisition of the apartments to keep them affordable in perpetuity and keep the current residents housed, plus \$10,000 for project management. \$25,000 was approved for due diligence on 8/19/21. |
| 682 | PW | | URD II | Flynn-Lowney Ditch | | | | 990,000 | 57,576 | | City ownership of the ditch will create redevelopment opportunities for housing, open space, better & more effective infrastructure, and possibly trail connections. Removal of the diversion structure and ditch will have environmental impacts to the Clark Fork River, fish habitat, and improve the ability to address and treat storm water. |
| 683 | PP-H | | NRSS | Otis St. Apartments | 1600 | | Otis St. | 5,184,100 | 315,100 | | TIF \$36,600 demo/decon; \$170,000 ROW; \$83,500 utilities. Remove dilapidated buildings and extend public infrastructure including street, curb/gutter, sidewalk, water and sewer mains and street trees. |
| 684 | PL | | URD III | Midtown Master Plan | | | | | 370,000 | | |
| 685 | PP-C | | Front St | Relic | 124 | N | Higgins Avenue | 2,337,978 | 94,611 | 6 | |
| 686 | PW | | URD III | URD III Southern Sidewalk Project | | | | | | | |

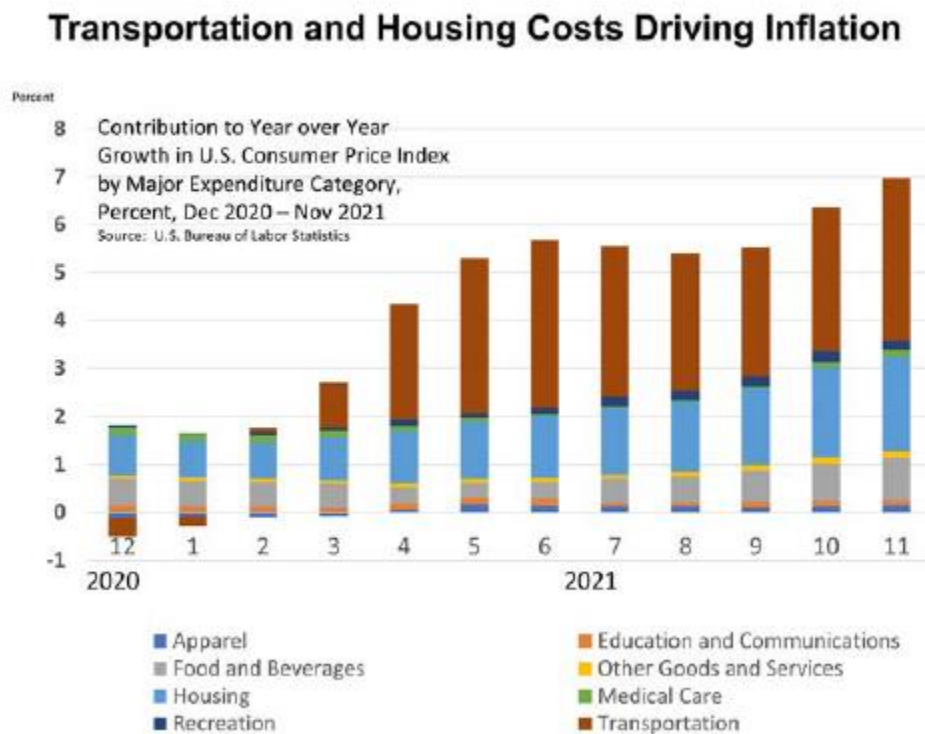
Summary

Missoula continues to experience a growing population and under supply of housing, with several under construction apartment developments. Median income and housing costs have increased. The median price of a Missoula home increased along with rent in every category. Current vacancy rates are 1.2% 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.

COVID-19 Pandemic

The global outbreak of a “novel coronavirus” known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO) on March 11, 2020. Many people lost employment due to temporary business closures such as restaurants, bars, and health clubs. Temporary business closures were extended until April 24th, with a gradual phase-in reopening through May 2020. The overall impact on the economy was devastating with unemployment rates soaring. The Senate passed a 2.2 trillion-dollar aid package which included funds to help people who lost employment due to the pandemic, easing economic loss. Additional stimulus packages followed.

Since the pandemic, transportation and housing costs are driving inflation as shown in the graph below:



The following BBER graph illustrates Montana’s recession experience and forecasts for employment, wage and salary, and personal income growth:

Montana's Economic Recovery

Employment, Real Wages and Salary and Real Income Growth, Actual and Forecast, Percent



The Montana economy was strong in 2021-2022 with gains in income, visitor spending, people moving to the area and commodity price surges, according to the Bureau of Economic Research:

| | |
|---|--|
| <p style="text-align: center;">The U.S. Economic Outlook</p> <ul style="list-style-type: none"> • Omicron outbreak not expected to derail growth • Slightly slower, but still above trend growth in 2022 • Removal of stimulus is a head wind • Interest rates will go up, but from a very low starting point • Pent-up spending of consumers is spent • As supply chain pressures ease, inflation will abate • Inflation pressure from labor markets is the wild card <p style="text-align: center;">BUREAU OF BUSINESS AND ECONOMIC RESEARCH UNIVERSITY OF MONTANA</p> <p style="text-align: right;">Montana Economic Outlook</p> | <p style="text-align: center;">The Montana Economy Had a Great Year</p> <ul style="list-style-type: none"> • Strong gains in income, re-opening of services economy produced significant gains • A big year for visitor spending • Population immigration – fact or fiction? • Commodity price surges helped some industries more than others • Energy and agriculture will not want to repeat 2021 <p style="text-align: center;">BUREAU OF BUSINESS AND ECONOMIC RESEARCH UNIVERSITY OF MONTANA</p> <p style="text-align: right;">Montana Economic Outlook</p> |
|---|--|

Conclusion

The following BBER tables best summarize the effects of the pandemic in the past year, with inflation being the biggest problem, along with international trade supply chain bottlenecks, and labor and housing shortages. However, there are strong income gains.

The Challenge of Rebalancing the Economy

- Central bank wakes up to an overheated economy with inflation out of the box and tight markets everywhere
- Strong income gains fueling strong demand
- International trade flows continue to be disrupted by politics as well as shortages
- Is the climate for energy investment improving?
- Imbalances was the story of 2021
- Familiar problems (labor and housing) re-emerge, but a new problem may eclipse them both



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 2.51% forecasted population increase in the next 4 years within a 10-mile radius.

Real Estate Cycle- stages

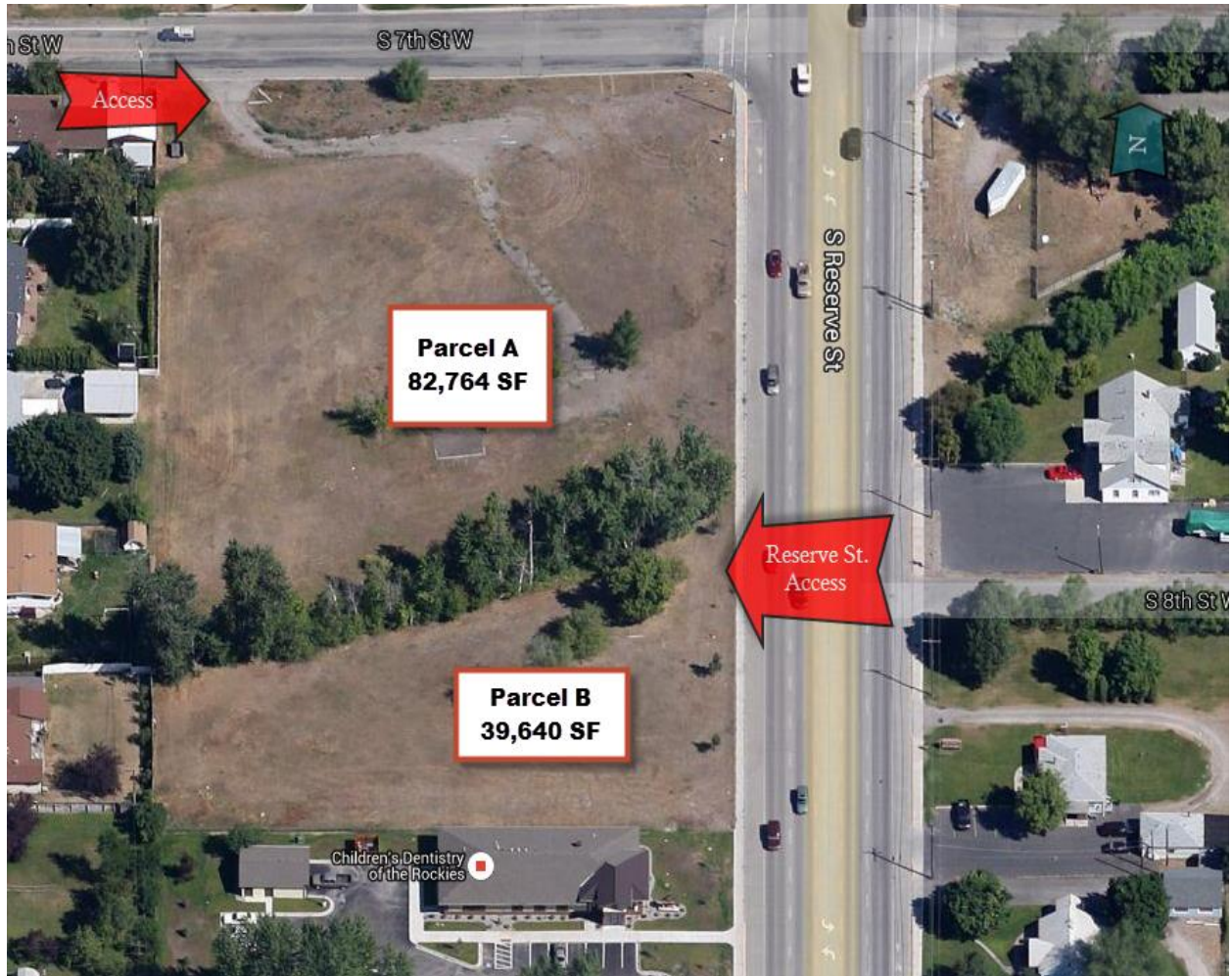
- Expansion-growth in demand, increasing development/construction
- Decline-positive but falling demand, increasing vacancy
- Recession-falling demand, increasing vacancy

- 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. County statistics in 2022 illustrate price increases in all real estate categories, with dwindling supply and strong demand.

In summary, there is an under supply of residential properties with average sale price escalating to \$520,000, and an under supply of vacant land with average sale price increasing each year. There is an undersupply of commercial land and 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 4+ years. The long-term impacts of the COVID-19 pandemic are unknown; however, the current high inflation rate and increasing interest rates may have a negative effect on the market overall.

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) | 34,121 at Reserve Street in 2021 |

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.

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

General Plan Designation

-2 is the intensity designator for allowable intensity of development
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

Corridor 4-special set back

B2-2 Minimum front set back 15' and 10' secondary street

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

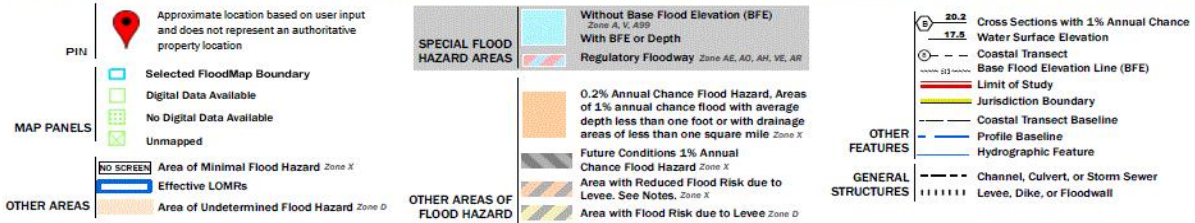
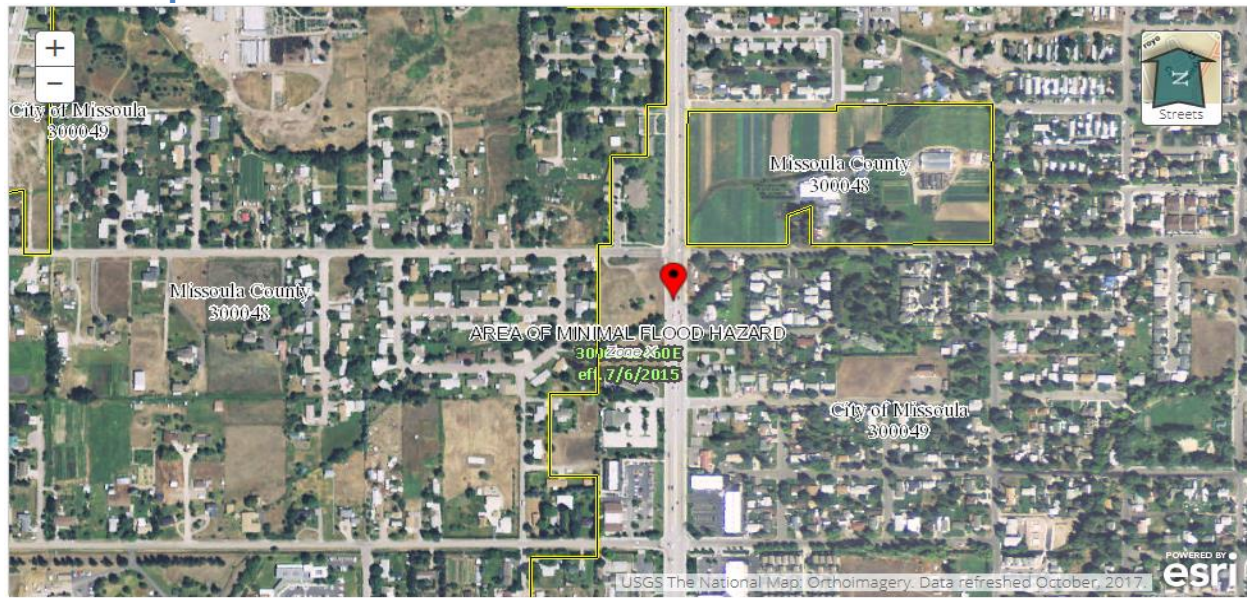
Conforms to Parking Standards

Yes

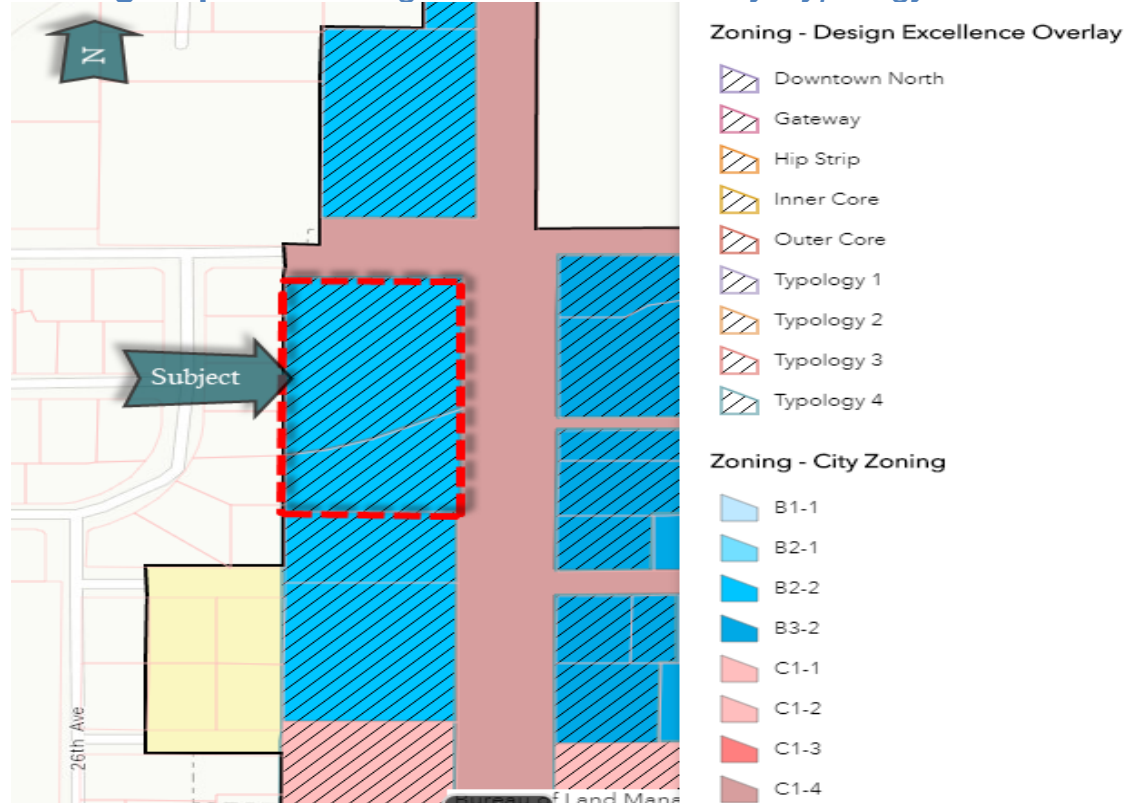
Conformity Conclusion

The subject is legally conforming.

Flood Map



Zoning Map-B2-2 Design Excellence Overlay Typology 4



Strengths, Weaknesses, Opportunities and Threats

Strengths and weaknesses are internal to the subject; opportunities and threats are external to the subject. Strengths of the subject are that the contiguous parcels can be sold or leased together or separately and is in the City of Missoula with excellent visibility at a corner location along busy Highway 93 (Reserve Street) corridor connecting the Bitterroot Valley with the Reserve Street commercial district near Interstate 90. Nearby development in the past 15 years include professional plazas with dental, medical, and financial offices with close proximity to Community Medical Center, and newer dental offices immediately north and south of the site may indicate that this is a good location for medical services. Access from S. Reserve Street and S. Seventh Street West with interconnection between the parcels allows them to be developed separately or together. Additionally, the parcels have recently been re-zoned B2-2 Community Business, in the Design Excellence Overlay Typology 4, which allows for a variety of commercial uses.

A weakness is that the Design Excellence Overlay Typology 4, which has additional development guidelines that may increase development costs, however, it is only required for buildings greater than 15,000 SF. Another weakness is the additional costs necessary to develop the site due to two canal crossings needed for traffic flow, as well as a larger water line for commercial service. Finally, the subject parcels are offered for lease, not for sale. Ground leases are not common in the Missoula market; therefore market participants report resistance to land leases due to the annual escalations and unknown future increases due to the reappraisal cycles. However, the subject land is tax exempt saving the Lessee from paying property tax on the land, as improvements only would be taxed according to Helen Greenberg at the Department of Revenue.

Opportunities exist due to the continued growth of Missoula with new commercial development occurring throughout the city. Threats mainly have to do with inflation, rising interest rates and high construction costs, which may have a negative effect on the market overall.

In summary, the subject site has both positive and challenging features; however, demand in the Missoula market is strong with limited supply in this area of Missoula.

Taxes and assessment data

| <i>Real Estate Taxes and Assessed Value</i> | | | | | |
|---|----------------|---------|------------------|-------------|----------|
| Assessor # | Legal Descrip. | Land/SF | Taxes/Irrigation | AV Land | AV \$/SF |
| 627606 | Parcel A | 82,764 | \$76.58 | \$1,060,202 | \$12.81 |
| 1300305 | Parcel B | 39,640 | \$34.00 | \$618,278 | \$15.60 |
| Total | | 122,404 | \$110.58 | \$1,678,480 | \$13.71 |

The subject parcels are tax exempt due to State of Montana ownership, with only irrigation fees applicable. According to Helen Greenberg at the 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 \$1,060,202 or \$12.81/SF and Parcel B is assessed at \$618,278 or \$15.60/SF. The property irrigation fees of \$110.58 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 \$0.14/SF to \$0.56/SF depending on size and location:

| <i>Real Estate Tax Comparables</i> | | | | |
|------------------------------------|---------------|---------------|---------------|---------------|
| General Data | Comp 1 | Comp 2 | Comp 3 | Comp 4 |
| | 3820 S | 1704 S | 601 W | 2400 |
| Address | Reserve St | Reserve St | Broadway St | River Rd. |
| City, MT | Missoula | Missoula | Missoula | Missoula |
| MLS or Doc# | 22017270 | 22001763 | 21904786 | 22205040 |
| Market Time | 127 | 161 | 0 | 321 |
| Land size/SF | 63,162 | 47,045 | 32,670 | 26,572 |
| Real Estate Tax | | | | |
| Assessor # | 1232005 | 1038707 | 497705 | 253407 |
| RE Taxes | \$22,273.37 | \$17,674.89 | \$18,189.75 | \$3,589.45 |
| Tax \$/SF | \$0.35 | \$0.38 | \$0.56 | \$0.14 |

If the subject were not tax exempt, estimated taxes per square would fall at the mid-point of the range, or \$0.36/SF which is reasonable due to the similar location and size of comparables.

| <i>Real Estate Tax Estimate (Once leased)</i> | | | | |
|---|-----------------------|----------------|---------------|--------------------|
| Assessor # | Legal Descrip. | Land/SF | Tax/SF | Total Tax |
| 627606 | Parcel A | 82,764 | \$0.36 | \$29,795.04 |
| 1300305 | Parcel B | <u>39,640</u> | \$0.36 | <u>\$14,270.40</u> |
| Total | | 122,404 | | \$44,065.44 |

If the subject were not tax exempt, the estimated taxes would total approximately \$44,065 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 extension 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.

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

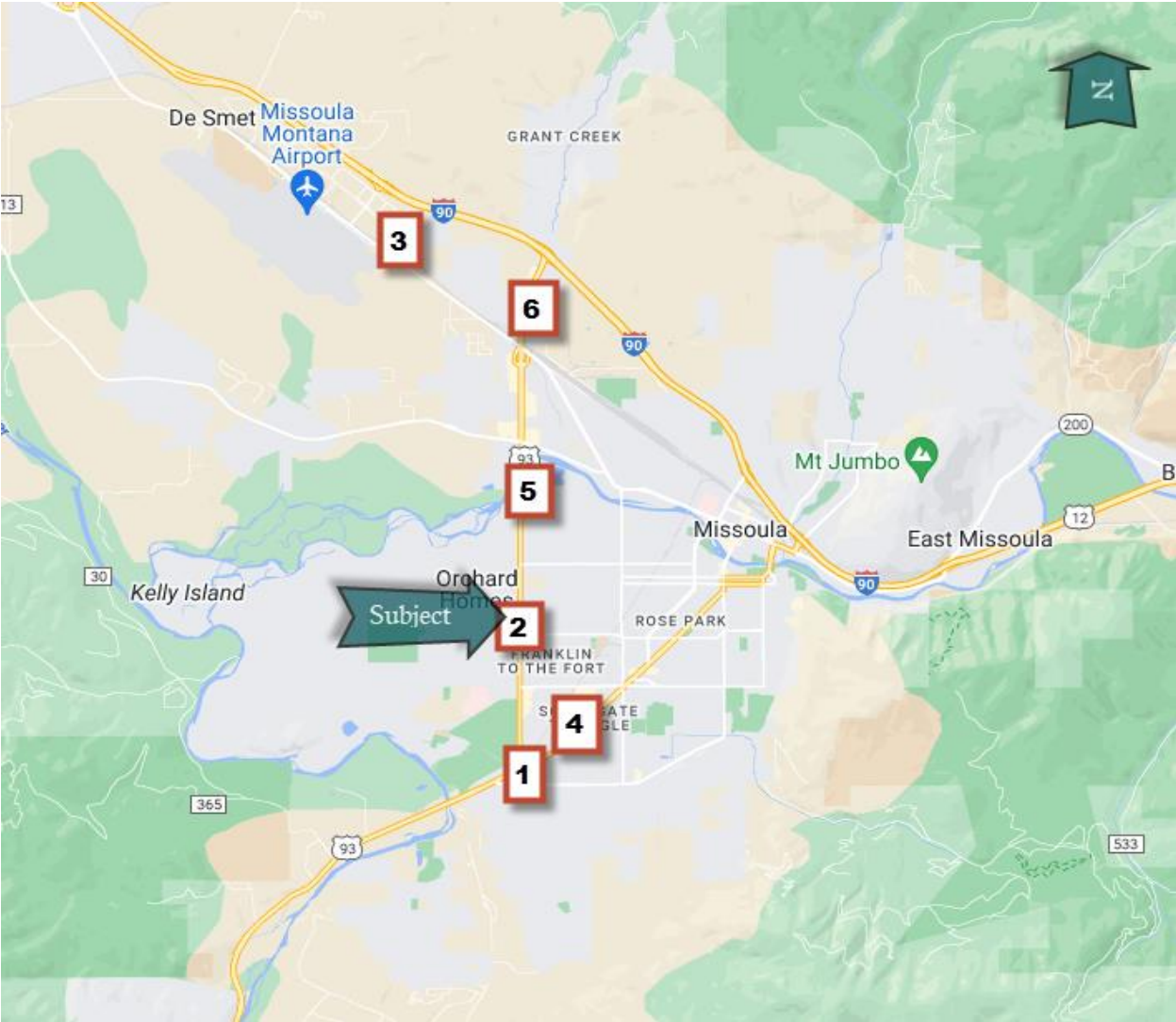
- Location
- Physical characteristics
- Economic characteristics
- Zoning/use
- Non-realty components of value

Comparable Land Sales Data

In searching for comparable land sales, all lot sales, or improved sales where the land value could be extracted, pending sales and active listings in Missoula are analyzed from the past 3 years that could accommodate similar highest and best use. The following four sales and two listings are similar in size, bracket the subject in location and potential use and are analyzed for the purpose of indicating what a well-informed buyer or seller would consider in forming an opinion of value for the parcels independently or as a whole. Comparable sales and listings bracket the size of Parcel A and Parcel B, however no comparables were available to bracket the total size of both parcels together. The most pertinent data and value indications from these sales and listings are shown on the Land Sales Synopsis Chart to follow.

| Comparable Land Sale and Listing Synopsis | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
| General Data | subject | Sale 1 | Sale 2 | Sale 3 | Sale 4 | Listing 5 | Listing 6 |
| | 905 & 911 | 3820 S | 1704 S | Lot 6 | 3172 | 2400 | Lot1a |
| Address | Reserve St | Reserve St | Reserve St | W Broadway | Brooks St | River Rd. | Stockyard Rd |
| City, MT | Missoula | Missoula | Missoula | Missoula | Missoula | Missoula | Missoula |
| Sale Date | Mar-23 | Mar-21 | Jul-20 | Mar-22 | Dec-22 | Mar-23 | Mar-23 |
| MLS or Doc# | na | 22017270 | 22001763 | 22116747 | 22202279 | 22205040 | 22215223 |
| Market Time | na | 127 | 161 | 146 | 273 | 321 | 171 |
| Land size/SF (Lot A) | 82,764 | 63,162 | 47,045 | 47,916 | 24,207 | 26,480 | 85,378 |
| (Lot B) | 39,640 | | | | | | |
| (Both lots A & B) | 122,404 | | | | | | |
| Sale Price | | \$1,400,000 | \$850,000 | \$1,341,648 | \$950,000 | \$779,900 | \$2,050,000 |
| Immediate Expenditures | | | \$30,000 | | | | |
| Adjusted Sale Price | | | \$880,000 | | | | |
| Price/SF | | \$22.17 | \$18.71 | \$28.00 | \$39.24 | \$29.45 | \$24.01 |

Comparable Land Sale and Listing Location Map



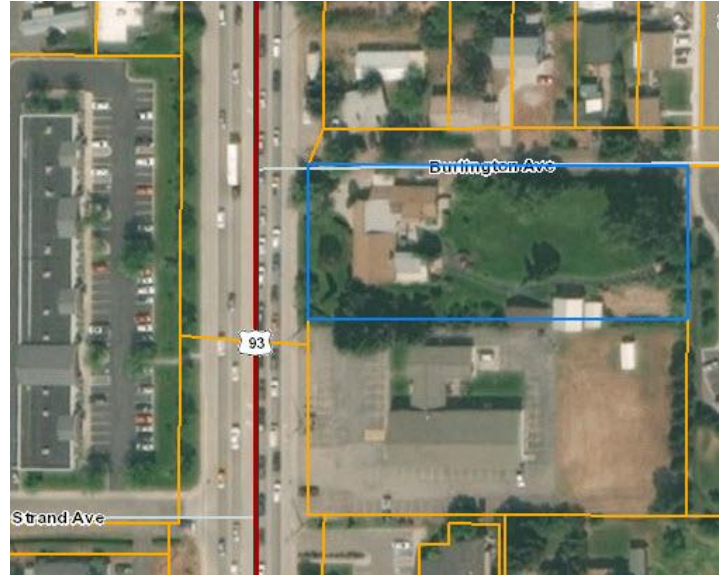
Land Sale No. 1



3820 S Reserve Street, Missoula, MT 59803

| Transaction | | | |
|---|---|--------------------------|------------------------------|
| Property ID | 1744 | Sale Date | 03-05-2021 |
| Address | 3820 S Reserve Street | Sale Price | \$1,400,000 |
| City | Missoula | Price per SF Land | \$22.17 |
| State | Montana | Sale Status | Closed |
| Seller | 3820 RESERVE LLC | Sale Conditions | Typical |
| Buyer | KALISPELL PROPERTIES LLC | Rights Conveyed | Fee Simple |
| Financing Terms | conventional | | |
| Recording Number | B1050 P1335 | Confirmed Phone | 406-240-0818 |
| Tax Parcel Number | 1232005 | Confirmed With | Gary Clark |
| Legal Description | S32,T13N,R19W,COS 6631,PARCEL 3, ACRES 1.45 | | |
| MLS# | 22017270 | | |
| Asking Price | \$1,495,000 | | |
| Sale Price/List Price Ratio | 94% | | |
| DOM | 127 | | |
| Site | | | |
| Land Acres | 1.45000 | Topography | Level |
| Land Sq Ft | 63,162 | Zoning | C1-4 Neighborhood commercial |
| Frontage | Paved public street | In Flood Plain? | No |
| Shape | Irregular | Encumbrances | unknown |
| Utilities | city w/s public p/g | Environ. Issues? | Unknown |
| Remarks | | | |
| 1.45 acres zoned C1-4, Neighborhood Commercial with intensity designator -4 which allows for a maximum building height of 125 feet. Located near Cabela's, Safeway, McKenzie River Pizza, Verizon, City Brew, Kohl's, Boot Barn, Jimmy Johns and 5 on Black. Access from Brooks, Reserve, and 39th. | | | |

Land Sale No. 2



1704 S Reserve Street, Missoula, MT 59801

| Transaction | | | |
|------------------------------------|---------------------------------------|--------------------------|---|
| Property ID | 1741 | Sale Date | 07-20-2020 |
| Address | 1704 S Reserve Street | Sale Price | \$850,000+\$30,000=\$880,000 |
| City | Missoula | Price per SF Land | \$18.71 |
| State | Montana | Sale Status | Closed |
| Seller | Newman | Sale Conditions | Typical |
| Buyer | VETERINARY PROPERTIES OF MISSOULA LLC | Rights Conveyed | Fee Simple |
| Financing Terms | Conventional | Confirmed Phone | 406-880-7253 |
| Recording Number | B1034 P955 | Confirmed With | Mark McQuirk |
| Tax Parcel Number | 0001038707 | Legal Description | RM COBBAN ORCHARD HOMES, S29, T13 N, R19 W, Lot 24, ACRES 1 |
| MLS# | 22001763 | Asking Price | \$950,000 |
| Sale Price/List Price Ratio | 89% | DOM | 161 |
| Site | | | |
| Land Acres | 1.08000 | Topography | Level |
| Land Sq Ft | 47,045 | Zoning | C1-2 Neighborhood commercial |
| Frontage | Paved public street | In Flood Plain? | No |
| Shape | Rectangular | Encumbrances | unknown |
| Utilities | city w/s public p/g | Environ. Issues? | unknown |

Remarks
 47,045 SF level rectangular shaped lot with S. Reserve Street frontage zoned C1-2 Neighborhood commercial, which allows for a maximum building height of 50 feet. The site was improved with an older assisted living building which was demolished subsequent to sale to make room for a new Veterinary Clinic. Estimated cost of demolition is \$30,000 which is added to the purchase price, indicating \$18.71/SF for the site value. No previous sale in 1 year.

Land Sale No. 3



Lot 6 West Broadway, Missoula, MT 59802

| Transaction | | | |
|------------------------------------|---|--------------------------|---------------|
| Property ID | 1996 | Sale Date | 03-21-2022 |
| Address | Lot 6 W Broadway Street | Sale Price | \$1,341,648 |
| City | Missoula | Price per SF Land | \$28.00 |
| State | Montana | Sale Status | Closed |
| Seller | Trailcrest Inc. | Sale Conditions | Typical |
| Buyer | OPPORTUNITY BANK OF MONTANA | Rights Conveyed | Fee Simple |
| Financing Terms | Cash to Seller | | |
| Recording Number | 202205008 | Confirmed Phone | 406-239-1848 |
| Tax Parcel Number | 135804 | Confirmed With | Julie Gardner |
| Legal Description | Lot 6 of Certificate of Survey No. 6822, a tract of land located in the SW1/4NE1/4 of Section 17, Township 13 North, Range 19 West, P.M.M., Missoula County, Montana. | | |
| MLS# | 22116747 | | |
| Asking Price | \$1,341,648 | | |
| Sale Price/List Price Ratio | 100% | | |
| DOM | 146 | | |

| Site | | | |
|-------------------|---------------------|-------------------------|-----------------------|
| Land Acres | 1.10000 | Topography | Level |
| Land Sq Ft | 47,916 | Zoning | M1-2 Heavy Industrial |
| Frontage | paved public street | In Flood Plain? | No |
| Shape | Irregular | Encumbrances | unknown |
| Utilities | p/g/w/s | Environ. Issues? | Unknown |

| Remarks |
|--|
| 1.10 acres with 327'+- West Broadway frontage and access zoned M1-2 with city water, sewer, public power and gas. No contributory value for the 1,072 Sf building on the property built in 1954. |

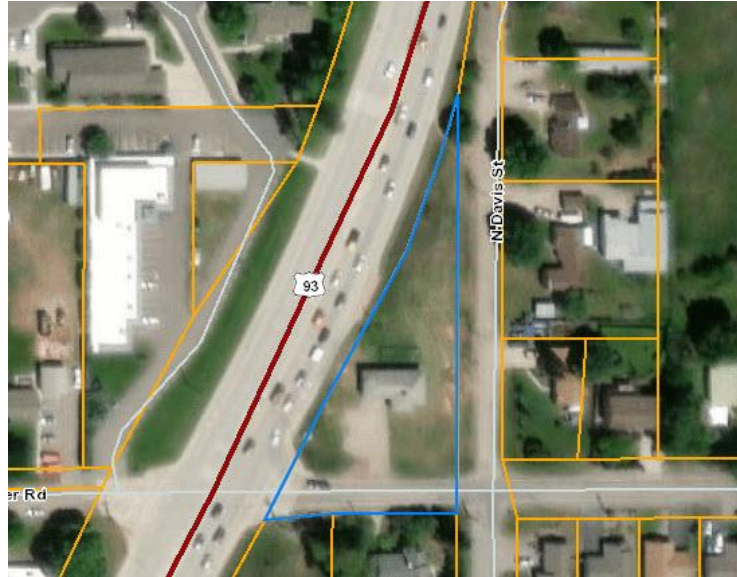
Land Sale No. 4



3172 Brooks St., Missoula, MT 59801

| Transaction | | | |
|--|---|--------------------------|-----------------|
| Property ID | 2182 | Sale Date | 12-02-2022 |
| Address | 3172 Brooks Street | Sale Price | \$950,000 |
| City | Missoula | Price per SF Land | \$39.24 |
| State | Montana | Sale Status | Closed |
| Seller | 3172 BROOKS STREET LP | Sale Conditions | Typical |
| Buyer | LITHIA REAL ESTATE INC | Rights Conveyed | Fee Simple |
| Financing Terms | Conventional | | |
| Recording Number | 202220277 | Confirmed Phone | 406-546-9296 |
| Tax Parcel Number | 000808700 | Confirmed With | Macall McCollum |
| Legal Description | SMITHS ADDITION # 3, S32, T13 N, R19 W, BLOCK 15, FRAC OF LOTS 15 & 16 & ALL OF 17 & 18 | | |
| MLS# | 22202279 | | |
| Asking Price | \$1,000,000 | | |
| Sale Price/List Price Ratio | 95% | | |
| DOM | 273 | | |
| Site | | | |
| Land Acres | 0.55572 | Topography | Level |
| Land Sq Ft | 24,207 | Zoning | C1-4 |
| Frontage | Paved public street | In Flood Plain? | No |
| Shape | Irregular | Encumbrances | unknown |
| Utilities | p/s | Environ. Issues? | Unknown |
| Remarks | | | |
| 0.55 acre paved corner lot with Brooks Street and Ernest Avenue frontage. Previously occupied as a used car lot. | | | |

Land Listing No. 5



2400 River Road, Missoula, MT 59801

| Transaction | | | |
|---|---|--------------------------|--------------|
| Property ID | 2180 | Sale Date | Listing |
| Address | 2400 River Road | List Price | \$779,900 |
| City | Missoula | Price per SF Land | \$29.45 |
| State | Montana | Sale Status | Listing |
| Seller | BENDUSTPROPERTIES LLC | Sale Conditions | listing |
| Buyer | listing | Rights Conveyed | Fee Simple |
| Financing Terms | na | | |
| Recording Number | listing | Confirmed Phone | 406-531-0015 |
| Tax Parcel Number | 253407 | Confirmed With | Melissa Huus |
| Legal Description | Cobban & Dinsmore's Orchard Homes #1, S20, T13N, R19W, E 263.2' of Lot 32 | | |
| MLS# | 22205040 | | |
| Asking Price | \$779,900 | | |
| Sale Price/List Price Ratio | na | | |
| DOM | 323 | | |
| Site | | | |
| Land Acres | 0.60790 | Topography | Level |
| Land Sq Ft | 26,480 | Zoning | B3-2 |
| Frontage | Paved public street | In Flood Plain? | No |
| Shape | Triangular | Encumbrances | unknown |
| Utilities | power, sewer, (no well log for well) | Environ. Issues? | Unknown |
| Remarks | | | |
| <p>26,480 SF triangular shaped lot with Reserve Street frontage and River Road access. B3-2 zoning has no setbacks and allows for many different uses including multi use buildings, residential multi-family and restaurant. The previous building has been leveled, land prepped and plans and engineering done for multiple drive-throughs on the property. This lot falls under the Design Excellency regulations and traffic count is over 36,000. Existing well on the property does not have a well log.</p> | | | |

Land Listing No. 6



Lot 1a Stockyard Road, Missoula, MT 59808

| Transaction | | | |
|---|--|--------------------------|------------------|
| Property ID | 2181 | Sale Date | Listing |
| Address | Lot 1a Stockyard Road, | Listing Price | \$2,050,000 |
| City | Missoula | Price per SF Land | \$24.01 |
| State | Montana | Sale Status | Listing |
| Seller | MISSOULA DEVELOPMENTAL SERVICES CORP | Sale Conditions | listing |
| Buyer | lisitng | Rights Conveyed | Fee Simple |
| Financing Terms | na | Confirmed Phone | 406-880-8818 |
| Recording Number | na | Confirmed With | Kathleen Walters |
| Tax Parcel Number | 003024702 | | |
| Legal Description | Raser Commercial Tracts # 1, S08, T13N, R19W, Lot 1A, Acres 1.96 | | |
| MLS# | 22215223 | | |
| Asking Price | \$2,050,000 | | |
| Sale Price/List Price Ratio | na | | |
| DOM | 173 | | |
| Site | | | |
| Land Acres | 1.96000 | Topography | Level |
| Land Sq Ft | 85,378 | Zoning | MI-2 |
| Frontage | Paved public street | In Flood Plain? | No |
| Shape | Irregular | Encumbrances | unknown |
| Utilities | p/w/s | Environ. Issues? | Unknown |
| Remarks | | | |
| 1.96 acre Commercial site off North Reserve zoned Light Industrial M1-2 with airport influence overlay and CC&R's with restaurant use not to exceed 5,000 SF. This vacant parcel is level and fronts Stockyard Rd. City water to the property boundary, city sewer at neighboring property. | | | |

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 the comparable arm's length sales have occurred in the past 32 months, are located in Missoula, are similar in size and bracket the subject parcels in location and potential use. The comparable sales require adjustments to reflect these characteristics.

Improvements

Sale No. 2 has older improvements which were removed subsequent to sale to make room for development. Expenditures immediately after purchase were approximately \$30,000 for demolition, which is added to the purchase price, indicating a total site value.

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 32 months, with a 7% annual upward adjustment indicated for changing market conditions, after pairing oldest 2020 Sale No. 2 at \$18.71/SF with most recent 2022 Sale No. 4 at \$39.24/SF less a -45% adjustment for superior location and smaller size, resulting in an adjusted price of \$21.96/SF indicating 17.37% change in 29 months; 0.599% per month appreciation or 7% annual increase rounded. The average list to sale price ratio of all commercial land sales in the past year is 94%, therefore a -6% list to sale price adjustment is applied to the active listings for list to sale price ratio.

Location

The next adjustment is for location, where three of the comparable sales have superior locations. Sale No. 1 has superior C1-4, commercial zoning which allows for higher density with a maximum building height of 125 feet indicating a downward adjustment of -15%. Sale No. 3 has a superior location on West Broadway Street resulting in a -25% downward adjustment based on paired comparables. Sale No. 4 has superior C1-4, commercial zoning and superior overall location requiring a downward -25% adjustment

based on paired sales. Remaining Sale No. 2 and Listing No. 5 and No. 6 do not indicate an adjustment for location.

Size/Price relationship

The final adjustment evaluates the size/price relationship. This relationship reflects that larger tracts of land tend to sell for less while smaller tracts will sell for more per unit of comparison. In this analysis, the unit of comparison is value, or dollars per square foot. After analyzing the comparables, which bracket the size of Parcel A and B, and do not bracket the size of both parcels together, a size adjustment of -20% is indicated for smallest Sale No. 4 at 24,207 SF and smallest Listing No. 5 at 26,480 SF based on paired comparables.

Following is the comparable sale 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 Listing Adjustment Grid | | | | | | | |
|---|--------------------|-------------------|----------------|----------------|----------------|------------------|------------------|
| General Data | subject | Sale 1 | Sale 2 | Sale 3 | Sale 4 | Listing 5 | Listing 6 |
| | 905 & 911 | 3820 S | 1704 S | Lot 6 | 3172 | 2400 | Lot1a |
| Address | Reserve St | Reserve St | Reserve St | W Broadway | Brooks St | River Rd. | Stockyard Rd |
| City, MT | Missoula | Missoula | Missoula | Missoula | Missoula | Missoula | Missoula |
| Sale Date | Mar-23 | Mar-21 | Jul-20 | Mar-22 | Dec-22 | Mar-23 | Mar-23 |
| MLS or Doc# | na | 22017270 | 22001763 | 22116747 | 22202279 | 22205040 | 22215223 |
| Market Time | na | 127 | 161 | 146 | 273 | 321 | 171 |
| Land size/SF (Lot A) | 82,764 | 63,162 | 47,045 | 47,916 | 24,207 | 26,480 | 85,378 |
| (Lot B) | 39,640 | | | | | | |
| (Both lots A & B) | 122,404 | | | | | | |
| Sale Price | | \$1,400,000 | \$850,000 | \$1,341,648 | \$950,000 | \$779,900 | \$2,050,000 |
| Immediate Expenditures | | | \$30,000 | | | | |
| Adjusted Sale Price | | | \$880,000 | | | | |
| Price/SF | | \$22.17 | \$18.71 | \$28.00 | \$39.24 | \$29.45 | \$24.01 |
| Transaction Adjustments | | | | | | | |
| Property Rights | | fee simple | fee simple | fee simple | fee simple | fee simple | fee simple |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Financing terms | | conv | conv | cash | conv | listing | listing |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Condition of sale | | arms length | arms length | arms length | arms length | listing | listing |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Sale Date | Mar-23 | Mar-21 | Jul-20 | Mar-22 | Dec-22 | Mar-23 | Mar-23 |
| # months | 0.0058333 | 24 | 32 | 12 | 3 | 0 | 0 |
| Market Conditions adj. | 7% | 14% | 19% | 7% | 2% | -6% | -6% |
| Price/SF | | \$25.29 | \$22.24 | \$29.99 | \$39.92 | \$27.69 | \$22.57 |
| Property Adjustments | | | | | | | |
| Location Characteristics: | | | | | | | |
| Exposure | good | good | good | superior | good | good | average |
| Access | avg/gd | good | good | good | good | good | good |
| Shape/Topography | avg/gd | good | good | good | good | avg/gd | good |
| Site Utility | Commercial | similar | similar | similar | similar | similar | similar |
| Zoning | B2-2 | C1-4 | C1-2 | M1-2 | C1-4 | B3-2 | MI-2 |
| Utilities | w/s/p | w/s/p | w/s/p | p/g/w/s | p/s/w near | p/s/w near | p/g/w/s |
| AADT | 34,121 | 11,178 | 30,026 | 18,075 | 23,186 | 36,249 | 28,000 |
| Overall Adjustment | | superior | similar | superior | superior | similar | similar |
| | | -15% | 0% | -25% | -25% | 0% | 0% |
| Physical Characteristics | 82,764 | | | | | | |
| Land size/SF | 39,640 | 63,162 | 47,045 | 47,916 | 24,207 | 26,480 | 85,378 |
| | 122,404 | 0% | 0% | 0% | -20% | -20% | 0% |
| Net Adjustment % | | -15% | 0% | -25% | -45% | -20% | 0% |
| Gross Adjustment % | | 15% | 0% | 25% | 45% | 20% | 0% |
| Final Adjusted \$/SF | | \$21.50 | \$22.24 | \$22.49 | \$21.96 | \$22.15 | \$22.57 |
| Statistics | <u>Unadj \$/SF</u> | <u>Adj. \$/SF</u> | | | | | |
| Low | \$18.71 | \$21.50 | | | | | |
| High | \$39.24 | \$22.57 | | | | | |
| Median | \$26.01 | \$22.20 | | | | | |
| Average | \$26.93 | \$22.15 | | | | | |

The six comparables analyzed have unadjusted values ranging from \$18.71/SF as shown by oldest Sale No. 2, to the highest unadjusted indication of \$39.24/SF shown by most recent, smallest 24,207 SF Sale No. 4.

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 \$21.50/SF on the low end, as shown by Sale No.1 to a high of \$22.57/SF as indicted by Listing No. 6. The mathematical average of the adjusted comparables is \$22.15/SF and the median or central tendency is \$22.20/SF. Most weight is placed on all four adjusted sales, with support from the two active 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 \$22.00/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:

| <i>Market Value Indications</i> | | | |
|--|--------------------|--------------------|--------------------------|
| | 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 | \$22.00 | \$22.00 | \$22.00 |
| Total Market Value Indication | \$1,820,808 | \$872,080 | \$2,692,888 |
| Market Value (Rounded) | \$1,820,000 | \$870,000 | \$2,690,000 |

Reconciliation

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

| <i>Market Value Indications</i> | | | |
|---------------------------------|--------------------|--------------------|--------------------------|
| | 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 | \$22.00 | \$22.00 | \$22.00 |
| Total Market Value Indication | \$1,820,808 | \$872,080 | \$2,692,888 |
| Market Value (Rounded) | \$1,820,000 | \$870,000 | \$2,690,000 |

The approach as 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 four sales and two 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 weighted equally on all four sales with support from the two active 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 March 13, 2023, is 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 | \$22.00 | \$22.00 | \$22.00 |
| Total Market Value Indication | \$1,820,808 | \$872,080 | \$2,692,888 |
| Market Value (Rounded) | \$1,820,000 | \$870,000 | \$2,690,000 |

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 127 days to the highest indication of 273 days. The median days on market for all commercial land sales in Missoula last year was 151 days and the average day on market is 206 days or almost seven 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**
- **Zoning**
- **Qualifications of Jennifer L. McGinnis**
- **Privacy Policy**

| | | | |
|--|-----------------|----------------|--|
| FOR DNRC USE ONLY | | | <p>Approved</p> <p>No. <u>235089</u></p> <p>Division <u>GU(email 3/8/23)</u></p> <p>Legal <u>MP(email 3/8/23)</u></p> <p>F.S.O. <u>RM(email 3/9/23)</u></p>  |
| Amount under this Agreement: <u>\$1,800.00</u> | | | |
| <u>Source of Funds</u> | | | |
| <u>Fund Name</u> | <u>Fund No.</u> | | |
| Trust Administration Account | 02938 | | |
| <u>Subclass</u> | <u>Org. No.</u> | <u>Percent</u> | |
| 555HA | 50612DRSW-03 | 68% | |
| 555HA | 50612DRSW-01 | 32% | |

**TRUST LAND MANAGEMENT DIVISION
APPRAISAL OF POTENTIAL COMMERCIAL LEASE PROPERTIES 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 May 30, 2023, unless terminated earlier as provided in this contract. In no event is this contract binding on the State unless the State’s authorized representative has executed it in Section 34.
 - 1.2 **Contract Renewal.**
N/A
2. **COST ADJUSTMENTS – N/A**
 - 2.1 **Cost Increase by Mutual Agreement.**
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 Trust Land Management Division Supplemental Appraisal Instructions. The appraisal will be an Appraisal Report, conducted and prepared in compliance with the Uniform Standards of Professional Appraisal Practice that will describe adequately, the information analyzed, appraisal

methods and techniques employed, and reasoning that support the analyses, opinions and conclusions.

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

The appraisal must comply with the instructions in Attachment A, Scope of Work for Appraisal of Potential Lease on Lands of the State of Montana, and all provisions in the body of this contract including the following:

- 1) The appraisal report will be one document containing the property data and analysis, opinions, and conclusions of value for the properties. If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing the specific market data as a stand-alone document, which must be reviewed and accepted along with the appraisal and can be returned to the appraiser for retention in his/her files. The appraiser must submit an electronic copy as well as a printed copy of the appraisal report.
- 2) The definition of market value is that as defined in **12 C.F.R 34.42(h)**.

4. WARRANTIES

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

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the successful submission of the appraisal report to be provided, the State shall pay Contractor \$ 1,800.00. The contractor shall, at no additional expense to the State, correct unsatisfactory work before payment is made.

In No case shall the State's total cumulative payment under this contract exceed Two thousand dollars and No/100 (\$1,800.00).

5.2 Withholding of Payment N/A

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

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

5.5 Fuel Surcharge-N/A

6. PREVAILING WAGES REQUIREMENTS-N/A

7. ACCESS AND RETENTION OF RECORDS

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

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

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

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

9. HOLD HARMLESS/INDEMNIFICATION

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

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

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

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

12. REQUIRED INSURANCE

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

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

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

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

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

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

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

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

13. COMPLIANCE WITH WORKERS' COMPENSATION ACT

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

14. COMPLIANCE WITH LAWS

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

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

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

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

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

14.3 Any partial or whole assignment, transfer or subletting or subcontracting by Contractor subjects subcontractors to the same provisions of this Section and it is the responsibility of the

Contractor to ensure any agreement to assign, transfer, sublet or subcontract binds any successor to this Contract in whole or in part or binds any subcontractor to all the terms and conditions of this Contract as if a party to the Contract from inception..

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

15. DISABILITY ACCOMMODATIONS

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

16. REGISTRATION WITH THE SECRETARY OF STATE

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

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

17. INTELLECTUAL PROPERTY/OWNERSHIP

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

18. PATENT AND COPYRIGHT PROTECTION– N/A

19. CONTRACT PERFORMANCE ASSURANCE– N/A

20. CONTRACT TERMINATION

20.1 Termination for Cause with Notice to Cure Requirement. The State may terminate this contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this contract after giving Contractor written notice of the

stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 14 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

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

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

21. EVENT OF BREACH – REMEDIES

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

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

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

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

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

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

- Terminate this Contract under Section 20.2 and pursue any of its remedies under this Contract, at law, or in equity; or

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

22. **FORCE MAJEURE**

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

23. **WAIVER OF BREACH**

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

24. **CONFORMANCE WITH CONTRACT**

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

25. **LIAISONS AND SERVICE OF NOTICES**

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

Liz Mullins, Southwestern Land Office is the State's liaison.
1401 27th Avenue
Missoula, MT 59804
(406) 542-4345
lmullins@mt.gov

Jennifer L. McGinnis, is Contractor's liaison.
2101 Dearborn Avenue #13
Missoula, MT 59801
(406)546-1906
Jennifer@mreag.com

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

25.3 Identification/Substitution of Personnel. -N/A

26. MEETINGS

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

26.2 Progress Meetings. -N/A

26.3 Failure to Notify. -N/A

26.4 State's Failure or Delay. -N/A

27. Transition Assistance

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

28. CHOICE OF LAW AND VENUE

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

29. TAX EXEMPTION

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

30. AUTHORITY

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

31. SEVERABILITY CLAUSE

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

32. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

32.1 Contract. This contract consists of 11 numbered pages, Attachment A – Scope of Work and Attachment B – Supplemental Appraisal Instructions, pages 12-16. In the case of a dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

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

33. WAIVER

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

34. EXECUTION

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

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

**STATE OF MONTANA
Dept. Natural Resources & Conservation
Southwestern Land Office
1401 27th Avenue
Missoula, MT 59804**

**McGinnis Real Estate Appraisal Group, LLC
2101 Dearborn Avenue #13
Missoula, MT 59801
FEDERAL ID #: 46-3596360**

BY: SIERRA FARMER Trustlands Program Manager BY: Jennifer McGinnis MAI
Sierra Farmer, SWLO Trustlands Manager Jennifer McGinnis
Jennifer@mreag.com

DocuSigned by:
SIERRA FARMER
(Signature)

DATE: 3/10/2023

DocuSigned by:
Jennifer McGinnis
(Signature)

DATE: 3/10/2023

Attachment A

Scope of Work for Appraisal of Potential Lease on Lands of the State of Montana

CLIENT, INTENDED USERS, PURPOSE AND INTENDED USE:

The clients and intended users are the State of Montana, the Montana Board of Land Commissioners, the Department of Natural Resources and Conservation (DNRC). The purpose of the appraisal is to provide the clients with a credible opinion of current fair market value of the appraised subject properties. 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.

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.

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

PROPERTY RIGHTS APPRAISED:

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

EFFECTIVE DATE OF VALUATION AND DATE OF INSPECTION:

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

SUBJECT PROPERTY DESCRIPTION & CHARACTERISTICS:

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

neighborhood and market, those conditions shall be communicated to the clients and may change the scope of work required.

ASSIGNMENT CONDITIONS:

The appraiser must be a Montana certified general appraiser, and be competent to appraise the subject property. The appraisal is to conform to the latest edition of USPAP, and the opinion of value must be credible.

The appraiser is to physically inspect the subject property at a level that will allow the appraiser to render a credible opinion of current market value of the property, and the appraiser must have knowledge of the comparables through either personal inspection or with use of sources the appraiser deems reliable and must have at least viewed the comparables.

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

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

The appraisal will be an Appraisal Report as per USPAP, that will describe adequately, the information analyzed, appraisal methods and techniques employed, and reasoning that support the analyses, opinions and conclusions. All hypothetical conditions and extraordinary assumptions must be noted. The appraisal on the state's lands must include state-owned, trust improvements in the valuation, but exclude licensee-owned improvements in the valuation. All appraisals are to describe the market value trends, and provide a rate of change, for the subject property market.

Attachment B
Montana DNRC Trust Land Management Division
Supplemental Appraisal Instructions

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

Subject Properties (Located in Missoula County):

State land located on the SW corner of 7th Street and Reserve Street. Parcels A & B. (see parcel map) Certificate of Survey 4743 located in the NE1/4 Sec. 30, T13N, R19W, PMM, Missoula County, Montana.

Appraiser must supply a value for the entire property and separate values for Parcels A & B described on the attached survey:

Area Office Contact Information:

Liz Mullins, Land Use Planner
DNRC Southwestern Land Office
1401 27th Avenue
Missoula, MT 59804
406-542-4345
lmullins@mt.gov

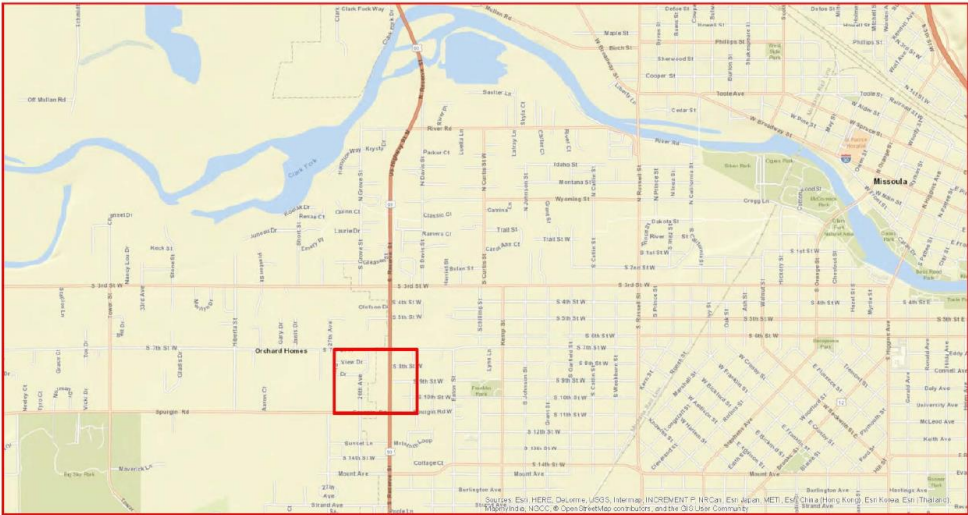
The following will be located in the body of the contract:

The appraisal report will be one document containing the parcel data and the analysis, opinions, and conclusions of value(s) for the parcel. If deemed necessary by the contractor rather than including the specific market data in the appraisal report, a separate addendum may be submitted containing the specific market data as a stand-alone document, which must be reviewed and accepted along with the appraisal, and will be returned to the appraiser for retention in his/her files. The appraiser must submit an electronic copy as well as a printed copy of the appraisal report.

The definition of market value is that as defined in **12 C.F.R 34.42(h)**

The DNRC will provide access to the state parcel record, as maintained by the land offices, including but not limited to aerial photos, land improvements, current lease data (lease #, name of lessee, acres, costs, etc.), property issues. The local land office will provide the contact information to the appraiser in order for the appraiser to obtain access to the proponent's property.

Reserve Street Parcels - Missoula, MT

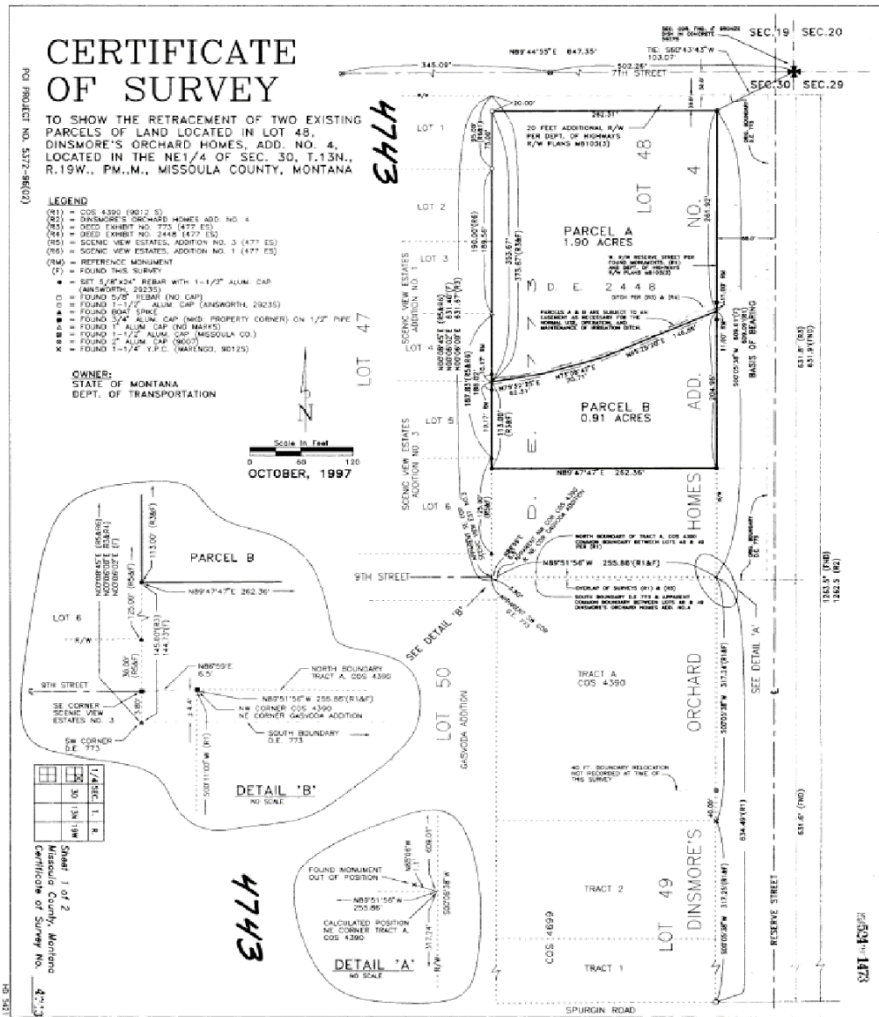


- Legend**
- Reserve Street Parcel A
 - Reserve Street Parcel B
 - Roads

Location: Missoula County, MT
Date: 2-01-2021
Prepared By: REMB Staff Member
Projection: NAD83 Montana State Plane



Inset Area from top map shown in bottom map



ZONING

20.10.010 - General

A. **Districts**

1.

List

The city's business and commercial zoning districts are listed below. When this zoning ordinance refers to "business," "B," "commercial" or "C" zoning districts, it is referring to these districts.

| Map Symbol | District Name |
|-------------------|---------------------------|
| B1 | Neighborhood Business |
| B2 | Community Business |
| B3 | Business Mixed-Use |
| C1 | Neighborhood Commercial |
| C2 | Community Commercial |
| CBD | Central Business District |

2. **Deciphering the District Names and Map Symbols**

The B and C district names and map symbols shown above provide only a general, relative indication of the types and scale of uses allowed within respective B and C districts. On the zoning map these districts include at least one other essential information component: an intensity designator, which is identified by a dash and a numeral following the initial letter-number combination, as in B2-2 (B2 dash 2). The intensity designator establishes the allowable intensity of [development](#) and applicable parcel and building standards.

B.

Purposes

Missoula's business and commercial zoning districts are primarily intended to accommodate and promote neighborhood and community-serving business and commercial uses (e.g., retail, service, office), as well as mixed-use development consisting of business uses and residential uses in the same [building](#) or on the same site. Encouraging true mixed-use development can help reduce vehicle travel demand and provide increased housing choice and transit-oriented densities.

(Ord. [3586](#), 2016; Ord. [3439](#), 2010; Ord. [3410](#), 2009)

20.10.020 - Allowed Uses

A.

Use

Table

Uses are allowed in B and C zoning districts in accordance with Table 20.10-1, below.

- B. **Use** **Classification** **System**
 For the purpose of this zoning ordinance, uses are classified into "use groups," "use categories," and "specific use types." These are described and defined in Chapter 20.105. Uses are identified in the first column of Table 20.10-1.
- C. **Permitted** **Uses**
 Uses identified with a "P" in Table 20.10-1 are permitted as-of-right in the subject zoning district, subject to compliance with any use standards identified in the final column of the table and all other applicable standards of this zoning ordinance.
- D. **Conditional** **Uses**
 Uses identified with a "C" in Table 20.10-1 may be allowed if reviewed and approved in accordance with the conditional use procedures of 20.85.070. [Conditional uses](#) are subject to compliance with any use standards identified in the final column of the table and all other applicable standards of this zoning ordinance.
- E. **Prohibited** **Uses**
 Uses identified with a "-" are expressly prohibited.
- F. **Use** **Standards**
 The "use standards" column of Table 20.10-1 identifies use-specific standards that apply to some uses. Unless otherwise expressly stated, compliance with such standards is required regardless of whether the use is permitted as-of-right or requires conditional use approval.

Table 20.10-1 Uses Allowed in Business and Commercial Districts

| Use Category ^L specific use type | B1 | B2 | B3 | C1 | C2 | CBD | Standards |
|---|----|----|----|----|----|-----|-----------|
| RESIDENTIAL | | | | | | | |
| Household Living | | | | | | | |
| ^L In Vertical Mixed-use Building | P | P | P | P | P | P | |
| ^L In Single-purpose Residential Building | P | P | P | P | P | P | |
| ^L In Mixed-use Building | P | P | P | P | P | P | |
| Group Living (except as noted below) | C | C | C | C | C | C | 20.40.070 |
| ^L Community Residential Facility (8 or fewer) | P | P | P | P | P | P | |
| ^L Community Residential Facility (9+) | P | P | P | P | P | P | 20.40.070 |
| ^L Health Care Facility | P | P | P | P | P | P | |
| PUBLIC/CIVIC | | | | | | | |

| | | | | | | | |
|-------------------------------------|---|---|---|---|---|---|-----------|
| Fraternal Organization | - | C | C | C | P | P | |
| College/University | P | P | P | P | P | P | |
| Day Care (except as noted below) | P | P | P | P | P | P | |
| ^L Day Care Center (13+) | C | P | P | P | P | P | |
| Emergency Homeless Shelter | C | C | C | C | C | C | 20.40.045 |
| Hospital | - | C | C | P | P | P | |
| Library/Cultural Exhibit | P | P | P | P | P | P | |
| Meal Center | C | C | C | C | C | C | 20.40.085 |
| Park/Recreation | P | P | P | P | P | P | |
| Preschool (except as noted below) | P | P | P | P | P | P | |
| ^L Preschool Center (13+) | C | P | P | P | P | P | |
| Religious Assembly | P | P | P | P | P | P | |
| Safety Services | P | P | P | P | P | P | |
| School | P | P | P | P | P | P | |
| Utilities and Services | | | | | | | |
| ^L Minor | P | P | P | P | P | P | |
| ^L Major | C | C | C | C | C | C | |
| COMMERCIAL | | | | | | | |
| Animal Services | | | | | | | |
| ^L Sales and Grooming | C | C | P | P | P | C | 20.40.020 |

| | | | | | | | |
|--|---|---|---|---|---|---|------------------------|
| ^L Shelter or Boarding Kennel | - | - | - | C | C | C | |
| ^L Veterinary | C | C | P | P | P | C | |
| Artist Work or Sales Space | P | P | P | P | P | P | 20.40.170 |
| Building Maintenance Service | - | C | C | P | P | C | |
| Business Equipment Sales and Service | P | P | P | P | P | P | 20.40.170 |
| Business Support Service | - | P | P | P | P | P | 20.40.170 |
| Communication Service Establishments | - | P | P | P | P | P | 20.40.170 |
| Construction Sales and Service | - | - | - | P | P | - | |
| Day Labor Employment Agency | - | - | - | C | C | C | 20.40.170 |
| Eating and Drinking Establishments | | | | | | | |
| ^L Restaurant | P | P | P | P | P | P | 20.40.170 |
| ^L Tavern or Nightclub | - | C | C | C | C | P | 20.40.040 20.40.170 |
| Enterprise Commercial Use | - | - | - | C | C | P | 20.40.050 |
| Entertainment and Spectator Sports | | | | | | | |
| ^L Small Venue | - | P | P | P | P | P | |
| ^L Medium Venue | - | - | - | P | P | P | |
| ^L Large Venue | - | - | - | P | P | P | |
| Financial Services (except as noted below) | - | P | P | P | P | P | 20.40.170 |
| ^L Check cashing/loan service | - | - | - | C | C | - | 20.40.170 |
| ^L Pawn Shop | - | - | - | - | P | P | 20.40.170 |

| | | | | | | | |
|---|---|---|---|---|---|---|------------------------|
| Food and Beverage Retail Sales | P | P | P | P | P | P | 20.40.170 |
| Funeral and Interment Services | | | | | | | |
| ^L Cemetery/Columbarium/Mausoleum | - | - | - | - | - | - | |
| ^L Cremating | - | - | - | - | - | - | |
| ^L Undertaking | - | P | P | P | P | - | |
| Gasoline and Fuel Sales (except as noted below) | - | - | - | C | C | C | 20.40.060 |
| ^L Truck Stop/Travel Plaza | - | - | - | C | C | - | 20.40.150 |
| Lodging | | | | | | | |
| ^L Bed and Breakfast | P | P | P | P | P | P | 20.40.030 20.40.170 |
| ^L Hostel | - | - | P | P | P | P | 20.40.170 |
| ^L Hotel/Motel | - | - | - | P | P | P | 20.40.170 |
| ^L Recreational Vehicle Park | - | - | - | - | - | - | |
| ^L Tourist Homes | P | P | P | P | P | P | 20.40.135 |
| Office | | | | | | | |
| ^L Administrative, Professional or General Office | P | P | P | P | P | P | 20.40.170 |
| ^L Medical Office | P | P | P | P | P | P | 20.40.170 |
| Parking, Non-Accessory | - | C | C | P | P | P | |
| Personal Improvement Service | P | P | P | P | P | P | 20.40.170 |
| Repair or Laundry Service, Consumer | P | P | P | P | P | P | 20.40.170 |
| Research Service | - | P | P | P | P | P | 20.40.170 |

| | | | | | | | |
|---|---|---|---|---|---|---|------------------------|
| Retail Sales | P | P | P | P | P | P | 20.40.170 |
| Sports and Recreation, Participant (except as noted below) | - | - | - | P | P | P | |
| ^L Casino | - | - | - | C | C | C | 20.40.040 20.40.170 |
| Vehicle Sales and Service | | | | | | | |
| ^L Car Wash/Cleaning Service | - | - | - | C | P | - | |
| ^L Heavy Equipment Sales/Rentals | - | - | - | C | C | - | |
| ^L Light Equipment Sales/Rentals | - | - | - | P | P | P | |
| ^L Motor Vehicle Repair, Limited | - | - | - | P | P | P | |
| ^L Motor Vehicle Repair, General | - | - | - | - | P | - | |
| ^L Vehicle Storage and Towing | - | - | - | - | C | - | |
| INDUSTRIAL | | | | | | | |
| Cidery | - | C | C | C | C | P | |
| Manufacturing, Production and Industrial Service | | | | | | | |
| ^L Artisan | C | C | P | P | P | P | |
| ^L Limited | - | - | C | P | P | P | |
| Microbrewery/Microdistillery Error! Hyperlink reference not valid. | - | C | P | P | P | P | |
| Recycling Service | | | | | | | |
| ^L Limited | - | - | - | - | P | - | |
| ^L General | - | - | - | - | - | - | |
| Residential Storage Warehouse | - | - | C | C | C | - | 20.40.110 |

| | | | | | | | |
|--|---|---|---|---|---|---|-----------|
| Warehousing, Wholesaling and Freight Movement | | | | | | | |
| ^L Limited | - | - | - | P | P | P | |
| ^L General | - | - | - | P | P | - | |
| Winery | - | C | C | C | C | P | |
| OTHER | | | | | | | |
| Agriculture, Crop | P | P | P | P | P | P | |
| Community Garden | P | P | P | P | P | P | |
| Transportation Terminals | - | - | - | - | - | P | |
| Wireless Communication Facility | | | | | | | |
| ^L Ground mounted support structure | P | P | P | P | P | P | 20.40.160 |
| ^L Roof-mounted and structure mounted support structures | P | P | P | P | P | P | 20.40.160 |

(Ord. [3609](#), 2018; Ord. [3586](#), 2016; Ord. [3583](#), 2016; Ord. [3559](#), 2015; Ord. [3549](#), 2015; Ord. [3519](#), 2014; Ord. [3511](#), 2013; Ord. [3471](#), 2011; Ord. [3439](#), 2010; Ord. [3410](#), 2009)

20.10.025 - Building with Residential Use

[Mixed-use buildings](#), [vertical mixed-use buildings](#) and the types of [residential buildings](#) permitted in the RM1 district (See 20.05.030) are permitted as-of-right.

(Ord. [3471](#), 2011)

20.10.030 - Parcel and Building Standards

- A. **General**
This section establishes basic parcel and building standards for all [development](#) in B and C districts. The standards that apply vary according to the intensity designator that is attached to the zoning map symbol. These intensity designators are identified by the numeral following the dash (-) in the district name, as in "B1-2" (B1 dash 2).
- B. **Basic Standards**
All residential and nonresidential [development](#) in B and C districts must comply with the parcel and building standards of Table 20.10-2, except as otherwise expressly provided. General

exceptions to parcel and building standards and rules for measuring compliance can be found in Chapter 20.110.

Table 20.10-2 [Parcel](#) and Building Standards (B and C Districts)

| Standard | -1 | -2 | -3 | -4 |
|---|-------|-------|-------|-------|
| Parcel Size | | | | |
| ¹ Minimum parcel area (sq. feet) | None | None | None | None |
| ¹ Single-Purpose Residential Building / Mixed-Use Building in B1, B2, B3, C1, C2 districts | 3,000 | 3,000 | 3,000 | 3,000 |
| ¹ Minimum parcel area per unit (sq. ft.) | | | | |
| ¹ Vertical Mixed-Use Building | None | None | None | None |
| ¹ Single-Purpose Residential Building / Mixed-Use Building in B1, B2, C1, C2 districts | 1,000 | 1,000 | 1,000 | 1,000 |
| ¹ B3[4] | 2,000 | 2,000 | 2,000 | 2,000 |
| ¹ Single-Purpose Residential Building / Mixed-Use Building in CBD | None | None | None | None |
| Minimum Front Setback [2] | | | | |
| ¹ Abutting residential district | [1] | [1] | [1] | [1] |
| ¹ Not abutting R district | None | None | None | None |
| Minimum Rear Setback | | | | |
| ¹ Abutting R district | | | | |
| ¹ % of parcel depth | 25 | 25 | 25 | 25 |
| ¹ Maximum required (feet) | 20 | 20 | 20 | 20 |
| ¹ Not abutting R district | None | None | None | None |

| Minimum Interior Side Setback | | | | |
|--|-----------|-----------|-----------|------------|
| ¹ Abutting residential district | [2] | [2] | [2] | [2] |
| ¹ Not abutting R district | None | None | None | None |
| Minimum Street Side Setback | | | | |
| ¹ Abutting residential district | [1] | [1] | [1] | [1] |
| ¹ Not abutting R district | None | None | None | None |
| Maximum Building Height (feet) | 40 [3] | 50 [3] | 65 [3] | 125 [3] |

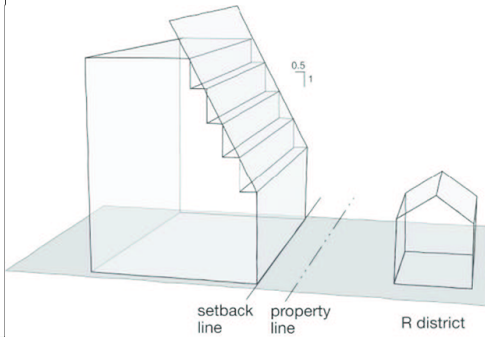
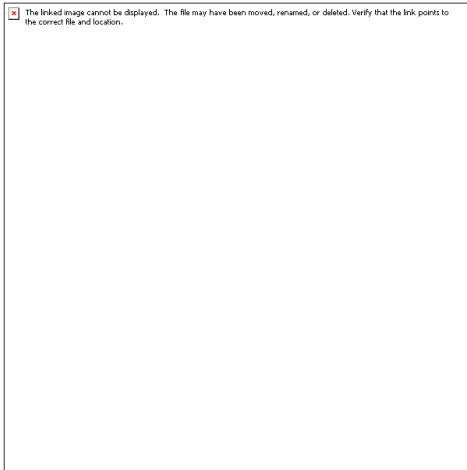
Notes to Table 20.10-2

[1] ;hg;Front and [street side setbacks](#) are required only when a B- or C-zoned [parcel](#) abuts an R-zoned [parcel](#) with [frontage](#) on the same street. In such cases, the B- or C-zoned [parcel](#) must match the actual front or [street side setback](#) of the [building](#) that exists on the abutting R-zoned [parcel](#), but no greater than the required [setback](#) for the abutting R-zoned [parcel](#), or if no [building](#) exists on the abutting R-zoned [parcel](#), the B- or C-zoned [parcel](#) must provide at least 50% of the [front setback](#) that applies to the abutting R-zoned [parcel](#).

[2] ;hg;Interior [side setbacks](#) are required only when a B- or C-zoned [parcel](#) abuts an R-zoned [parcel](#). In such cases, the B- or C-zoned [parcel](#) must provide the same interior [side setback](#) as required for the abutting R-zoned [parcel](#).

[3] ;hg;For [parcels](#) abutting R districts that have a maximum allowed building height of 35 feet or less, the maximum building height at the point of the required minimum [setback](#) line is 35 feet. Height may be increased above 35 feet by up to one foot (vertical) for each 6 inches of [building setback](#) or upper floor step-back.

[4] ;hg;Minimum district size is 40,000 square feet.



(Ord. [3586](#), 2016; Ord. [3471](#), 2011; Ord. [3483](#), 2012; Ord. [3439](#), 2010; Ord. [3410](#), 2009)

20.10.040 - Site, Design and Operational Standards

- A. **Enterprise Commercial Uses**
Enterprise commercial uses are prohibited in B zoning districts. Enterprise commercial uses in C districts are subject to the standards of Section 20.40.050.
- B. **Floodplain Setbacks for CBD District**
Within the CBD zoning district, no [building](#) may be located within 50 feet of the 100-year floodplain. This minimum floodplain setback area may contain pedestrian plazas, walkways, bikeways and other pedestrian-oriented facilities, but it may not be used for parking lots, driveways or other vehicular uses.
- C. **Indoor/Outdoor Operations**
 - 1. **B and CBD Districts**
All allowed office, business, service and commercial activities in B zoning districts and the CBD district must be conducted within [completely enclosed buildings](#) unless otherwise expressly stated. This requirement does not apply to off-street parking or loading areas, automated teller machines, outdoor dining areas or any [drive-through facilities](#) allowed in such districts. It is also not intended to prohibit the outdoor display of plants, flowers, produce or similar goods intended for retail sale when such [outdoor display areas](#) do not exceed 800 square feet in area.
 - 2. **C Districts**
Outdoor storage and display is allowed in C districts, subject to the buffer and screening standards of Chapter 20.65.

(Ord. [3471](#), 2011; Ord. [3439](#), 2010; Ord. [3410](#), 2009)¹

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20.10.050 - Other Regulations

Uses and [development](#) in B and C districts may be subject to other provisions of this zoning ordinance, including the following:

- A. See Chapter 20.45. [Accessory](#) [Uses](#) and [Structures](#)
- B. See Chapter 20.50. **Natural** **Resource** **Protection**
- C. See Chapter 20.60. **Parking** and **Access**
- D. See Chapter 20.65. [Landscaping](#)
- E. See Chapter 20.25. [Overlay](#) [Districts](#)
- F. See Chapter 20.75. [Signs](#)
- G. See Chapter 20.80. [Nonconformities](#)

(Ord. [3471](#), 2011; Ord. [3439](#), 2010; Ord. [3410](#), 2009)

1. General

The Design Excellence Overlay provides for several levels of review, as follows:

- a. Zoning Compliance Review for smaller projects in the Corridors and for projects that create or modify site improvements only.
- b. Design Excellence review by the Zoning Officer, in which design guidelines apply in addition to zoning standards.
- c. In particularly complex cases, when seeking relief through the Design Variation process, or when requested by the applicant, Design Excellence Review is conducted by the Design Review Board.

2. Review Thresholds

a. Zoning Compliance Review

Projects that fall below the Design Excellence Review thresholds in the table in paragraph B.1.d. are reviewed using the Zoning Compliance Review process and the design standards in this Section and 20.25.081 or 20.25.082, respectively.

b. Design Excellence Review

- (1) Design Excellence Review is required for all Downtown subdistricts, Corridor Typology 1 and all Corridor Nodes.
- (2) Design Excellence Review thresholds in Corridor Typologies 2, 3 and 4 are based on the gross square footage of all structures added or modified.
- (3) Design Excellence Review is required for conditional uses, height above the base zoning (which is reviewed by the Design Review Board), and design variations.

THRESHOLDS FOR DESIGN EXCELLENCE REVIEW

| DOWNTOWN | Inner Core | Outer Core | Hip Strip | Gateway | North |
|----------|----------------|------------------|-------------------|---|----------|
| | Required | Required | Required | Required | Required |
| CORRIDOR | Typology 1 | Typology 2 | Typology 3 | Typology 4 | |
| | Required | 8,000 SF or more | 15,000 SF or more | 30,000 SF or more north of river 15,000 SF or more from river to South Ave 30,000 SF or more south of South Ave | |
| OTHER | Corridor Nodes | Conditional Use* | Design Variation | Height Above Base Zoning | |
| | Required | Required | Required | Required, review by Design Review Board | |

* Enterprise commercial is not a conditional use in the Design Excellence Overlay.

McGinnis Real Estate Appraisal Group, LLC

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

- 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
- Uniform Standards of Professional Appraisal Practice Update-2022
- 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

Additional Seminars

- 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.

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JENNIFER L MCGINNIS L
PO BOX 996
PO BOX 996
POLSON, MT 59860



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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.